

Challenges and opportunities of the energy transition for the state-owned power generation utilities in Western Balkans till 2030 and beyond, focusing on:

“Elektroprivreda Bosne i Hercegovine”,

“Elektroprivreda Republike Srpske”,

“Elektroprivreda HZ HB”,

“Elektroprivreda Crne Gore” and

“Elektrani na Severna Makedonija”

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November 17th, 2025

"Just transition" is a term that initially primarily referred to the rights of workers employed in the fossil fuel industry, that is, in those sectors that are closing due to the shift from fossil to renewable energy sources.

A just transition should be understood as a perspective, not as a reason to fear of an uncertain future.

The **energy transition** is the process of changing the way of production and consumption of energy with the aim of reducing negative impact on the environment.

State-owned power generation utilities in Bosnia and Herzegovina

Public Power Utility	Elektroprivreda Bosne i Hercegovine	Elektroprivreda Republike Srpske	Elektroprivreda HZ HB
The way of electricity production	Thermal power plants (coal usage) - 72,68% Hydropower plants (water usage) - 23,75% Wind power plants (wind usage) - 1,99% Mandatory purchase from operators for renewable energy sources and efficient cogeneration is 1,58%	Thermal power plants (coal usage) - 56% Hydropower plants (water usage) - 44%	Hydropower plants (water usage) – 93,8% Wind power plants (wind usage) - 6,2%

State-owned power generation utilities in Montenegro and North Macedonia

Public Power Utility	Elektroprivreda Crne Gore	Elektrani na Severna Makedonija
The way of electricity production	Thermal power plants (coal usage) - 21,10% Hydropower plants (water usage) - 67,00% Wind power plants (wind usage) - 11,90%	Thermal power plants (coal usage) - 59,00% Hydropower plants (water usage) - 38,00% Wind power plants (wind usage) - 3,00%

No.	Challenges	Opportunities
1	Decarbonization	Country and regional development
2	High investments	Economic growth
3	Just Transition; social inclusion	Creating new jobs in renewables
4	Production from renewable energy sources (RES)	Re-skilling and up-skilling
5	Intergration of produced electricity from RES into grid	Co-operation with Government to obtain financing
6	Legal and regulatory challenges	Developing of renewable energy systems such as: solar power, wind power, hydropower plants, pumped hydroelectric storages, electrical energy storage technologies; carbon capture storages
7	CBAM/EU ETS	Access to EU and other donors funds
8	Electricity market integration (sector coupling)	ESCO companies market development
9	How to carry abundantly available renewable energy over to periods when energy is less available	selling electricity in markets where there have been no sales so far
10	Significant upgrading of transmission and distribution grid	New technologies such as: Green Hydrogen, Synthetic gas, etc.

A just transition is more profitable today due to the global increase in renewable energy technologies and decrease of its prices over the past decade. This process is not easy, nor can it be completed overnight or in a year, maybe not even in five years. However, if we start now or already started, we will have enough time for systemic planning, organization, and implementation of changes, always **focusing on – people**. Strengthening community resilience, decent jobs, a cleaner environment, eradicating poverty, and strengthening social cohesion are opportunities that can become reality through a **just transition**.