

## Just Energy Transition - Opportunities and Risks for Bulgaria



Over 40% of the electricity in Bulgaria is generated from coal. The importance of coal in the country's energy balance renders the conversation about a gradual transition away from dependence on fossil fuels almost inconceivable. Local coal has low calorific value and contains high levels of sulfur, dust and nitrogen oxides; hence coal-fired energy generation it is a major greenhouse gas emitting activity. For environmental requirements to be fulfilled, coal-fired power plants will soon be forced to limit their operations and / or shut down.

A succession of national governments in Bulgaria have preferred to postpone reforms in the energy sector and deny the diminishing importance of coal and the hardships facing coal industry. Those Bulgarian governments have done their best to maintain an illusion that there is no alternative to coal, despite the clear European and global energy transition trends that have been going on for years. For 10 years of media propaganda Bulgarian society has been fed the view that energy transition measures and climate policies are imposed by Brussels and work against Bulgarian national interests. The pursuit of a better quality of life and health protection for Bulgarian citizens, which includes land rehabilitation, clean air and environmental protection, is in our national interest and not an alien agenda, adopted “under pressure from Brussels”. This must be the top priority of any national government.

Instead, using ‘convenient’ media, Bulgarian politicians play big business ("greedy bosses") and trade unions ("mafios") against each other. Meanwhile environmental organizations are portrayed as national enemies and foreign agents, and many municipalities are left alone to deal with the serious social problems after the closure of coal mines, as well as with air pollution that repeatedly and significantly exceeds environmental standards. The fresh example from last year (2018) is the closure of Bobov dol's last coal mine: a large part of laid-off miners turned to the municipality in search for a new job. The closure of Bobov dol coal mine is yet another manifestation of the consequences of the state's decades-long practice of serving the private interests of energy oligarchs, without requiring them to comply with legislation and environmental standards.

### **Risks**

If the officials in government continue to demonstrate indecisiveness and to postpone urgent reforms in the energy sector, looking only as far as the next elections and the risk of not being re-elected, the consequences will be grave and difficult to undo.

Politicians' continued inaction and the energy oligarchs' demonstration of arrogance and impunity, have stirred up a sense of insecurity for people employed in the energy sector. In November 2018 there were protests by miners and power engineers working at Maritza Iztok mines and Maritza Iztok 2 thermal power plant (TPP), organized by the two big trade unions CITUB and Podkrepa CL. The government reacted in its familiar way - by lying to the protesters that no workers would be laid off, mines and coal-fired power stations would continue operating. Further postponement of solving the energy transformation problems will have very serious outcomes, when, instead of planned reforms, there will be rapid and painful changes that will lead to severe social consequences and discontents.

### **Coal has no future**

Just energy transition is an important part of the European climate and energy targets and policies for 2030, and an opportunity for sustainable economic development in Bulgaria. Society would only accept a truly just transition. It is time to stop the injurious opposition between institutions, businesses, trade unions, local authorities, non-governmental organizations. A successful energy transition in Bulgaria is

only possible if we understand that we need to work together and show that there are many more solutions that unite us, rather than divide us.

### **Solutions: reforms, long-term vision and consensus for change**

- The state still owes an explanation to people and businesses about what the medium- and long-term prospects in the energy sector are.
- A national strategy for reducing the use of polluting energy carriers, such as coal, needs to be elaborated.
- The fundamental contradiction that undermines confidence in environmental measures is the understanding that they are the cause for the elimination of many jobs. This claim needs to be consistently disproved, as it does not correspond to reality.
- Rapid implementation of a coal mining strategy is a mandatory early stage in the process of just energy transition, since it would ensure predictability, clarity and smoothness of the processes. The strategy should reflect the fact that the most polluting facilities will have to be shut down in the short term, starting with those facilities that have been operating continuously in breach of environmental regulations, namely the thermal power plants with "unknown" owners - energy oligarchs. At the national level these are Brickel, Maritza 3 TPP (Dimitrovgrad) and Bobov dol TPP.
- It is Za Zemiata's view that the basis for a successful transition is the extent to which its social aspect is well planned and implemented, while preserving natural resources and implementing actions for decentralization of the energy production.
- A clear understanding that reforms in the energy sector, including coal mining, are absolutely necessary; at the same time, the issue is raised primarily with respect to the related economic and social costs.
- An assessment of the opportunities for business development and re-orientation for dismissed workers.
- Just energy transition in Bulgaria is possible, however, its success depends on the proper timely preparation and participation of national, regional and local institutions, business, trade unions and the public.

Supported by:



Federal Ministry  
for the Environment, Nature Conservation  
and Nuclear Safety



European  
**Climate Initiative**  
EUKI

based on a decision of the German Bundestag

This project is part of the European Climate Initiative (EUKI) of the German Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU). The opinions put forward in this paper are the sole responsibility of the author(s) and do not necessarily reflect the views of the Federal Ministry for the Environment, Nature Conservation and Nuclear Safety (BMU).



This analysis has been produced with the financial assistance of the European Union. The content of this analysis is the sole responsibility of CEE Bankwatch Network and can under no circumstances be regarded as reflecting the position of the European Union.