



# A Brief Assessment of Montenegro's Integrated National Energy and Climate Plan

# A Brief Assessment of Montenegro's Integrated National Energy and Climate Plan

**Authors** | Darjana Macanović, Jovan Rajić

**Editor** | Srđan Kukolj

**Publisher** | Renewables and Environmental Regulatory Institute

**Design** | Marija Mraznica Design

**Photography** | Baloncici, [www.canva.com](http://www.canva.com)

**Illustrations** | Vectorslab, Good Stock, Sampada Studio, [canva.com](http://canva.com)

A Brief Assessment of Montenegro's Integrated National Energy and Climate Plan © 2024 by Renewables and Environmental Regulatory Institute is licensed under CC BY-NC-ND 4.0. To view a copy of this license, visit <http://creativecommons.org/licenses/by-nc-nd/4.0/>

The publication was prepared with the support of Heinrich-Böll-Stiftung.

**Belgrade, January 2026**

[www.reri.org.rs](http://www.reri.org.rs)

 **RERI** Renewables and Environmental  
Regulatory Institute

A. Svetozara Markovića 39, 11000 Belgrade, Serbia

E-mail [office@reri.org.rs](mailto:office@reri.org.rs)



# Table of Content

---

Executive Summary	4
1. National Energy and Climate Plans and Montenegro's INECP	5
2. Scope and Methodology of the Analysis	6
3. Formal Alignment vs. Substantive Clarity: Compliance with the Energy Community Framework	7
4. Decarbonisation at a Crossroads	8
4.1 Coal Phase-Out and the Future of the Pljevlja Thermal Power Plant – Reconstruction or Closure, or Both?	9
5. Participation, Just Transition and Gender Equality Between Principle and Practice	11
6. Conclusion: An INECP Adopted, a Transition Still Pending	12

# Executive Summary



This analysis examines Montenegro's official version of Integrated National Energy and Climate Plan (INECP) adopted at the end of last year, with a focus on its alignment with the Energy Community framework, the treatment of stakeholder input and the credibility of its decarbonisation pathway. The analysis is based on a comparison between the draft and final versions of the INECP, the outcomes of the public consultation process and the recommendations issued by the Energy Community Secretariat.

The most significant structural challenge concerns the decarbonisation pathway and the continued role of the Pljevlja Thermal Power Plant. A substantial share of projected emissions reductions relies on assumptions regarding reduced operating hours of the plant rather than on a clearly defined and time-bound coal phase-out pathway. Although the INECP envisages the preparation of a Just Transition Plan for the Pljevlja coal region, this measure does not substitute for the absence of a binding coal exit commitment within the INECP itself.

The public consultation process generated a considerable number of substantive comments

from civil society and other stakeholders, many of which were formally accepted or partially accepted by the Ministry of Energy and Mining. However, their incorporation into the final INECP was uneven. Procedural and technical issues were addressed, while core concerns, particularly those related to coal phase-out, just transition, gender equality and the lack of time-bound measures, were largely deferred to future planning documents.

Similarly, while the Energy Community Secretariat's recommendations were acknowledged during the drafting process, their substantive integration into the final INECP remains limited. Key inconsistencies identified in the draft persist in the adopted version, raising questions about the credibility and balance of the proposed decarbonisation pathway.

Overall, the final INECP represents an important step in Montenegro's energy and climate planning framework, but it stops short of providing a coherent roadmap for a just and energy transition, particularly for coal phase-out. Addressing the identified gaps during the implementation phase will be critical for aligning Montenegro's energy transition with its Energy Community obligations and long-term climate objectives.



# 1. National Energy and Climate Plans and Montenegro's INECP



National Energy and Climate Plans (NECPs) represent the primary policy instruments through which states structure, consolidate and operationalise their energy and climate objectives for the 2030 horizon, with an indicative outlook towards 2050. Rather than constituting standalone strategies, NECPs are designed to integrate sectoral policies and planning assumptions into a single governance framework, enabling a systematic assessment of policy coherence, implementation feasibility and progress over time.

For a certain period, Montenegro prepared such a document titled the Integrated National Energy and Climate Plan (INECP), intended to envisage various policy measures across all five dimensions of the Energy Union, including decarbonisation, energy efficiency, energy security, renewable energy and internal market development. Its role is not limited to restating existing policy orientations, but extends to structuring national priorities, identifying interdependencies between sectors and providing a reference framework for implementation, monitoring and future policy adjustments. The effectiveness of the INECP therefore depends on the precision of its objectives, the internal consistency of its policies and measures, and the extent to which it translates strategic goals into concrete and time-bound commitments.

As a Contracting Party to the Energy Community Treaty, Montenegro is obliged to prepare and adopt its INECP in accordance with the Energy Community governance framework and the methodological requirements derived from Regulation (EU) 2018/1999 on the Governance of the Energy Union and Climate Action. While Montenegro is not bound by EU law as a Member State, Regulation (EU) 2018/1999 serves as the main reference point for the structure, scope and reporting logic of NECPs within the Energy Community. The preparation of the INECP thus constitutes an essential element of Montenegro's gradual alignment with EU energy and climate governance, as well as the fulfillment of its

commitments under Paris Agreement.

The INECP is also intended to provide a structured link between long-term policy objectives and short-to medium-term implementation choices, including investment planning and regulatory prioritisation. The governance framework underpinning NECPs places particular emphasis on transparency and stakeholder involvement, reflecting the recognition that energy and climate policies have far-reaching economic and social implications. Effective public participation is therefore not an additional procedural requirement, but a substantive condition for the credibility and durability of the planning process. The extent to which stakeholder input is meaningfully reflected in the final INECP is thus directly relevant for assessing both the quality of the document and the robustness of its underlying governance approach.

The preparation of Montenegro's Integrated National Energy and Climate Plan unfolded through a multi-stage process involving both national authorities and the Energy Community institutions. An initial draft was first submitted to the Energy Community Secretariat for review at the end of 2024, enabling an early assessment of its consistency with the Energy Community governance framework and the methodological requirements derived from Regulation (EU) 2018/1999. The Secretariat's comments and recommendations informed subsequent revisions of the document in 2025, particularly with regard to internal consistency, the treatment of coal phase-out and the robustness of the proposed decarbonisation pathway.

At the national level, the draft INECP was subjected to a public consultation process in the summer of 2025, coordinated by the Ministry of Energy and Mining, which attracted considerable interest from civil society organisations, experts and other stakeholders, leading to extensions of the consultation period and additional parliamentary engagement. Following the completion of this process and further revisions, the final draft was transmitted to the Energy Community Secretariat in

October and formally adopted by the Government of Montenegro in December 2025. The notification of the adopted INECP to the Energy Community marked the conclusion of the planning phase and the resolution of outstanding procedural issues related to compliance with governance obligations,

while simultaneously shifting the focus towards implementation, monitoring and the timely submission of progress reports, which will be decisive for assessing the effectiveness of the INECP in practice.

## 2. Scope and Methodology of the Analysis



This report provides a short overview of Montenegro's final Integrated National Energy and Climate Plan (INECP), focusing on selected key thematic area that is particularly relevant for the country's decarbonisation pathway and a just and sustainable energy transition. The analysis aims to flag main weaknesses and inconsistencies that have direct implications for policy alignment and effective implementation.

The assessment provided in this document builds on the comparison between the draft and the final officially adopted version of the INECP, the treatment of stakeholder input during the public

consultation process, as well as alignment with the Energy Community Recommendations. The analysis in particular outlines whether commitments expressed in the INECP are translated into concrete, time-bound measures within the document itself, or instead deferred to future strategies, plans or implementing instruments.

On this basis, both the substantive content of the final INECP and the extent to which the public consultation process contributed to meaningful revisions of the document, with a view to assessing its readiness to guide Montenegro's energy transition in practice.



### 3. Formal Alignment vs. Substantive Clarity: Compliance with the Energy Community Framework



The final INECP largely follows the formal structure and reporting requirements set out in Regulation (EU) 2018/1999. It presents a comprehensive overview of national policies and measures across the five dimensions of the Energy Union, including decarbonisation, energy security and renewable energy deployment. However, formal compliance does not necessarily translate into substantive clarity. In several areas, objectives are articulated at a high level, while the linkage between targets, measures and timelines remains insufficiently specified.

A review of the final INECP indicates that the recommendations issued by the Energy Community Secretariat were only partially reflected in the adopted document. While the formal structure of the INECP was adjusted to better align with the Regulation, and certain clarifications were introduced following the Secretariat's review, the substantive issues identified in relation to coal phase-out, internal consistency of projections and the sequencing of measures remain largely unresolved.

**In particular, the Secretariat's concerns regarding the lack of a credible and clearly articulated coal exit pathway, the reliance on assumptions related to the continued operation of the Pljevlja thermal power plant, and the absence of clearly defined implementation steps were acknowledged but not translated into binding commitments within the INECP itself. Instead, these issues were deferred to future planning instruments.**

As a result, while the adoption of the INECP formally addresses Montenegro's procedural obligations under the Energy Community framework, its capacity to serve as a robust implementation tool aligned with the Secretariat's recommendations remains limited. The extent to

which these gaps will be addressed in practice will depend on subsequent policy decisions, the development of complementary strategies and the effectiveness of implementation and monitoring mechanisms.



## 4. Decarbonisation at a Crossroads



The INECP identifies decarbonisation as the most challenging dimension of Montenegro's energy transition and outlines a broad set of policies and measures aimed at reducing greenhouse gas (GHG) emissions. Within this framework, the central measures presented as part of the planned decarbonisation pathway relate to the continued operation and environmental reconstruction of the Pljevlja Thermal Power Plant (TPP Pljevlja), complemented by the envisaged preparation of a Just Transition Plan for the coal region in which the plant and lignite mining activities are located.

In addition to coal-related measures, the INECP envisages the construction of new renewable

energy power plants, the expansion of existing renewable capacities and an increase in the number of small-scale generation facilities. However, these measures are largely presented at a high level of generality and are not systematically linked to a consolidated emissions reduction trajectory.

Overall, the decarbonisation pathway set out in the INECP relies on a combination of projected reductions in coal-based electricity generation, assumptions regarding future changes in the operational regime of the TPP Pljevlja, and the anticipated deployment of renewable energy capacities.

---

**A significant share of the projected emissions reductions appears to depend on reduced operating hours of the TPP Pljevlja rather than on a clearly defined and time-bound coal phase-out pathway. The establishment of such a pathway is effectively postponed and linked to the future adoption of a Just Transition Plan for the Pljevlja coal region.**

---

While the preparation of a Just Transition Plan is both necessary and important, particularly for workers and local communities whose livelihoods would be directly affected by structural changes in the region, the absence of a clear coal phase-out date within the INECP itself represents a substantive limitation. Without a time-bound commitment anchored in the INECP, the Plan cannot fully perform its role as a strategic planning and coordination instrument, as the lack of a clear timeline undermines the alignment of policy

implementation, investment decisions and transition planning around a common and predictable reference point. This is particularly relevant considering that the Regulation (EU) 2018/1999, which requires national energy and climate plans to establish coherent and time-bound trajectories towards climate and energy objectives. Deferring a core element of defining a coal phase-out and setting a concrete deadline, to future documents weakens the INECP's capacity to demonstrate credible alignment with the EU and Energy Community governance framework.

---

The final version of the INECP presents projected reduction of GHG emissions up to 2040, which is expected to occur predominantly in the non-energy sectors and on the demand side, while the most significant reductions in the transformation sector are projected only after 2040, in connection with the *gradual phase-out* of the TPP Pljevlja. This distribution of emissions reductions indicates that the energy transformation sector, and coal-based electricity generation in particular, plays a limited role in the near- to medium-term decarbonisation pathway.

---

Consequently, the burden of emissions reductions is shifted to other sectors, while structural changes in electricity generation are delayed. This sequencing raises questions regarding the overall

balance and credibility of the decarbonisation pathway, particularly in view of Montenegro's long-term climate commitments.

## **4.1 Coal Phase-Out and the Future of the Pljevlja Thermal Power Plant – Reconstruction or Closure, or Both?**

### **Coal in the Draft INECP: Security First, Transition Later**

In the draft INECP, coal continued to play a central role in electricity generation, with the TPP Pljevlja presented as a key element of national energy security. The draft relied heavily on the planned environmental refurbishment of the plant, framing

it as a prerequisite for continued operation, without clearly distinguishing between measures aimed at compliance with air pollution standards and long-term decarbonisation objectives.

### **Civil Society Inputs on Timing, Costs and Social Impacts**

During the public consultation, RERI and other civil society organisations raised concerns regarding the absence of a clear and realistic coal phase-out timeline, the socio-economic implications of continued coal use for the Pljevlja region, as well as the lack of a comprehensive just transition framework. A special emphasis was placed on the inconsistency between references to coal phase-out in the draft and plans to keep the TPP Pljevlja operational until around 2040, as well as on the

risks associated with further investments in coal-based infrastructure.

Similar concerns were echoed by other stakeholders, including international organisations, which questioned the environmental and economic feasibility of maintaining coal-based electricity generation in the medium to long term.

## The Response from the Ministry: Suggestions Acknowledged but Solution Deferred

In its report on public consultation, the Ministry responded affirmatively and without detailed elaboration, to comments related to coal phase-out and associated social impacts. However, a review of the final, adopted version of the INECP indicates that these comments were acknowledged rather than substantively incorporated. Instead of integrating clear, realistic and time-bound coal phase-out commitments into the text of the INECP, the Ministry committed to the preparation of a Just

Transition Plan for the Pljevlja coal region and emphasised the importance of stakeholder participation, including the involvement of local communities and trade unions. These measures, however, are envisaged as part of a future planning process rather than as integral elements of the INECP itself and were not accompanied by revisions to the core assumptions regarding coal use or the operational lifespan of the TPP Pljevlja.

## What Changed, and What Didn't in the Final Version

The final INECP introduces references to the preparation of a Just Transition Plan and recognises the socio-economic challenges associated with coal phase-out. At the same time, it maintains provisions indicating that the TPP Pljevlja is expected to remain operational until around 2040, albeit with a gradual reduction in operating hours. This approach perpetuates the

inconsistencies identified during the consultation process.

The environmental refurbishment of the TPP Pljevlja is presented as a compliance measure under the Industrial Emissions Directive and the application of Best Available Techniques.

---

**The final INECP explicitly clarifies that the purpose of the reconstruction is not the reduction of greenhouse gas emissions, but the reduction of air pollutants to legally prescribed levels. While a marginal increase in energy efficiency is expected as a secondary effect, the document acknowledges that the reconstruction does not constitute a climate mitigation measure. As such, environmental compliance measures aimed at reducing local air pollution are implicitly conflated with long-term decarbonisation objectives within the INECP, despite addressing fundamentally different policy goals.**

---

In its assessment of the draft INECP that Montenegro submitted, the Energy Community Secretariat identified a number of internal inconsistencies related to the treatment of coal phase-out, in particular the lack of alignment between the then stated coal phase-out date and envisaged continued operation of the TPP Pljevlja, including its planned placement in cold reserve. The Secretariat further noted that the draft lacked a detailed description of the steps required to achieve coal phase-out, including the absence of a

clearly defined just transition framework and insufficient clarity regarding the future treatment of coal use across sectors. Although subsequent revisions to the INECP removed explicit references to a specific coal phase-out year, the final document continues to rely on assumptions regarding the long-term operation of the TPP Pljevlja without establishing a clear and time-bound coal phase-out pathway. As such, the TPP Pljevlja remains a critical test case for the credibility of Montenegro's decarbonisation ambitions.

## 5. Participation, Just Transition and Gender Equality Between Principle and Practice



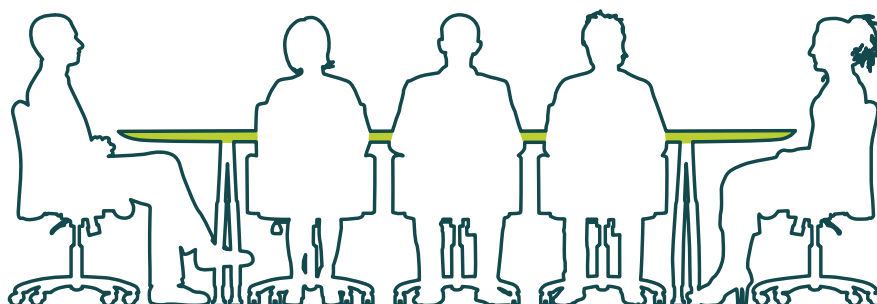
RERI submitted a comprehensive set of comments addressing both procedural and substantive shortcomings of the draft INECP, including issues related to public participation, coal phase-out, just transition, energy poverty, investment planning, gender equality, and the lack of time-bound and costed measures. According to the Ministry's report on

public consultation, a significant number of these comments were formally accepted or partially accepted, particularly those related to technical inconsistencies, the conduct of the public consultation, coal phase-out, energy poverty, research and innovation, and the need to strengthen the analytical basis of planned policies and measures.

**However, a comparison between the draft and the final version of the INECP indicates that the acceptance of comments was uneven in its substantive impact. While certain procedural and technical issues were addressed and selected sections were updated with additional information, many of the core concerns raised by RERI, most notably the absence of a clear and time-bound coal phase-out commitment, insufficient integration of just transition measures into the INECP itself, limited treatment of gender equality, and the lack of detailed implementation timelines, cost estimates and financing frameworks, were either deferred to future planning documents or addressed only in a general and non-binding manner.**

As a result, the final INECP reflects a partial incorporation of stakeholder input, with improvements primarily at the level of clarification

and supplementation, rather than through fundamental revisions of key policy assumptions.



## 6. Conclusion: An INECP Adopted, a Transition Still Pending



The final INECP provides an important strategic framework for Montenegro's energy and climate policy, yet key structural issues remain unresolved. In particular, the lack of a coherent and credible coal phase-out pathway, combined with continued reliance on the TPP Pljevlja, raises questions regarding the feasibility of the decarbonisation objectives.

While stakeholder input and Energy Community recommendations have been formally recognised, their substantive integration into the INECP remains limited. Addressing these gaps will be essential to ensure effective implementation and to align Montenegro's energy transition with the principles of sustainability and just transition.





Renewables and Environmental  
Regulatory Institute

January, 2026

RERI – Renewables and Environmental Regulatory Institute

Svetozara Markovića 39, 11 000 Belgrade

Republic of Serbia

[www.eri.org.rs](http://www.eri.org.rs)