Carbon Sequestration leadership forum

CSLF-P-2016-05 27 September 2016



POLICY GROUP

Application of Czech Republic for CSLF Membership

Background

On 26 September 2016, the Czech Republic's Minister of Industry and Trade, the Honorable Jan Mládek, sent a letter to the CSLF Secretariat that requested CSLF Membership for the Czech Republic. The CSLF Terms of Reference and Procedures states that in their letter of application, prospective CSLF Members should:

- 1) demonstrate they are a significant producer or user of fossil fuels that have the potential for carbon capture;
- 2) describe their existing national vision and/or plan regarding carbon capture and storage (CCS) technologies;
- 3) describe an existing national commitment to invest resources on research, development and demonstration activities in CCS technologies;
- 4) describe their commitment to engage the private sector in the development and deployment of CCS technologies; and
- 5) describe specific projects or activities proposed for being undertaken within the frame of the CSLF.

The Secretariat has reviewed the letter from Minister Mládek and has determined that the Czech Republic has met all of these requirements.

Action Requested

The Policy Group is requested to approve the application for CSLF Membership from the Czech Republic.



Jan Mládek Minister

> Prague, September 2, 2016 No. MPO 51059/16/71300/01000

Dear Honorable Secretary,

As Minister of Industry and Trade of the Czech Republic, I would like to apply for the Czech Republic's membership in the Carbon Sequestration Leadership Forum (CSLF). The government of the Czech Republic discussed my proposal to apply for the full membership in this important international initiative on April this year and valued broad opportunities associated with the membership in the CSLF especially in terms of strengthening the involvement in international carbon capture & storage partnerships and sharing know how and experience in addition to conduct of technology transfers to the benefit of all stakeholders. The Czech Republic also appreciates the CSLF as an excellent platform to discuss some relevant aspects of the state energy policy, state mineral policy and state climate protection strategy. Let me outline some basic facts to corroborate the eligibility of the Czech Republic for membership in this important international grouping.

Fossil fuels, especially lignite and hard coal still play the important role in the Czech energy sector and the Czech Republic is a significant producer of both of them. The lignite is mined in the Northern-Western part of the Czech Republic and our country is the 4th largest producer of lignite in Europe (following Germany, Poland and Greece) and the 9th largest producer in the world. The total Czech lignite mining production accounted for 38 MT in 2014. Besides that, our country used to be a traditional producer of coking coal in Europe, in spite of the fact that the situation in hard coal industry in Europe is difficult now. The Czech Republic is also very important user of fossil fuels. The Czech energy sector is basically built on domestic reserves of lignite in addition to nuclear energy and gradual increase of using renewable energy sources. The share of electricity produced solely from lignite and hard coal amounted to around 49% in 2015. This suggests a vast potential for using the carbon capture technology in the Czech energy sector.



The issue of climate change has been seriously discussed in the Czech Republic and included in the Policy Statement of the Government of the Czech Republic — "We shall participate in carrying out international measures aimed at curbing climate change. We shall endeavor to negotiate a follow up agreement to the Kyoto protocol with a particular focus on adaptation measures." The role of the carbon capture and storage (CCS) technology in these efforts is more detailed in the State Energy Policy of the Czech Republic approved by the Czech Government in May 2015. The Government of the Czech Republic is aware of the importance of taking measures to mitigate the climate change, and CCS are, in our opinion, essential for the transition to a low carbon economy.

Czech R&D institutions, including but not limited to the Czech Geological Survey, are involved in research, development and demonstration activities in the area of CCS technologies in international scope. This area has also been prioritized within the "areas of interest" of the State Technological Agency of the Czech Republic, namely in the Alfa and Epsilon Programs. The Czech government also encourages the involvement of the private sector in the development and deployment of CCS technologies.

Czech projects and activities associated with the CSLF activities include, among other things, the study of the team of experts headed by Prof. Ing. Mirko Vaněček, DrSc. from the Czech Association of the Economic Geology named "Geological structures that are prospective for CCS technology" and also the R&D project of the Czech Geological Survey "Preparation of the Research Pilot Project on CO2 Geological storage in the Czech Republic".

Considering the above, I am convinced that the Czech Republic is eligible enough for the membership in the Carbon Sequestration Leadership Forum and I am looking forward to getting an affirmative response from you.

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Yours sincerely

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