

CZECH AND SLOVAK FEDERAL REPUBLIC (CSFR)

1. Apparent Position

According to a recent environment report, the government plans to study issues such as greenhouse gas concerns. Within one year they plan to have a programme developed to reduce greenhouse gas emissions. This programme would include energy efficiency and fuel switching to less polluting fuels such as natural gas. They plan to implement the programme within three years.

According to its response to IEA's Questionnaire, the Government stated that "strict environmental standards and laws will be prepared but their implementation will be complicated by unfavourable economic situation . . .".

2. Factors Influencing Decisions

The entire economy is undergoing restructuring and modernising. The transition will take time and many policy areas must be dealt with simultaneously. Restructuring is expected to bring greater efficiency of energy use leading in turn to reduced environmental impacts, including emissions of greenhouse gases.

CSFR is highly dependent on both hard coal and lignite. Coal represents almost 57 per cent of TPES. Of that, three-quarters is lignite. Coal is used extensively in all sectors except transport. CSFR is also highly industrialised of which a very high percentage is energy-intensive. The iron and steel industry, alone, uses 47 per cent of total hard coal consumption. Combustion efficiencies are considered quite low in all sectors. There is a strong anti-coal feeling in the country because of the environmental damage, especially that caused by the emissions of sulphur dioxide associated with coal combustion.

Government projections show lignite production dropping 40 per cent between 1990 and 2005 and hard coal production dropping 50 per cent. In the residential sector, it is expected that lignite will be replaced by natural gas and light fuel oil.