

Czech construction legislature applies to foreign firms

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The terms of Czech construction law apply to foreign companies too - this is clear from a ruling by the Supreme Administrative Court (SAC), which dismissed the cassation complaint of companies Epoque-Lancaster and Epoque Hotel. The court thus upheld the viewpoint of the Municipal Court in Prague, which previously revoked the zoning decision for Epoque hotel at Prague's Pankrác.

Both companies claimed that revocation of the zoning decision is in conflict with EU law. They pointed out the Epoque Hotel is owned by a Luxembourg company. According to SAC, however, the Municipal Court did not err. "Terms of Czech construction law apply to all, without distinction," the judge Zdeněk Kühn stated in a press release. The Supreme Administrative agreed with the key reason for revocation of the decision, ie. noise and air pollution at the Pankrác plain (Pankrácká pláň). According to Ms Dostálová, the buildings themselves do not significantly worsen the situation, but together with the other surrounding buildings, they would bring a considerable increase in burden and cannot be automatically placed in these areas. "This interpretation avoids so-called "sausage" method of more burden on the area," Ms Dostálová stated.

Both companies were also unsuccessful when arguing that new cars produce fewer pollutants. In their complaint, they said that the construction and operation of the hotel would lead to minimal violation of pollution burden, however, the burden would decrease over time thanks to the technological progress and friendliness of new motor vehicles for the environment. According to SAC, the current situation, not a future outlook, is crucial for the zoning permission. "The current situation at Pankrác plain is decisive for the zoning process, not some vague and uncertain developments in automotive technology in the future," the judges wrote in the decision. The Prague Municipal Court annulled the decision to build a hotel at Pankrác last summer at the initiative of the civic association Ateliér pro životní prostředí (Studio for the Environment). The court then returned the case to the Building Department for a new hearing. According to the Commercial Register, the companies Epoque-Lancaster and Epoque Hotel are members of the property group ECM Real Estate Investments, which is in financial difficulties. It has been bankrupt since last year.

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