

Environmental Law Service (ELS) - protection of the environment and human rights

# 2009 ANNUAL REPORT



We are a non-profit, non-governmental and apolitical organization of lawyers. We offer free legal counselling and deal with selected cases of extensive social impact. Our objective is to contribute to more efficient enforcement of citizens' rights, observation of environmental regulations, more transparent public administration and bigger accountability of multinational corporations.

# **Editorial**

Dear friends,

Thank you very much for your interest in the Environmental Law Service, a non-profit organization of lawyers who put their expertise wherever the strong think they can act at the expense of the weaker with impunity, often derogating — by their ruthlessness and ignorance — the values that should be indisputable in a democratic and legal state.

In this brief editorial, I would like to describe the ELS's situation in the past year. Generally speaking, year 2009 was primarily aimed at searching for new grounds beneath our feet and leveraging on the hard and dedicated work of the ELS staff, which helped us overcome the financial crisis of 2008. Our donors also helped us significantly, even though donations from individuals were unfortunately not so dominant in our budget (but we hope it will change in the future). Anyway, we finally got the necessary time to take a deep breath and look to the horizon with courage, laying foundations for important changes in the following year.

It was in this year that we were able to leverage on our hitherto small-scale work in Brussels related to corporate accountability. The European Union, by the words of its Vice-president Günter Verheugen, confirmed that "it is in our interest and in the interest of ensuring a level playing field for (European) businessmen to remind everyone that human rights are universal and should be respected worldwide." Moreover, it initiated particular steps towards establishing a legislative framework that would ensure this very principle.

We positively contributed to the Czech presidency of the EU, when we organized, in cooperation with the Ministry of the Environment, an international conference on the access to justice in environmental matters in the premises of the Supreme Ad-

ministrative Court. In Ostrava, we finally stirred the standing water of hypocrisy, where everybody knows that they live in one of the dirtiest places in Europe, but nobody is willing to point a finger at the main culprits and do something about it. ELS undertook this unpleasant task in co-operation with the local civic association Vzduch. With the help of expert analyses and legal steps, we showed that it was the metallurgical enterprise ArcelorMittal which was responsible for the worst affected area of Radvanice and Bartovice and thus we provided a new incentive to the situation in Ostrava.

Last year, we scored against the highway project R52 (road Brno – Vienna), when the Supreme Administrative Court accepted our objections and annulled the land-use plan of the Břeclav region. This gave rise to a little hope that the taxpayers' funds would not be wasted on a meaningless project which had no reason but to invest billions into an unnecessary construction (or does perhaps someone want to pay 10.5 billion crowns only to take five minutes less to drive to Vienna?). We also helped consumers and promoted better access to justice. Like every year, we answered nearly 900 law-related questions free of charge and provided comprehensive legal assistance to individuals and associations with their efforts to protect the values of all of us, in connection with the protection of the environment, the rule of law and democratic state. In 2009, we demonstrated by our acts that we have the courage to win together.

#### Pavel Franc.

**Executive Director** 

Hello, Your fast response to my question really pleased me, you are probably the right people in the right place, as it should be always and everywhere. I was not happy about the answer, but it did not surprise me. At least, you clarified the issue to me. Thank you very much. I wish you much success.

Best regards, Jaroslav Vrbíček

## Prevent victories which are losses

We expect the courts to really protect our rights. In practice, you may enter a protest against a construction which will negatively impact your environment, and before the court hears it, the construction has been finished. The court will then decide you are right, but the construction will not be removed because the constructor acted in so-called "good faith".

The objective of our legislative proposals is to make an investor, who might harm irreparably the citizens' rights, to wait with the construction until the case is resolved. We also advocate for this principle of citizen protection in disputes with tax authorities or when contesting public contracts.

You can download our analysis (in Czech) with particular legislative proposals of tools for judicial protection called *Předběžné nástroje soudní ochrany jako cesta k posílení její efektivity* from our website, section Studie a dokumenty.

# **Big Ask**

In the Big Ask campaign, Hnutí Duha promotes a new law which stipulates how the Czech Republic will reduce emissions of greenhouse gases by 2 % per year – step by step, year by year. We participate in the preparations of this new law as legal experts.

Among others, the law will also induce investment in modern green solutions such as house insulation, clean energy, comfortable public transport, local food or easy recycling.

If we use these solutions, which are already being successfully applied in practice, we can reduce Czech contribution to carbon emissions, limit our dependence on imported raw materials and reduce huge bills that businesses and households pay for energy.

# We fight against irresponsible behaviour of corporations on European level

Multinational corporations are often richer than many countries and therefore they can dictate the terms of mutual relationships. Although corporations have such a power, their legal accountability for violation of human rights and environmental devastation is still very limited. Thus, in countries with non-existent standards of human rights or non-functional legal systems, they can make profit at the expense of the environment, health and rights of local residents with impunity. Reasonable solutions therefore must be promoted not only locally but also on the level of international law.

ELS is a member of the European Coalition for Corporate Justice which seeks to stipulate corporate accountability in the EU law. Lawyers of the GARDE programme prepared specific legislative proposals for the Coalition which were then presented to the representatives of the European Commission. For example, we consider it necessary that corporations should report regularly on social and environmental impacts of their activities. We demand introduction of direct liability of parent companies for violation of human rights and environmental damage not only by their subsidiaries, but also contractors and business partners who are dependent on those corporations. Those who profit from illegal activities should be responsible for their negative consequences.

The aim of our activities is to make corporations that are based in Europe or want to trade in the European markets respect human rights and the environment not only within the EU, but worldwide. This will also support fair competition in the European market because currently entrepreneurs who are trying to behave responsibly are substantially disadvantaged.

A breakthrough success was the Coalition's presentation in the "European Multi-stakeholder Forum" which took place this year in February and concerned the topic of corporate accountability. The European Commission acknowledged the need to start enforcing corporate accountability by legal means. Its Vice-president Gunter Verheugen said: "It is in our interest and in the interest of ensuring fair ground for [European] entrepreneurs to remind everyone that human rights are universal and should be respected worldwide."

On the occasion of election to the European Parliament in June, we prepared a Czech version of internet campaign where voters could invite MEP candidates by e-mail to openly commit to such EU that will put interests of people and the planet before the profits of large corporations. For more information, please visit www.electioncampaign.eu and www.corporatejustice.org.

# GE Money Auto misleads consumers when providing leasing

Strong commercial entities impact not only the environment. Their irresponsible behaviour often has a major impact on their employees and consumers. If you have had a problem understanding various contracts, bids, prices or fees, you know what we are talking about. Therefore, we also protect consumer rights. We mainly focus on resolving cases that may lead to important precedents.

In 2009, we dealt in two stages of appeal with a case connected to GE Money Auto. The first was a situation where GE Money Auto provided leasing under unclear conditions and thus misled consum-

ers; in the second case, it concerned fees for premature repayment which GE Money Auto charged wrongfully.

For example, the lease contract did not specify the amount from which the lease will be calculated, it did not include a payment schedule, nor information on the amount to be claimed as lost profit upon withdrawal from the contract. For these reasons, we decided to file an action against GE Money Auto. The district court of Prague 4 dismissed it, but we filed an appeal. Our goal was to prevent consumer deception by convincing them about the advantages of a loan and deliberately encouraging the phenomenon of life on debt.

Although we lost in the first instance, we consider it a success that we were exempt from the obligation to pay the costs to the winning party. The court justified it on the grounds that it was an action in the public interest where the counterparty is financially very strong. Thanks to this, future similar actions filed will not be so much endangered by the risk of bearing the court fees. This risk often discouraged consumers from defending their rights in the court.

We were more successful with the other stage.

According to the law on consumer credit, credit and leasing companies have to provide a reasonable discount to a consumer who repays a loan or lease prematurely. GE Money Auto, however, required an even higher amount to be paid, compared to what the customer would pay normally.

For our client, we achieved a decision by the Municipal Court of Prague according to which GE Money Auto had to return fees to its customer which they had charged for lease premature repayment. The company called it "lost profit compensation".

Since May 2010, consumers will be able to defend themselves against such behaviour even better. New, more specific regulations according to the European Directive will come into force, which will ultimately prevent credit companies to arbitrarily determine the charges.

# Hyundai is congesting traffic around Nošovice by hundreds of trucks

The Hyundai Motor Manufacturing in Nošovice has promised that it will maximally use railway instead of truck transport to mitigate the negative impact of its factory on the environment. Its plan of transport and logistics of spring 2009 anticipated only 8% share of railway transport. Most raw materials, parts and finished vehicles will thus flow every day on hundreds of trucks on roads that are already congested enough in the vicinity of the plant.

The company is one of the typical examples of corporations that in our country do not behave as a good neighbour although they claim to be one. The land for the factory buildings in Nošovice was acquired in a strange way, with a considerable assistance from the part of politicians. Citizens who refused to give up their land were in the end persuaded to sell it under threat of death. The construction of the factory did not happen without breaking the law and also now, while the factory is running, Hyundai constantly fails to meet the obligations resulting from the Declaration of Understanding. Even the employees of the car factory were not satisfied and in December went on strike against violation of their working rights.

Already in 2008, ELS pointed out the possibility of Hyundai car factory threatening the quality of water by installing insufficient separators of petroleum substances in contradiction with the issued permissions, and the fact that Hyundai did not complete the landscape arrangements of the factory grounds according to the Declaration of Understanding and interferes with the Beskydy mountains more than is necessary. Since Hyundai refused to voluntarily fulfil its obligations despite our repeated demands, we brought two lawsuits against the car company with the aim to make them fulfil their obligations properly.

# Does ČEZ build overpriced power plants?

By a hastily adopted law, ČEZ lets the state pay for necessary investments in environmental measures, amounting to tens of billions. But it plans to upgrade its dirtiest power plant, Prunéřov II, by not so effective technologies, to waste coal in it for at least a quarter of a century and emit unnecessary greenhouse gases.

ČEZ explains its intention to circumvent both European and Czech regulations in modernization of Prunéřov by claiming that the use of more efficient technologies would make the generated electricity too expensive. Again, the usual ČEZ's threat with higher prices is not proven by any economic analysis. The project cannot be economically assessed neither by the state authorities who evaluate it.

In addition, it seems that it is usual for ČEZ to build its power plants overpriced.

The technology proposed for ČEZ's Prunéřov – and Tušimice which is already under construction – is on the level of 1980's and only achieves efficiency of around 38 %. In Germany, coal-fired power plants with efficiency above 43 % have been built since the turn of the millennium, using supercritical steam parameters and therefore requiring higher quality and more durable materials.

As we have found out, the calculated cost of 1 GW of power in the new German power plants is lower by one third than in the plants with subcritical parameters and insufficient efficiency, which are being built or intended to be built by ČEZ. Or is there a parallel between the power plants and the overpriced Czech highways?

In a campaign called "Pohoda ČEZ – včerejší technologie dnes" (ČEZ – yesterday's technology as soon as today), we are trying to stop the irresponsible project of modernization of Prunéřov II coalfired power plant, which would mean inefficient use of coal as well

as unnecessarily higher emissions of greenhouse gases and other harmful substances.

At the same time, we find it important to point out certain issues which seem to indicate that ČEZ's disregard for environmental protection is probably just the tip of an iceberg.

The supplier of equipment for Prunéřov II should be the same as for Tušimice and Ledvice, i.e. Škoda Power, owned by an international financial group – the Appian Group, based in Liechtenstein. The Appian Group trades with the state but has no clear ownership structure. Škoda was bought when Martin Roman was its director.

For more information, please visit www.pohodacez.cz

# Round table with ArcelorMittal

On November 30, 2009, representatives of ArcelorMittal met with citizens of Radvanice and Bartovice for the first time to discuss measures to improve the disastrous state of the air in the area.

The meeting was attended by experts from the Technical University and representatives of the local government. The aim of the civic association "Vzduch" was to reach an agreement which would include commitment of ArcelorMittal to implement measures leading to substantial and predictable improvement of air quality in Radvanice and Bartovice.

The representatives of ArcelorMittal at first refused any agreement with citizens, pointing out that they will ensure the obligatory nature of their promises through integrated permits issued by the regional office. Then they presented, according to their own words, a complete list of measures planned by the company to improve air quality around their plant by 2012.

Specifically, this means dust removal from both towns, desulphurization of the heating plant and some already implemented steps such as closure of the steelworks hall, dedusting of ingot division, covering of vehicles transporting slag, a cleaning vehicle – Mýval – for Radvanice and Bartovice, etc. With the same production in the foundry and according to ArcelorMittal's estimates, all of these additional measures may bring about an overall reduction of dust in Radvanice and Bartovice by approximately 5-7  $\mu g/m^3$ . It is estimated to be approximately 14 % of dust by which ArcelorMittal is contributing to the area.

Given the overall level of dust, many days with short-term extremes (typically in inversion) and high load with other substances such as benzo(a)pyrene and arsenic, it is obvious that Arcelor Mittal's planned investment will not resolve the problem in Radvanice and Bartovice.

# Brno Call and PSD of South Moravian region

The South Moravian Region is currently preparing an essential document, so-called Principles of Spatial Development (PSD), which will determine its future direction in the area usage. It is actually a landuse plan of the whole South Moravian region. The draft of this document contains a number of projects which the public perceives as very controversial, particularly the speed road R43 passing through Brno, R52 through Mikulov to Vienna, transfer of the Brno railway station or almost 900 ha of new, awkwardly placed industrial zones.

Some of the projects mentioned are criticised for wasting the public funds, unsystematic preparation or unlawfulness. Other projects might threaten healthy environment of thousands of people. After the adoption of the PSD of South Moravian region, local municipalities will have to demarcate space for these projects in their spatial plans even though they would not agree with their placing in their land register.

For this reason, a group of more than twenty non-governmental organizations, several municipalities, specialists and active citizens requested regional authorities in the so-called Brno Call to initiate a public debate on the controversial constructions included in the draft of the Principles of Spatial Development of South Moravia already in this stage of preparation.

The objective of this requirement is to find a solution acceptable for both sides and to prevent future conflicts and prolonged preparations of individual projects. In many cases, timely active cooperation of the public, municipalities, affected public administrative authorities, and the regional authority can prevent subsequent lengthy cases with negative impact on both the citizens and the development of South Moravia. At the same time, it facilitates the adoption of such a land-use plan which will be more acceptable to the public and which will be much less protested against.

Some projects are criticized for wasting public funds, non-conceptual preparation or unlawfulness. Other projects are to influence the environment of thousands of people. After an approval of these Principles, the South Moravian municipalities will be obliged to provide areas for these projects in their land-use plans, whether they agree or not.

"If some of the controversial projects will eventually be implemented, the effects on the landscape, nature and health of people can be very drastic in many cases," says Mgr. Libor Jarmič, lawyer of the Environmental Law Service. "We believe that timely and effective public participation should be ensured in the preparation of these controversial projects. Therefore, we try to involve the public in this phase which is likely to be crucial," he adds. "This is indicated by our experience with the preparation of the Spatial Planning Policy."

On November 4, 2009, the Environmental Law Service handed the Brno Call over to the Director of the Regional Authority – Ing. Bc. Jiří Crha, and the Head of Spatial Planning – Ing. arch Eva Hamrlová.

# Spatial plan of Břeclav region and road connection between Brno and Vienna

Judgement of the Supreme Administrative Court: useless project of highway R52 Brno – Mikulov will disappear from the land-use

Construction of R52 is being prepared in contradiction with the law. It was confirmed by the Supreme Administrative Court's decision of November 25, when it cancelled – based on the demands of South Moravian citizens and municipalities – the land-use plan of the Břeclav region because of badly prepared project R52. "It is obvious that the Region made a fundamental mistake if the court considered it necessary to cancel the land-use plan as a whole. The court's decision means that it is not possible to continue with the preparation of R52 construction," says the claimant's attorney Pavel Černý from the Environmental Law Service.

"Although the regional authorities knew about the criticism from the Ombudsman and the Supreme Audit Office, they stubbornly continued with the preparations. This irresponsibility did not pay off. Damages caused by the defence of unlawful land-use plan are the responsibility of the regional authority, especially the councillor for Spatial Planning Anna Procházková," adds Černý.

According to the data available from expert studies, the road from Brno to Vienna via Břeclav is by 2-5 minutes longer for drivers. However, it would save billions for taxpayers. The price of the Břeclav variant (a four-lane bypass) is estimated at CZK 7.5 billion. On the other hand, the price for the Mikulov variant is estimated around CZK 10 billion, plus there needs to be added the price for the twolane bypass around Břeclav that is already count with. Moreover, the construction of R52 would also induce other necessary structures to be built in the Brno agglomeration, bringing in long-distance transit traffic from Poland to Austria, including the construction of the SW and SE tangent. This would mean additional investment of tens of billions.

# **Legal Counselling Centre**

The Legal Counselling Centre of EPS has been helping citizens defend their rights and defend the environment, free of charge, for 14 years. We answer enquiries, provide counselling, explanations and documentation assistance to broad public, eco-counselling centres and other non-profit organizations. In short, we assist to clients who seek our help in questions concerning protection of the environment. In 2009, we answered a total of 878 enquiries.

If a client decides to invest energy and time into solving a particular problem, there is a lot of work involved. However, considering a generally bad legal enforceability, the result is often very uncertain.

We think that each citizen initiative which reminds our elected representatives that they are here to defend people's interests, is worth it. It helps to cultivate the functioning of a legally consistent state and to develop civil society.

The case Běchovice can serve as a practical example. We provided free-of-charge legal counselling for a local civil association Zdravé životní prostředí Praha – Běchovice (Healthy Environment Praha - Běchovice). They sought our help at the beginning of 2009 because of an issued spatial decision on the construction of a belt highway around Prague which declared so-called noise protection zone. This zone should legalize otherwise illegal exceeding of traffic noise limits.

We advised the civil association to demand a revision of the Regional Hygienic Station standpoint, which is a base of a spatial decision, at the Ministry of Health. On account of our arguments the civil association was successful and the Ministry dismissed the standpoint of the Regional Hygienic Station as inconsistent. The Ministry for Regional Development subsequently repealed the spatial decision and returned the issue to municipal authorities for a new hearing.

With a timely and effective action, citizens managed a correction of a false procedure of the authorities and protected both themselves and their fellow-citizens against exceeding traffic noise.

Apart from the actual legal assistance to the clients, we also organize a lot of seminars and trainings for both broad public and nonprofit organizations, as well as for representatives of local and state governments. At the same time, we participate on legal instruction at universities which is organized in so-called legal clinics where we teach students issues concerning environmental law and related topics on our cases drawing on our experience and knowledge. The Advisory Centre runs a website (http://www.eps.cz/cz2050399pg/ programy/), where we update materials and create new materials on topics most demanded by our clients.

Last but not least, the Legal Counselling Centre works with volunteers - students and young lawyers who under the guidance of an experienced lawyer process legal analyses, answers to individual enquiries or judicature summaries. Our volunteers thus gain experience and increase their qualification in legal field oriented on environmental protection as a public interest and human rights. Their awareness of civil society and of public affairs increases. We help to train them specialists in these important legal fields.

Among the achievements of the Legal Counselling Centre is also a first prize award for Markéta Višinková in the national round of an international competition "Women of the Earth 2009" which is organized by Yves Rocher Foundation-Institut de France. The Foundation awards women committed to environmental awareness, education and preservation of the well-being of nature and humanity.

# People in ELS in 2009

#### Jaroslava Al-Khatib

Administration

## Jana Benešová

Administration

# Mgr. Šárka Nekudová

Organizational Manager, now on maternal leave

## Mgr. Jana Koukalová

Lawver, now on maternal leave

## Eva Kozinská

**Economist** 

# Mgr. Pavel Doucha

Lawyer

# Mgr. Martin Fadrný

Head of Right to Favourable Environment, Executive Committee Member

# Bc. Eliška Bartošová

# Mgr. Libor Jarmič

Lawyer

## Mgr. Pavel Franc

Head of Garde Programme, **Executive Committee** Member

# Mgr. Filip Gregor

Lawyer

### Mgr. Jan Šrytr Lawver

# Mgr. Jiří Nezhvba

Lawyer

# Mgr. Sandra Podskalská

Lawver

# Mgr. Jana Kravčíková

Lawyer

# Mgr. Barbara Kubátová

Lawyer, now on maternal leave

# Mgr. Karolina Klanicová

Lawyer

# Ing. Stanislav Kutáček

Financial Manager

# Mgr. Radek Motzke

Lawyer

# Mgr. Pavel Černý Lawyer

# Bc. Filip Švrček

Organizational Manager

# Mgr. Markéta Višinková

Head of Legal Counselling

# Mgr. Vendula Zahumenská

Lawyer, now on maternal leave

# Mgr. Jana Tomášková

Organizational Director

# Mgr. Josef Karlický

Lawyer

# Law students who helped us in 2009

Veronika Hofírková Radan Šafařík Katarína Kočánová Petr Bouda Jana Poljaková Hana Adamová Jan Handlíř Veronika Hejnová Zdeňka Novotná

Iva Kučerová Libor Jarmič Martin Eliášek Karolina Klanicová Vojtěch Mihalík Linda Janků Eva Pavlorková Alena Kristková Radka Singovská

Jan Musil Alena Kyseláková Lenka Polachová Alexandra Mateásková Jan Plšek Lucie Boledovičová Elena Barbiriková Michaela Dumbrovská Ondřej Ručka

Tomáš Křivský Pavlína Adamíková Magdaléna Navrátilová Jolana Tabervová Kristýna Špalková Pavla Bradáčová Andrea Beková Michaela Dědková Ondřej Gažovič

ELS thanks you for your help.

# **Publishing Activities**

# Articles in specialized legal journals

- Politika územního rozvoje a územní plánování v krajích, Vendula Záhumenská, Správní právo No. 2/2009
- Practical application of Article 9 of the Aarhus **Convention in EU countries – comparative remarks**, Pavel Černý, ELNI Review 2/2009
- Mezinárodní konference o aplikaci Aarhuské úmluvy v praxi, Pavel Černý, Časopis pro právní vědu a praxi, 3/2009

## Articles in Moderní obec

- Kopie zápisu ze schůze rady obce, Jana Kravčíková, MO 7/2009
- Hrozí za nezákonné spalování odpadu sankce?, Vendula Záhumenská, MO 7/2009
- Podmínky kácení a vysazování dřevin podél silnic, Linda Janků, MO 9/2009
- Vystoupení na zasedání zastupitelstva, Jana Kravčíková, MO 11/2009

# **Articles in Via Iuris**

- K nálezu Ústavního soudu ve věci územního plánu Břeclavska, Pavel Černý, www.viaiuris.cz/index.php?p=msg&id=255
- Lesk a bída územního plánování v Česku, Pavel Doucha, www.viaiuris.cz/index.php?p=msg&id=257
- Nový komentář k zákonu o předcházení ekologické újmě a o její nápravě je na světě, Pavla Komínková, www.viaiuris.cz/index.php?p=msg&id=259

- ČEZ se svým projektem rekonstrukce elektrárny Prunéřov narazil, Jiří Nezhyba, www.viaiuris.cz/index.php?p=msg&id=261
- V Brně proběhla mezinárodní konference o přístupu k soudní ochraně ve věcech životního prostředí, Pavel Černý, www.viaiuris.cz/index.php?p=msg&id=262
- Popíchli jsme kandidáty na europoslance, Jiří Nezhyba, www.viaiuris.cz/index.php?p=msg&id=263
- Kontrolní závěry NKÚ potvrdily nevhodnost stavby R52, Libor Jarmič, www.viaiuris.cz/index.php?p=msg&id=265
- Soudní přezkum územních plánů jako opatření obecné povahy – vybrané otázky, Karolína Klanicová, http://www. viaiuris.cz/index.php?p=msg&id=266
- EK kritizuje přípravu R52: územní plán Břeclavska byl schválen v rozporu se směrnicí, Pavel Doucha, www.viaiuris.cz/index.php?p=msg&id=270
- ČEZ by měl v elektrárně Prunéřov II použít nejlepší dostupnou technologii, Jiří Nezhyba, www.viaiuris.cz/index.php?p=msg&id=274

# **Important analyses**

- SEA and the traffic infrastructure in CR, http://aa.ecn.cz /img\_upload/98a9a0fe3779d35f22dc8d93fe87df89/sea\_ wp07\_czech\_final\_analysis\_1\_\_web.PDF
- Předběžné nástroje soudní ochrany jako cesta k posílení její efektivity, http://aa.ecn.cz/img\_upload/ 98a9a0fe3779d35f22dc8d93fe87df89/Analyza predbezne nastroje\_EPS\_1.pdf

# **Other activities**

# **ELS Report**

Since June 2008, we publish the ELS Report. It is a bi-yearly information leaflet where we inform the public of our most important cases, successes and the overall activities of the Environmental Law Service. The readers thus can learn about the issues we are dealing with and how we contribute to their resolution. Thanks to the ELS Report, we also help develop civil society. The report is a periodical registered with the Ministry of Culture.

# **Networks of non-profit organizations in** which we participate

- International E-LAW network (Environmental Law Alliance Worldwide)
- EEB federation (European Environmental Bureau)
- Association of Czech non-governmental environmental organizations Zelený kruh
- International OECD Watch network
- International Justice & Environment network (J&E)
- ECCJ (European Coalition for Corporate Justice)
- International initiative Global Action on Arcelor Mittal Network of STEP environmental counselling services
- Network of Krasec environmental centres
- South Moravian eco-counselling network
- Association Dopravní federace

# **Educational programmes we organized**

- teaching of law at the Faculty of Social Studies of MU within the "EcoIncubator" Project
- participation in teaching of law at the Faculty of Law of MU
- internship of students of law in 2009, a total of 34 students

# Conferences and seminars in which we participated

- **"Free access to information"**, a seminar organized by the Judicial Academy in Prague
- International conference on access to court protection in environmental matters, organized by the MoE, SAC, ELS and PILA in Brno,
- www.mzp.cz/cz/vysledky\_mezinarodni\_konference
- "Current problems of administrative proceedings", a seminar organized by the Judicial Academy and SAC in Kroměříž
- **Seminar for investors in wind energy**, organized by the Czech Wind Energy Association

Jan Vrána

Hello - you are wonderful, you are great! We are very thankful for your answers. We really appreciate the drafts of various documents for download - it is just excellent! Although we have no money, we will certainly support you financially - what you do is a gift from the heaven. Have a nice time, do well and we hope you will not get tired of vour activities! That would be a shame.

> Sincerely, Sdružení občanů a přátel Čachnova and Jindřiška Sáblíková







assert one's rights still exists.

# **Financial Report**

# **Auditor's Report**

#### **EXPENDITURES** in CZK 215 811 office supplies (incl. copier operation) 35 722 literature and periodicals working expenses (energy and repairs) 172 980 330 509 316 799 communication costs (incl. postage) 353 773 printing, copying, promotion 382 228 215 684 legal services and fees 254 281 expert opinions and reports 57 842 translations and interpreting schools and seminars 117 266 91 399 software 4 975 859 wages 1 373 302 taxes, social and health insurance 39 307 donations 17 886 bank charges other (exchange-rate loss, sanctions, representation) 177 654

other (exchange-rate loss, sanctions, representation)	177 054
EXPENDITURES TOTAL	9 128 302
INCOME	in CZK
own activities	600 019
grants from public budgets and EU budget	
– European Social Fund + Ministry of Labour and Social Affairs – HREOP	263 632
– European Social Fund + Ministry of Education, Youth and Sports – ECOP	85 440
- State Environmental Fund of the Czech Republic	732 443
– EEA and Norway Grants (NROS)	258 784
- Ministry of the Environment of CR	767 581
– EC – Europe Aid	577 959
grants from foundations and civic associations	
– European Climate Foundation	1 657 452
- Open Society Fund Praha	579 450
- Open Society Institute Praha	1 298 231
- Partnerství foundation	272 196
- International Visegrad Fund	101 484
– Isvara Foundation	234 991
- Trust for Civil Society in CEE	114 079
– Batory Foundation	234 549
- The Joseph Rowntree Charitable Trust	205 690
- small grants and subsidies	173 180
donations from natural and legal persons	416 933
credit interest	23 622
other (exchange-rate profit, re-invoicing, funds)	407 690
INCOME TOTAL	9 005 406
ECONOMIC RESULT – PROFIT	-122 896

#### INDEPENDENT AUDITOR'S REPORT

addressed to the member meeting of the civic association Ekologický právní servis

#### Report on the Financial Statements

We have audited the accompanying financial statements of Ekologický právní servis, civic association, i.e. balance sheet as of December 31, 2009, the Profit and Loss Account and the Notes on Financial Statements, including a summary of significant accounting policies. Information about Ekologický právní servis is presented in the Notes to the Financial Statements.

#### Statutory Body's Responsibility for the Financial Statements

The statutory body of Ekologický právní servis is responsible for the preparation and fair presentation of accounting and financial situation in these financial statements in accordance with the Czech accounting regulations. This responsibility includes designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of accounting and financial situation in these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the financial statements preparation and fair presentation of accounting and financial situation in the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion, the financial statements give a true and fair view of the financial position of Ekologický právní servis, civic association, as of December 31, 2009, and of its expenditures, income and financial performance for 2009 in accordance with Czech accounting regulations.

#### BMV Audit s.r.o

Member of the international association of independent professional companies MSI Global Alliance, Legal & Accounting Firms
Všebořická 82/2. 400 01 Ústí nad Labem

Certificate of KAČR no. 277

Ing. Miroslava Nebuželská KAČR Certificate No. 2092

Prague, dated June 7, 2010

# We thank our donors

#### **CEE Trust**

- Improving Accountability, Public Participation, Access to Justice and NGO Support in 2006
- ProBono centrum (via Public Interest Lawyers Association)
- Planning and Financing Highway Projects in the CR: A Call for Action (via Dopravní federace)

### **Nadace Partnerství**

- ELS legal programme more efficient legal protection of the environment
- Public involvement in cases resolved by ELS
- Effective public participation in land-use planning
- Enhancing professional capacities of local activists, improving quality of counselling services

#### **Open Society Fund**

- Law enforcement, strategic litigation, non-foundational fundraising
- Monitoring and control of foreign investors' projects supported by investment incentives

#### Open Society Institute

■ Bringing the Unaccountable to the Roundtable

## Ministry of the Environment

- Free legal counselling in environmental protection
   improving quality and availability
- PMS new system of public involvement in air protection
- International conference on practical aspects of the Aarhus Convention

#### Joseph Rowntree Charitable Trust

- Exploring Legal Options to Improve Corporate Accountability at EU Level
- Public Interest Lawyers for Corporate Accountability Reform

# **Brno City Municipality**

- Free legal counselling in environmental protection in Brno
- Maintenance and improvement of technical and professional background for interns – students of law

# **Batory Foundation**

(Un)sustainable Transport Policy (via Dopravní federace)

#### **State Environmental Fund**

- Systemic legal counselling and education on national level
- Network of environmental counselling in South Moravian Region
- Counselling methods, examples, certifications

### Via Vitae

- Sky over Ostrava
- Monitoring of traffic connected with the operation of Hyundai Motor Manufacturing Czech in Nošovice

#### **Isvara Foundation**

■ Legal Promotion of Corporate Accountability in CO2 Issues

### **European Climate Foundation**

 Litigation Against ČEZ Group and its Conventional Brown Coal-fired Power Plants

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- Zapojte se SMSkou! (Text your opinion!)
- Legislative centre of environmental NGOs

### Ministry of Education, Youth and Sports

Incubator of environmental business plans (via Masaryk University, FSS)

#### **Ministry of Labour and Social Affairs**

- Education and development of professional knowledge and competencies of NGO staff
- Reconciling family and work life of NGO staff

## **U.S. Department of State**

Wind Energy

We also thank to the many others who have in some way contributed to ELS in 2009.



"We fight for the rights of those about whose protection the State forgets. We are a group of lawyers who believe that in a democratic society the needs and wishes of ones cannot be at the cost of breaching the rights of others. Equality of citizens before law is a public interest we defend. People's health and favourable living conditions are a prerequisite for a healthy society for which we strive.

Many thanks to those who have supported us. We are a non-govenrmental, non-profit organization, and our activities depends on the support of the public. If you find our work useful, please consider supporting us. "

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#### The Legal Counselling in Brno is opened for public:

Mon: 13.00–18.00 Wed: 9.30–13.30 Fri: 9.00–12.00



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