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# **New Building Act – Part 1**

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Despite facing obstacles during its adoption, the new Czech Building Act (Act No. 283/2021 Coll., the Building Act, as amended (NBA)) became effective on 1 January 2024. The NBA will gradually replace existing legal regulations, primarily set forth in Act No. 183/2006 Coll., on zoning and building regulations (Building Act), as amended (OBA).

Below, you can find an overview of the most significant changes and information that you should not miss as we transition to the new regulation. Given the NBA's complexity, our overview is divided into several parts: We first look at issues of (postponed) effectiveness and the transitional periods, digitalization, the new procedure for obtaining a project permit (*povolení záměru*) and the new building category, i.e., "designated buildings" (*vyhrazené stavby*). In following articles, we will provide you with a summary of the new unified environmental statement (*jednotné environmentální stanovisko*), the new regulation of planning agreements, news related to the process of adopting or amending planning documentation, the new appellate principle to be used by appellate authorities in their decision-making process as well as other essential information.

### Effectiveness and transitional period

Although the NBA came into effect on 1 January 2024, the vast majority of its provisions are subject to a **transitional period until 30 June 2024**, during which the OBA and its implementing regulations (such as the Decree on Technical Requirements for Construction) remain in effect. Thus, from 1 January 2024, the NBA will in fact apply only to <u>designated buildings</u>, which comprise highways, railways, transmission system facilities, renewable energy production plants or other selected transport and industrial constructions.

Designated buildings and related structures come under the responsibility of a newly created specialized authority - <u>the Transport and Energy Construction Authority</u> (*Dopravní a energetický stavební úřad*).

The NBA also provides for a variety of special transitional periods. For example, a special transitional period applies to matters concerning project and construction documentation or to the application of implementing regulations. Until 30 June 2027, builders are entitled to start construction based on documents prepared under the OBA, and until 1 July 2027 the existing (current) decrees apply, unless (until) <u>new implementing regulations</u> are issued. The "special" transitional periods apply to all categories of buildings, including designated buildings.

Notwithstanding the transitional periods mentioned above, in general, all proceedings initiated under current legislation will be (with certain exceptions) completed under the current rules. Exceptions apply, for example, to zoning proceedings for projects that no longer require a project permit under the NBA.

In addition to the above, the NBA also sets forth other specific transitional periods, especially in relation to spatial planning documentation and its adoption process as well as to construction bans.

# Project permit procedure (řízení o povolení záměru)

The concept of "one authority-one stamp-one permitting" was intended to be one of the NBA's main pillars. This has been fulfilled by combining the two separate procedures (zoning and building) stipulated by the OBA into **one procedure for the project permit**, which will significantly simplify the permitting process.

That said, the law abandons this concept in relation to selected binding opinions and statements of the authorities concerned. **Builders will thus still be obliged to obtain various separate binding statements and opinions** for purposes of the permission procedure, similarly as under the OBA.

Under the NBA, building authorities have either 30 or 60 days (depending on the type of construction) to decide on a project permit. Even so, the NBA sets out no sanctions for failure to comply with this deadline; thus, the deadline for issuing a decision remains (as today) in fact unenforceable. Any delays in proceedings can therefore generally only be challenged in subsequent court administrative proceedings.

However, the NBA sets forth a fiction of consent in the case of binding opinions and other statements. This means, if the authorities concerned fail to issue a binding opinion or statement within 30 (or 60) days, it is deemed that an unconditional consent binding opinion or statement has been issued (except for EIAs and the new unified environmental statement).

# Digitalization

Digitization of the construction sector consists of the launch and implementation of new public administration information systems. These mainly include (i) a builder's portal, (ii) an electronic documentation register and (iii) a register of construction procedures.

The builders portal (*portál stavebníka*) will serve as the core platform for communication between builders and administrative authorities, as well as between relevant administrative authorities. Builders will be able to use this portal to submit individual applications, e.g., the application for a project permit.

Documentation for the project permit, project documentation as well as the results of surveying activities will be entered into the **electronic documentation register** (*evidence elektronických dokumentací*) for the purposes of the NBA.

The **register of construction procedures** (*evidence stavebních postupů*) will be used by building authorities and other relevant administrative authorities to store submissions, decisions or other documents. The register is intended to function as a repository of data and documents and should simplify the builder's monitoring of deadlines and overall orientation in the procedure, among other things.

Public accessibility to these systems will be limited. With exceptions, only persons with the right to inspect the administrative file, i.e., in particular the builder or builder's representative, or persons who can prove a legal interest or other compelling reason (e.g., a need to use information in the file to protect such person's rights in related proceedings) will have access to the systems.

It is our understanding that the intention is to <u>launch these systems gradually during the transitional period</u> so that they are fully operational by 1 July 2024.

#### Should you have any questions in respect of the new Building Act, please do not hesitate to contact us.

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