



Annual Report 2016

Czech Environmental Inspectorate

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Foreword



The Czech Environmental Inspectorate (CEI) celebrated its 25th anniversary in 2016. As in the two previous years, we have again managed to increase both the intensity and quality of inspection work, as is best illustrated by the data contained further in this Annual Report.

These achievements are all the more valuable considering that the Inspectorate made them in a time of intense transition under the jurisdiction of the new Public Service Act, which logically entailed higher administrative demands on the Inspectorate's internal agendas. The institution also successfully coped with the doubts about the legitimacy of my appointment as Director of the CEI by the Ministry of the Interior in connection with the Public Service Act. However, the recent court statement that my appointment proceeded fully in accordance with the Act and that there is no doubt about its validity.

That we had a successful year is documented by the following data. We made almost 15,900 inspections, which is 200 more than in 2015. One inspector made 40 inspections on average. The number of inspections grew the most in the Water Protection Department. There, our inspectors made 3,539 checks, 260 more than in 2015. In the Air Protection Department, the checks increased by more than 150 to 4,407. The checks in the Integrated Prevention (IPPC) area also grew, by 60 compared to 2015. Inspectors in the Forest Protection department made 1,382 checks, which was 179 more than the year before.

Last year, the CEI issued 2,887 decisions on fines, a slight year-on-year decrease by 80. That means fewer violations of laws were detected than 2015 with a greater intensity of checks. These data confirm a growing discipline trend among larger businesses, particularly in the approx. 2,200 businesses that are subject to the

Integrated Prevention Act and stringent European standards (industrial emissions, BAT, BREF). All these entities are continuously and periodically checked by inspection bodies, contributing to the numbers of identified unlawful states decreasing.

The CEI continues to put a great emphasis on the possibility of rehabilitation of damaged environment. Last year, we issued a total of 342 decisions on remedial measures, practically the same number as in the previous period.

The Inspectorate's credibility in the public's eyes is undoubtedly attested by the constantly growing numbers of suggestions that people make to the CEI. Last year, we were asked in this way to investigate 2,759 cases of different forms of environmental endangerment.

We also attach great significance to collaboration with other inspection bodies and security forces. Cooperation at the work level is becoming a rule and the numbers of cases involving multiple bodies paid by the taxpayer are increasing.

I would like to thank all the CEI employees for their professional work, which boosts the position of the Inspectorate as a respectable, impartial and professionally erudite inspection body.

Erik Geuss
CEI Director

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1 | Description of activities

1.1 General information

The Czech Environmental Inspectorate (CEI) was established in 1991 by the Czech Environmental Inspectorate Act and its powers in forest protection. The other departments joined it gradually later on in 1991-1992. It is an autonomous organisational component of the State, established by the Ministry of the Environment.

It does its work in five areas:

- air protection,
- water protection,
- waste management,
- nature protection (including CITES),
- forest protection.

At the same time, we apply an integrated approach to environmental protection based on the Integrated Prevention Act (IPPC Act), the Environmental Impact Assessment Act (EIA Act) and on the overall inspection work method.

Overview of CEI work

- It supervises adherence to legal regulations on environmental protection,
- it carries out inspections and checks,
- it orders measures to remedy identified shortcomings and penalty measures for failure to adhere to environmental laws,
- It inspects trade in and handling of endangered animal and plant species and products made of them (seizes illicitly acquired individuals and items),
- it restricts or halts operations if they are significant threat to the environment,
- it sets charges for wastewater discharge and groundwater collection,
- it is involved in resolving historic environmental burdens and environmental accidents,

- it collaborates with inspection authorities of EU states and the EU inspection authority network (IMPEL),
- it elaborates position statements for other state authorities,
- it handles suggestions from citizens and legal entities,
- it provides information based on requests under laws in force,
- it informs the public, media and state authorities about environmental data obtained through its inspection work.

1.2 Organisational structure

The CEI is divided into 10 territorial inspectorates, two branch offices and headquarters. As of 31.12.2016, it employed 539 persons, including 395 inspectors.

Territorial inspectorates:

Praha, České Budějovice, Plzeň, Ústí nad Labem, Liberec, Hradec Králové, Havlíčkův Brod, Brno, Olomouc, Ostrava; branch offices in Zlín and Karlovy Vary.

The head of the public service authority performing his duty in the Czech Environmental Inspectorate is appointed by the State Secretary.



Overview of powers by environmental component

| CEI powers | | Environmental component | | | | |
|---------------------|---|-------------------------|-------|-------|--------|--------|
| | | Air | Water | Waste | Nature | Forest |
| Supervision | Inspections, reviews, checks, investigations etc. | • | • | • | • | • |
| Penalties | Fines to legal entities | • | • | • | • | • |
| | Fines to natural persons | • | • | • | • | • |
| | Restriction or halt of operations | • | • | | • | • |
| Measures | Measures to remedy identified shortcomings | • | • | • | • | • |
| | Resolving of historic environmental burdens | | • | | | |
| | Register of accidents and cooperation on | • | • | • | | |
| | Seizing and confiscation of specimens of endangered animal or plant species | | | | • | |
| | Seizing of illicitly held individuals, seizing of products | • | | | • | |
| Charges | Charges (wastewater discharge, groundwater collection) | | • | | | |
| Position statements | Position statements, statements, approvals for other authorities | • | • | • | • | • |
| Suggestions | Suggestion handling | • | • | • | • | • |

1.3 Intensity of inspection work

In 2016, the CEI made 15,883 checks and issued 10,260 decisions in force (including 2,068 decisions on charges and advances for wastewater discharge and 4,943 decisions on charges and advances for groundwater collection). Compared to 2015, the numbers of inspections increased by 206.

The total number of CEI inspectors in 2016 was 395. One inspector thus made 40 inspections on average. In 2016, the CEI issued 7,999 position statements and statements, including 1,013 on EIA processes



2 | Decisions in administrative proceedings

2.1 Fines

In 2016, the Inspectorate awarded 2,887 fines (2,755 entered into force in 2015). The total amount of the awarded fines in legal force was CZK 130,717,343

The average fine was CZK 47,447.

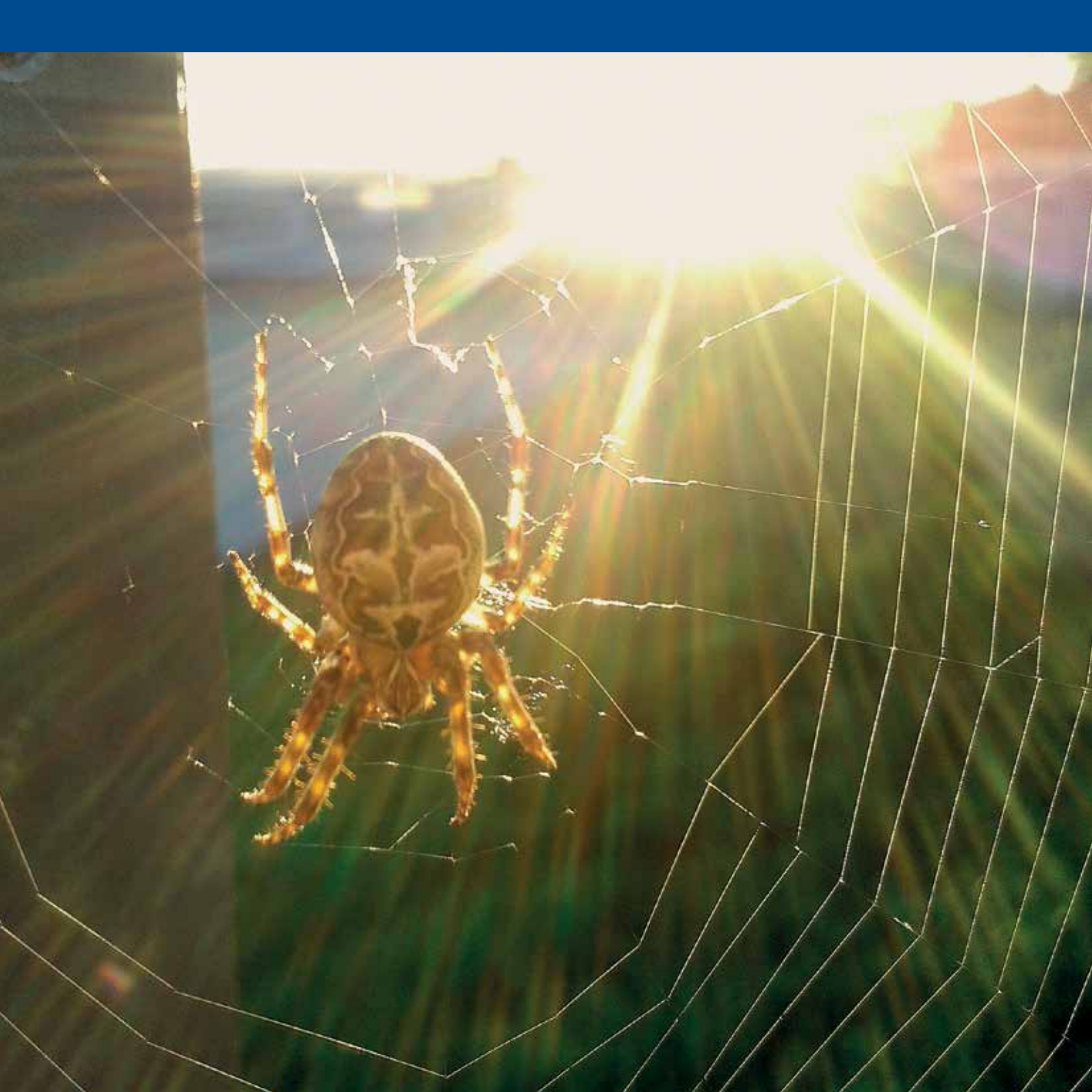
2.2 Other decisions

In 2016, we issued 23 conclusive decisions on halting or restricting operation, plant or part of it, 123 conclusive decisions on seizing or confiscation of live or dead specimens, 342 conclusive decisions on remedial measures, 6 conclusive decisions on remedial measures due to non-adherence to emission limits, 2,068 decisions on charges and advances for wastewater discharge, and 4,943 decisions on charges and advances for groundwater collection.

2.3 Work outside administrative proceedings

In 2016, the CEI issued 1,013 EIA position statements and statements and 6,986 other position statements and statements.

The CEI collaborates with the MoE and departmental organisations, as well as the General Customs Directorate on CITES, GMO and transboundary movement of waste, the Czech Police, the Fire Rescue Service, the Czech Trade Inspection Authority, the Occupational Safety Inspectorate, the Public Health Service, regional and local authorities and institutions, judicial authorities, etc.



3 | Cooperation with the public

3.1 Suggestions and complaints

The Czech Environmental Inspectorate handles suggestions pointing at damaging or endangering of the environment and complaints about inappropriate conduct of officials or proceedings of administrative authorities, under

- Act no. 500/2004 Coll., Rules of Administrative Procedure, as amended,
- Act no. 85/1990 Coll. on the Petition Right,
- specialised acts on protection of environmental components.

CEI and the citizen public

Suggestions, complaints and petitions are an important element in the CEI communication with the public. The citizens often point at violations of laws that would otherwise remain hidden. Suggestions and petitions are a starting point for the CEI's further steps; if CEI investigation has found grounds for officially initiating a proceeding, a penalty administrative proceeding or a proceeding on remedial measures is initiated. Some suggestions are forwarded to other public authorities of factual jurisdiction for investigation.

Complaints about inappropriate conduct of CEI inspectors or proceedings of territorial inspectorates constitute an important feedback that helps the organisation improve its work. Another important purpose of handling suggestions, complaints and petitions is to improve the legal awareness of the public concerning environmental protection.

Numbers of suggestions received by CEI TIs in 2016

In 2016, the CEI received 2,759 suggestions. The numbers of suggestions received by CEI TIs in 2016 are shown in the table below. As in previous years, Prague CEI Territorial Inspectorate handled the most suggestions in 2016.

Numbers of suggestions received by CEI TIs in 2016

| Territorial Inspectorate | Suggestions received |
|--------------------------|----------------------|
| Prague | 580 |
| České Budějovice | 282 |
| Plzeň | 176 |
| Ústí nad Labem | 300 |
| Hradec Králové | 282 |
| Havlíčkův Brod | 236 |
| Brno | 336 |
| Olomouc | 133 |
| Ostrava | 283 |
| Liberec | 147 |
| Headquarters | 4 |
| Total | 2759 |

A single suggestion may draw attention to endangerment or damage to multiple environmental components. It is thus often the case that several departments act on the same suggestion. Information about how the different departments contributed to handling of suggestions in 2016 is shown in the table on the next page.

The CEI departments contributed to handling of suggestions received in 2016 as follows

| Territorial Inspectorate | Department | | | | | | TI total |
|--------------------------|----------------|------------------|------------------|-------------------|-------------------|--------------------|-------------|
| | Air Protection | Water Protection | Waste Management | Nature Protection | Forest Protection | Integrated Agendas | |
| Prague | 93 | 90 | 114 | 289 | 56 | 6 | 648 |
| České Budějovice | 34 | 44 | 69 | 106 | 28 | 1 | 282 |
| Plzeň | 26 | 35 | 53 | 64 | 6 | 0 | 184 |
| Ústí nad Labem | 74 | 50 | 70 | 87 | 6 | 2 | 289 |
| Hradec Králové | 52 | 61 | 71 | 119 | 24 | 1 | 328 |
| Havlíčkův Brod | 53 | 74 | 46 | 109 | 15 | 52 | 349 |
| Brno | 69 | 72 | 106 | 126 | 25 | 2 | 400 |
| Olomouc | 29 | 38 | 37 | 54 | 7 | 35 | 200 |
| Ostrava | 40 | 34 | 109 | 79 | 20 | 1 | 283 |
| Liberec | 19 | 27 | 34 | 70 | 11 | 0 | 161 |
| Headquarters | 1 | 2 | 0 | 0 | 0 | 1 | 4 |
| Total | 490 | 527 | 709 | 1103 | 198 | 101 | 3128 |

Numbers of suggestions in 2010-2016 by Territorial Inspectorate

| Territorial Inspectorate | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Prague | 653 | 534 | 503 | 521 | 572 | 611 | 580 |
| České Budějovice | 240 | 223 | 184 | 211 | 240 | 257 | 282 |
| Plzeň | 261 | 157 | 138 | 196 | 214 | 169 | 176 |
| Ústí nad Labem | 257 | 297 | 305 | 230 | 247 | 254 | 300 |
| Hradec Králové | 266 | 163 | 188 | 204 | 196 | 227 | 282 |
| Havlíčkův Brod | 188 | 161 | 158 | 189 | 213 | 217 | 236 |
| Brno | 284 | 257 | 262 | 264 | 306 | 346 | 336 |
| Olomouc | 144 | 174 | 177 | 158 | 178 | 180 | 133 |
| Ostrava | 237 | 291 | 291 | 262 | 290 | 294 | 283 |
| Liberec | 179 | 167 | 161 | 190 | 161 | 182 | 147 |
| Headquarters | 0 | 0 | 0 | 0 | 3 | 9 | 4 |
| Total | 2709 | 2424 | 2367 | 2425 | 2620 | 2746 | 2759 |

Numbers of complaints about inappropriate conduct of CEI inspectors or proceeding of TIs in 2016

Complaints are mostly handled under Section 175, Para. 4 of Act no. 500/2004 Coll., Rules of Administrative Procedure, as amended. Factually speaking, these concern complaints on proceedings of an authority that does not meet the complainant's ideas from the original submission (suggestion). Only very few complaints concern "inappropriate conduct of officials". The numbers of complaints handled in 2016 by our territorial inspectorates or the CEI Headquarters are shown in the table below.

Numbers of complaints about inappropriate conduct of inspectors or proceedings of CEI TIs in 2016

| Territorial Inspectorate | No. of complaints |
|--------------------------|-------------------|
| Prague | 16 |
| České Budějovice | 3 |
| Plzeň | 6 |
| Ústí nad Labem | 6 |
| Hradec Králové | 1 |
| Havlíčkův Brod | 4 |
| Brno | 3 |
| Olomouc | 1 |
| Ostrava | 1 |
| Liberec | 1 |
| Headquarters | 12 |
| Total | 54 |

The CEI Headquarters carry out methodological and inspection jobs in the area of suggestion and complaint handling. Suggestions received by the Headquarters filing office are delivered to the respective territorial inspectorate or HQ expert office with a binding instruction on the matter handling method (unless the matter is forwarded to a different authority in factual or local jurisdiction in case the CEI is not in factual jurisdiction).

Toll free number

Effective as of 1 9. 2008, the CEI has implemented a toll free telephone number (800 011 011). It is a direct and free telephone contact between the CEI and citizens. The number is primarily used for accepting suggestions and complaints from citizens, and it also informs citizens about the areas of legal powers of the CEI. The number is in operation on weekdays between 8 am and 4 pm. A slight increase in the use of the toll-free number has been registered; we receive 3 queries (suggestions) every day on average.

Conclusion

The suggestions, complaints and petitions agenda is an integral component of CEI work at all CEI inspectorate departments. This activity is embedded in both the CEI Statutes and CEI Organisational Rules. The CEI HQ Internal Audit department is the methodological control office for this agenda.

3.2 Provision of information

In 2016, the Czech Environmental Inspectorate (CEI) handled 309 requests for information, including 30 pursuant to Act no. 106/1999 Coll. on Free Access to Information, as amended, and 279 pursuant to Act no. 123/1998 Coll. on Right to Environmental Information, as amended.

Provision of information pursuant to Act no. 106/1999 Coll. on Free Access to Information

Pursuant to Section 18 of the Act, the CEI publishes its Annual Report for 2016 about its activity in the area of information provision:

| Requested information pursuant to Act no. 106/1999 Coll. | Number |
|---|---|
| No. of requests for information | 30 |
| No. of issued decisions on refusal | 0 |
| No. of appeals against the decision | 0 |
| Duplicate of substantial parts of each judgment on review of legitimacy of an authority's decision on refusal of request for information and overview of all expenditures by the authority in connection with judicial proceedings on rights and obligations hereunder, including | \ |
| List of exclusive licences granted, including justification of necessity of granting of exclusive licence | \ |
| Number of complaints submitted under Section 16a, reasons for filing and brief description of their handling | 6 Reason for complaint was disapproval with CEI proceeding when handling the request (i.e., 3 under Section 16a, Para. 1, item b) of the Act, and 1 complaint under Section 16a, Para. 1, items b) and c) of the Act) and disagreement with amount of payment communicated under Section 17, Para. 3 of the Act (i.e., 2 complaints under Section 16a, Para. 1, item d) of the Act). |
| | Method of handling: 4 complaints were forwarded to the superordinate authority (MoE), which confirmed the correctness of CEI proceeding or amount of payment required in all the cases. The CEI granted one of the complaints and provided the requested information. One complaint was postponed due to the submission being made after the expiry of the legal period. |
| Other information relating to application of this Act required | 2 complaints were postponed due to not paying the payment of costs in accordance with Section 17, Para. 5 of the Act Three requests were postponed pursuant to Section 14, Para. 5, item c) of the Act because the information requested was not related to CEI work. |

Provision of information pursuant to Act no. 123/1998 Coll. on Right to Environmental Information

Pursuant to this Act, 279 requests were received in 2016. Most of the requests concerned nature protection. Approximately the same number of requests aimed at air protection, water protecti-

on and waste management; the fewest at forest protection. Prague Territorial Inspectorate handled the most requests. However, the distribution of requests by CEI Territorial Inspectorate is relatively even.

| Territorial Inspectorate | Total number of requests | No. of requests under Act no. 106/1999 Coll. | No. of requests under Act no. 123/1998 Coll. |
|--------------------------|--------------------------|--|--|
| Prague | 56 | 7 | 49 |
| České Budějovice | 28 | 0 | 28 |
| Plzeň | 16 | 3 | 13 |
| Ústí nad Labem | 37 | 0 | 37 |
| Hradec Králové | 30 | 2 | 28 |
| Havlíčkův Brod | 14 | 0 | 14 |
| Brno | 28 | 0 | 28 |
| Olomouc | 15 | 0 | 15 |
| Ostrava | 15 | 0 | 15 |
| Liberec | 20 | 0 | 20 |
| Headquarter | 50 | 18 | 32 |
| Total | 309 | 30 | 279 |

Overview of requests for information in 2016 by Territorial Inspectorate

Numbers of requests for information in 2010–2016

The numbers of requests for information in 2010–2016 is shown in the table below. The total number of requests for information decreased slightly compared to 2015. Compared to 2015, we received 6 more requests under Act no. 123/1998 Coll., but 29 fewer requests under Act no. 106/1999 Coll. were received by the CEI. The long-term trend of public interest in the area of provision of

information is growing. The reason for the decrease in the numbers of received requests pursuant to Act no. 106/1999 Coll. is probably the fact that ever more information is freely accessible on web sites and through the discussion forum and the toll-free line (these queries are not included in the records pursuant to the Acts mentioned above).

| Year | Total number of requests | No. of requests under Act no. 106/1999 Coll. | No. of requests under Act no. 123/1998 Coll. |
|------|--------------------------|--|--|
| 2016 | 309 | 30 | 279 |
| 2015 | 332 | 59 | 273 |
| 2014 | 262 | 76 | 186 |
| 2013 | 209 | 55 | 154 |
| 2012 | 229 | 63 | 166 |
| 2011 | 233 | 44 | 189 |
| 2010 | 181 | 36 | 145 |

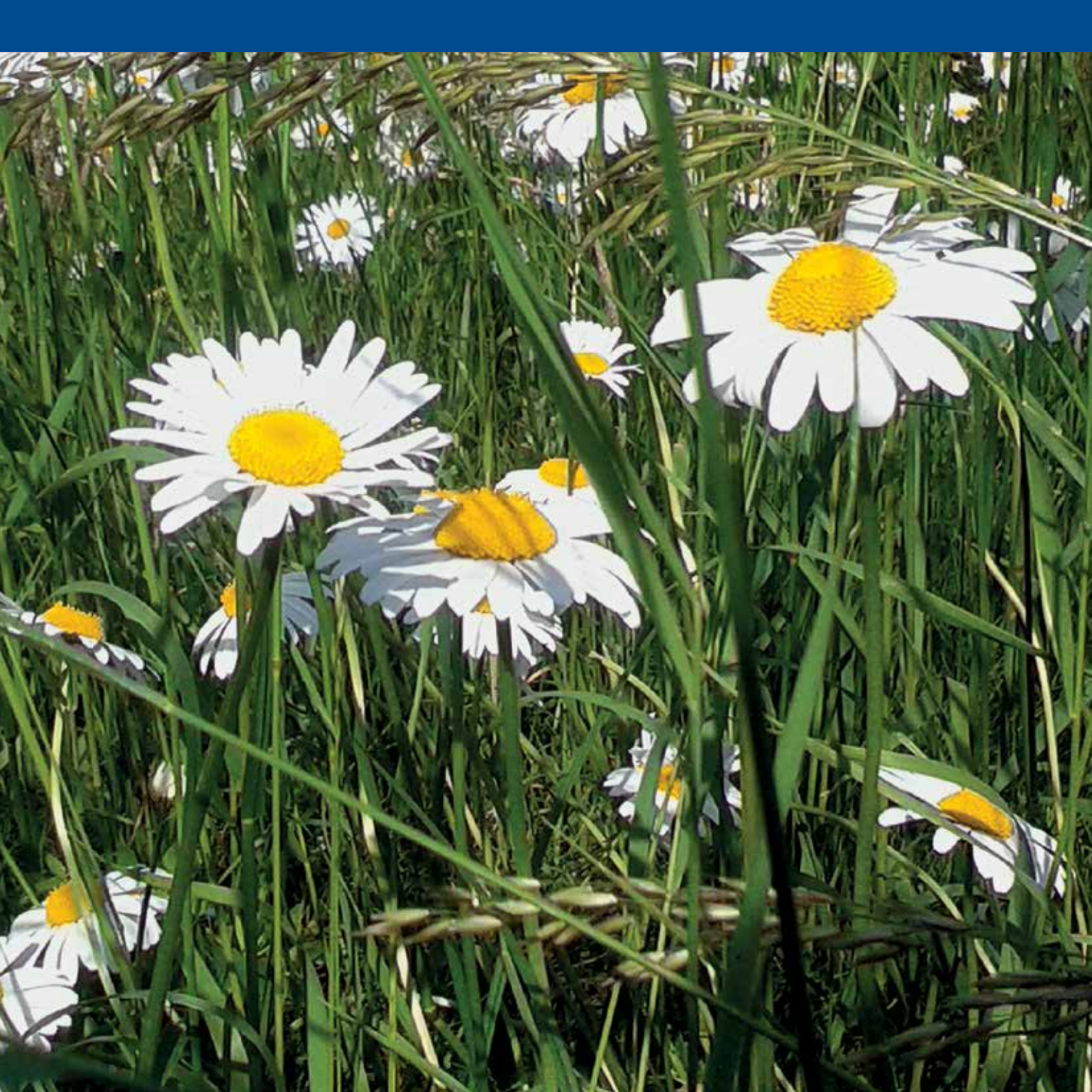
Numbers of requests for information in 2010–2016

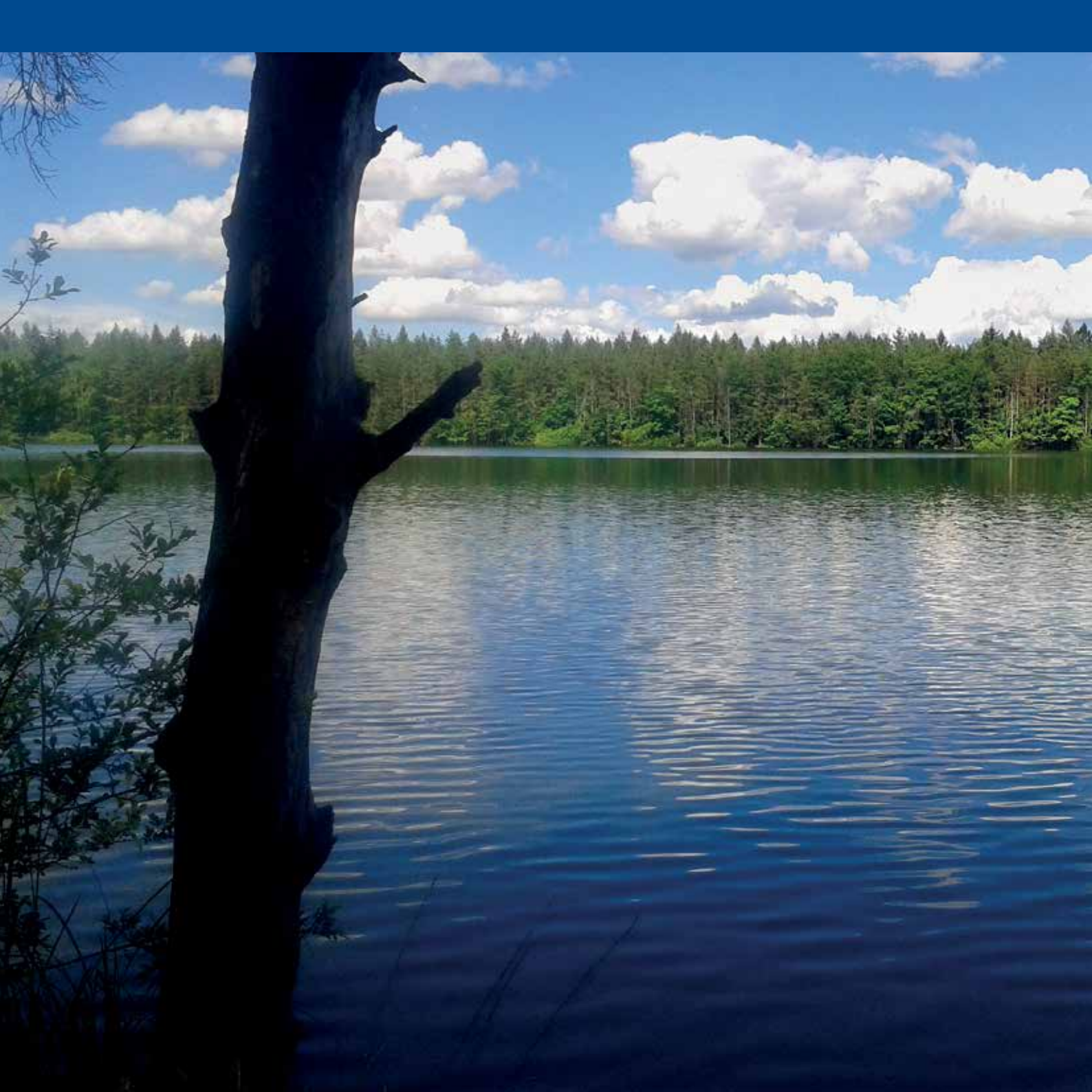
Discussion forum

The Czech Environmental Inspectorate operates on its web site a discussion forum, through which citizens may ask various questions concerning the environment. These requests are included in the records pursuant to the above Acts. In 2016, the Czech Environmental Inspectorate received 49 queries and comments, which was 16 more compared to the year before. The most frequent questions concerned waste management, water protection and air protection. They were mostly related to returning of some products and electric appliances and reuse of waste, methods of wastewater disposal and pollutant emissions from stationary sources of air pollution.

Besides information provided by the CEI pursuant to the above Acts, it also informs the public in its own initiative in the form of press releases and annual reports, brochures, leaflets, etc.

Information provision helps establish a stronger public feedback for the CEI. The main objective is to maintain contact with the media and expert and general public, inform on results of CEI inspection work and, as far as possible, to give answers to questions concerning the CEI's inspection and supervisory powers.





4 | CEI involvement in accident resolution

4.1 Central register of water accidents in 2016

The central register of accidents, maintained by the Czech Environmental Inspectorate under the Waters Act, recorded 233 accidents in 2016. These accidents met the factual definition of an accident pursuant to Section 40 of Act no. 254/2001 Coll. on Waters. In the course of 2016, the CEI was informed about other accidents as well, but did not include them in the central accident register due to their minimal extent without impact on water quality.

Accidents caused by transport are still among the most frequent. In 2016, we registered 71 such accidents, representing 30% of the total number of cases. This indicator showed an increase by 5% compared to the year before. Fish deaths accompanied 22 cases, representing 9% of the total number of accidents, and a decrease by 10% compared to 2015. Besides, we registered 9 accidents caused by agricultural activity, representing only 4% of the total number. The accident originator was known in 116 cases. The Fire Rescue Service intervened in 124 cases registered by the CEI. In 73 cases, the CEI investigated the accident or was involved in the investigation. Groundwater contamination occurred in 10 cases.

| Accident cause | No. of accidents | % |
|-----------------|------------------|--------------|
| human error | 70 | 30.0 |
| technical cause | 42 | 18.0 |
| nature | 6 | 2.6 |
| unidentified | 115 | 49.4 |
| Total | 233 | 100.0 |

Classification of accidents by main cause in 2016

| Category of substances | No. of accidents | % |
|--------------------------------|------------------|--------------|
| petroleum products | 136 | 58,4 |
| wastewater | 23 | 9,9 |
| chemicals besides heavy metals | 20 | 8,6 |
| waste from animal husbandry | 4 | 1,7 |
| sludge and solids | 7 | 3,0 |
| oxygen deficit | 1 | 0.4 |
| other substances | 6 | 2.6 |
| unidentified | 36 | 15,4 |
| Total | 233 | 100,0 |

Classification of accidents by pollutant category in 2016

4.2 Major accident cases

TISK CENTRUM s.r.o., Moravany u Brna

This major accident, also investigated by the CEI, occurred in the territory of the South Moravian and Zlín Regions. The accident was caused by discharge of dangerous potential pollutant from printing industry into groundwater and surface water. The Inspectorate received the initial report on 26. 2. 2016, when the Moravany Fishery Association reported a worsening of water quality in the Moravanský brook and the fishpond in Moravany. Inspections carried out detected that a facility of TISK CENTRUM s.r.o. in Moravany u Brna was discharging a dangerous potential pollutant into groundwater and surface water – the Moravanský brook. In addition, we found out that the company was handling larger quantities of potential pollutants without an approved accident plan and collecting groundwater from its own source (drilled well) without a water handling permit. Based on the findings, the CEI imposed remedial measures for protection of groundwater and surface water from contamination with dangerous potential pollutants and then a decision on a fine totalling CZK 300,163. The decision entered into force on 21 12. 2016

LIRA, obrazové lišty a rámy, a.s., Český Krumlov-Domoradice

The company LIRA does manufacturing and sales of picture mouldings and frames. While investigating a suggestion at the Domoradice industrial estate, we detected discharge of polluted wastewater into a nameless gutter emptying into a watercourse. Afterwards, during a camera test, the wastewater source was detected on LIRA's premises. For discharging wastewater into surface water without permission, LIRA was fined with CZK 150,000, which was confirmed by the authority of appeal. The decision entered into force on 21 11. 2016.

AQUASYS spol.sr.o., Žďár nad Sázavou

The company received a penalty of CZK 300,000 in 2016 for having, in 2015, used plots in the Škrdlovice and Světnov cadastral areas for deposition of earth, gravel, a mixture of construction and demolition waste (construction rubble) in places from where they could have been washed down into the Stržský brook. In addition, the company had deposited in a watercourse (Stržský brook) in the Škrdlovice cadastral area items that could have endangered the fluency of water discharge, health or safety by constructing in the brook bed a “bridge” consisting of concrete panels sunken into the watercourse and topped with gravel.



Moravanský brook contaminated with wastewater from TISK CENTRUM printing house. Contamination from the brook reached the Moravanský fishpond.



Deposited waste that could have been washed down into Stržský brook.

The case was handled in cooperation with the TI Nature Protection Department and the Waste Management Department. The company appealed against the decision on the fine. The authority of appeal confirmed the decision on the imposition of fine; the decision entered into force on 3. 10. 2016.

Svijany Brewery

During an investigation of a reported occurrence of foaming in the Jizerariver at Svijany, we found out on the site that the outfall of the sewer carrying treated wastewater from Svijany Brewery WWTP was releasing massively foaming wastewater into a raceway emptying into the Jizera river some 200 m downstream. The odour allowed us to conclude that the contamination came from

the brewery operation. No fish deaths were registered. The CEI made an inspection WWTP at Svijany Brewery, where one of the WWTP activation tanks was shut down due to repair. A mere visual assessment of the discharged wastewater in the metering well was enough to be able to conclude that the wastewater was demonstrably not being treated so as to meet limits specified in the wastewater discharge permit. No sampling of the discharged wastewater was therefore made for this reason. The defective situation was immediately resolved by the originator, and an inspection device to prevent the situation from recurring was installed. Based on the findings of the on-site investigation, the accident originator was given a fine of CZK 30,000 after an administrative proceeding. The decision entered into force on 18. 10. 2016.



5 | CEI work in 2016 by department

5.1 Air protection

5.1.1 Inspection work in 2016

Inspection work in 2016 was carried out by the Air Protection Department inspectors in the full extent of powers in both air protection and ozone layer and climate protection. We inspected performance of obligations imposed by generally binding national legal regulations and EU regulations as well as performance of obligation specified in permits for operation of stationary sources of air pollution. In total we made 4,407 inspections, including 41% scheduled and 59% unscheduled. Similarly to 2015, the year 2016 experienced the effect of the transitional provision of the Air Protection Act, under which operators of stationary sources of air pollution whose original permit for operation did not match the requirements of the Air Protection Act were required to ask for a new permit with up-to-date air protection requirements. The Inspectorate regarded the update of the operating permit, which was going to align the new legal requirements with the set operating requirements, as an important tool for prevention of air pollution. For this reason too, great attention was paid to adherence to the obligation of operators of existing stationary sources to apply for new permits.

The numbers and distribution of inspections carried out in 2016 among the areas of jurisdiction corresponded to the seriousness of the activities operated and their environmental impact. Most of the inspections concerned facilities with stationary sources of air pollution (3,702 inspections) and the related activities of persons authorised to measure emissions and develop expert assessments (293); we made fewer inspections of adherence to requirements on climate protection (350) and the ozone layer (49 inspections). In connection with inspections of adherence to requirements when handling controlled substances and fluorinated greenhouse gases, we inspected 13 entities doing activities requiring certification by the Ministry of the Environment.

The results of the inspections were the initiation of 530 administrative proceedings for violation of obligations in air protection pursuant to the Air Protection, Ozone Layer and Climate Protection Act. In 2016, a total of 530 decisions on fines entered into force, including 483 initiated in 2016 and 47 initiated in the previous year, totalling CZK 17,306,500. The penalty decisions in force dealt with 695 delicts. Besides separate inspections on adherence to obligations of operators of stationary sources of air pollution, the department inspectors were involved in 324 inspections of facilities with integrated permits, inspecting adherence to all environmental protection requirements. In 17 cases, fines for violation of air protection requirements were awarded, totalling CZK 1,800,000.

The total amount of fines awarded by the air protection inspectors was CZK 18,252,500 for violation of air protection requirements under both the Air Protection Act and the Integrated Prevention Act; CZK 829,000 for violation of requirements for handling of controlled substances and fluorinated greenhouse gases; and CZK 25,000 for violation of obligations of operators of facilities included in the carbon dioxide emission permit trading system.

5.1.2 Overview of fulfilment of departmental tasks

Four areas of departmental tasks were defined for the air protection area in 2016, namely inspection of operation of sources based on permits from air protection authorities and, in line with these permits, adherence to set air pollution limits (emission limits, emission ceilings), identification of air protection levels, recording and reporting obligation.

In 260 cases, the inspections found out that operators of stationary sources of air pollution listed in Annex 2 to the Air Protection Act had not requested, within the set period, the issuance of new permits or operated the facilities without a permit. Fines totalling CZK 6,769,000 were awarded for the proven delicts.

In 3 cases, the Inspectorate proceeded to halt the operation of the sources – those operated by KOVO PLANÁ a.s. in Planá nad Lužnicí (surface treatment of metals and plastics – jet blasting of steel parts, accompanied by high emissions of particulate matter), JASO-BAL s.r.o. facility in Chrast u Chrudimě (processing of polymers – production of bubble wrap from polyethylene, accompanied by emissions of odorous substances), UPIA International s.r.o. (thermal processing of waste in a facility located in Studénka). These facilities were operated without permits from air protection authorities, their operation caused intolerable air pollution and were the object of repeated suggestions. The third facility, operated by UPIA International s.r.o., was halted by a decision in 2016, following a preliminary measure issued in 2015.

Requirements specified in their permits, notably technical operating conditions, were not adhered to by the inspected operators in 67 cases, and fines totalling CZK 3,702,000 were awarded for these. We identified 9 cases of combustion of unpermitted fuels in stationary combustion facilities, and one case of waste combustion in an open fireplace. Fines totalling CZK 225,000 were awarded for these violations. The unpermitted fuels combusted in contravention of requirements of manufacturers of the combustion equipment and permit requirements were waste oils and contaminated wood waste. Additional serious delicts were extraordinary situations accompanied by pollutant emissions discharged into the air in spite of a defect on the separator, or by means of an air flow bypassing the separator. Fines totalling CZK 540,000 were awarded for these violations in 6 cases.

The operating permit also includes conditions for operation of facilities when exceeding threshold values for air pollutants (“smog situations”). In 2016, there were zero episodes due to exceedance of the regulating threshold, which is why no regulation was ordered for any of the facilities included in the Regulation Plan.

Fines totalling CZK 1,208,000 were awarded for 19 cases of exceedance of emission limits for pollutants. Exceedance of concentration emission limits was demonstrated by results of emission measurements made by authorised persons. The most numerous category with exceedance of emission limits was carbon

monoxide (7 cases), and particulate matter (7 cases), followed by volatile organic compounds (5 cases), nitrogen oxides (1 case) and sulphur dioxide (1 case). Sorted by type of facility, they included combustion processes, surface treatment, metallurgy, and an asphalt coating plant. We did not find any exceedance of emission ceilings.

Inspection of adherence to prescribed pollution levels (emission limits) was also done by means of measurements carried out by Air Protection Department employees of the Czech Environmental Inspectorate Headquarters. The 22 inspections carried out and accompanied by an emission measurement in order to inspect adherence to emission limits resulted in 4 cases of suspicion of exceedance of limits of various pollutants. These findings are the subject matter of administrative proceedings, which have not been concluded yet.

We inspected adherence to the obligation to identify and evaluate air pollution levels by direct measurement by way of authorised entities in single measurements or continuous measurement provided by the operator. It was an obligation of facility operators to submit reports with measurement results to the Inspectorate within the set period. In 66 cases, we identified violation of the obligation of single emission measurement. Fines totalling CZK 1,721,000 were awarded for these delicts. In 62 cases, operators did not adhere to the obligation to submit the report with measurement results to the Inspectorate, for which we awarded fines totalling CZK 623,000.

Failure to adhere to the obligation to keep operating records or submit summary operating records and report to the IPR was proven to operators of stationary sources of air pollution in 151 cases. Fines totalling CZK 1,594,500 were awarded for these violations. Among the cases of failure to adhere to the recording and reporting obligations was 1 case of failure to report to the IPR releases of gaseous substances to the air.

Tools for climate system protection – prevention of leaks of greenhouse gases, gases absorbing radiation in the infrared area that are present in the atmosphere – include inspection of adherence to requirements for handling fluorinated greenhouse gases and requirements set for facilities included in the carbon dioxide permit trading system.

The result of the 290 inspections of operators of facilities containing fluorinated greenhouse gases was 37 proven administrative violations, for which we awarded fines totalling CZK 672,000. The cases of violation of obligations consisted in not arranging for inspection of equipment tightness (29 cases, fines of CZK 544,000), violation of the recording duty (4 cases, fines of CZK 28,000), and non-labelling of products (4 cases, fines of CZK 100,000). In 2016, we made 60 inspections of stationary facilities included in the greenhouse gas (carbon dioxide) emission permit trading system. We proved a violation of a permit requirement only in one case, namely reporting of quantities of carbon dioxide emissions in contravention of the monitoring plan, for which we awarded a fine of CZK 25,000.

Ozone layer protection (stratospheric ozone) from effects of substances that deplete it ("controlled substances") represents prevention of release of controlled substances from facilities containing them, typically as coolants. Since controlled substances as coolants are gradually replaced by substances with lower ozone layer depletion potential (ODP) and numbers of operated facilities containing them are decreasing, relatively fewer inspections were carried out in this area compared to facilities containing fluorinated greenhouse gases. The result of 49 inspections was 13 cases of identified violation of some of the obligations, for which we awarded fines totalling CZK 142,000. The most frequent violation was non-arrangement of equipment tightness inspection (8 cases, fines of CZK 101,000), followed by importation of controlled substances (halons) without a European Commission licence (2 cases, fines of CZK 12,000), neglect of the recording duty (1 case, fine of CZK 4,000), non-submission of a report (1 case, fine of CZK 15,000), and non-submission of controlled substances for disposal to a certified entity (1 case, fine of CZK 10,000).

We also inspected 13 entities doing activities requiring certification from the Ministry of the Environment, primarily tightness inspections, servicing and maintenance of facilities containing coolants based on controlled substances and fluorinated greenhouse gases and entities processing discarded cooling equipment. In one case, we identified operation of a mobile plant for processing of discarded products containing fluorinated greenhouse gases

without prior reporting to the Inspectorate, for which we awarded a fine of CZK 15,000 to the operator.

5.1.3 Overview of fulfilment of specific tasks

Due to the extent of the departmental tasks, covering all of the air protection inspector's inspection work in the areas of air protection, climate and ozone layer protection, no specific tasks were assigned for 2016.

5.1.4 Major cases

COMPAG MLADÁ BOLESLAV s.r.o., composting plant and facility for biological waste treatment. Awarded a fine of CZK 260,000 for exceedance of permitted waste processing capacity.

České lupkové závody, a.s., processing and refinement of fire-proof clays and kaolins, Nové Strašecí. Awarded a fine of CZK 250,000 for not eliminating an extraordinary situation dangerous to air quality – not eliminating of a filter failure.

NOVEM Car Interior Design k.s., paint shop. Awarded a fine of CZK 100,000 for exceedance of the emission limit for organic compounds (VOC) by up to 700% and operation of paint boxes without filtering.

PILSEN STEEL s.r.o., steel production in electric furnaces. Awarded a fine of CZK 100,000 for operation of the facility in contravention of the permit – discharge of pollutants into the air without a separator.

Z-Group Steel Holding a.s., ironwork facility in Hrádek, steel production. Awarded a fine of CZK 150,000 for violation of a permit requirement – not preventing an extraordinary situation accompanied by increased emissions of particulate matter.

GRUPO ANTOLIN BOHEMIA a.s., application of adhesive materials – car roof panel production. Awarded a fine of CZK 100,000 for exceedance of the emission limit for organic compounds (VOC).

FEREX-ŽSO spol.sr.o., Liberec, foundry. Awarded a fine of CZK 150,000 for violation of a permit requirement – operation of air-conditioning in the moulding plant.

JASOBAL s.r.o., facility in Chrast u Chrudimě. Processing of polymers – production of bubble wrap from polyethylene. Awarded a fine of CZK 120,000 for operation of the facility without a permit. The facility operation was accompanied by annoying emissions of odorous substances.

KRONOSPAN OSB, spol. sr.o., Jihlava, production of OSB boards. Awarded a fine of CZK 150,000 for not eliminating a defect and discharge of pollutants from the pressing shop through the roof.

CommScope Czech Republic s.r.o., facility CTParkModřice, paint shop. Awarded a fine of CZK 200,000 for exceedance of the limit for organic compounds (VOC).

Hanon Systems Autopal s.r.o., surface treatment of metals and plastics. Awarded a fine of CZK 200,000 for violation of a permit requirement – exceedance of weight quantity of raw material used (soldering paste) in the soldering plant.

EKOTERMEX, a.s., hazardous waste incinerator (energy reuse of waste). Awarded a fine totalling CZK 700,000 for violation of air protection requirements – failure to maintain temperature as a pre-condition for incineration and non-provision of proper operation of continuous emission measurement system, and violation of waste management requirements.

UPIA International s.r.o., Studénka facility. Awarded a fine of CZK 95,000 for operation of the thermal waste treatment facility without a permit.

GIFF a.s., foundry. Awarded a fine of CZK 270,000 for operation of the facility in contravention of the permit, fabric filter maintenance.

Ferrite Tech s.r.o., ID 29444144, rotary calcining furnaces, Světlá Hora facility. Awarded a fine of CZK 160,000 for not reporting an

extraordinary situation with an impact on air quality – discharge of waste gases into the air outside the absorber unit.

5.1.5 Conclusions from inspection work

The Czech Environmental Inspectorate's inspections covered the entire scope of its powers in the areas of air protection, ozone layer and climate protection, defined in both national generally binding legal regulations and EU regulations in force and permits issued by applicable public authorities.

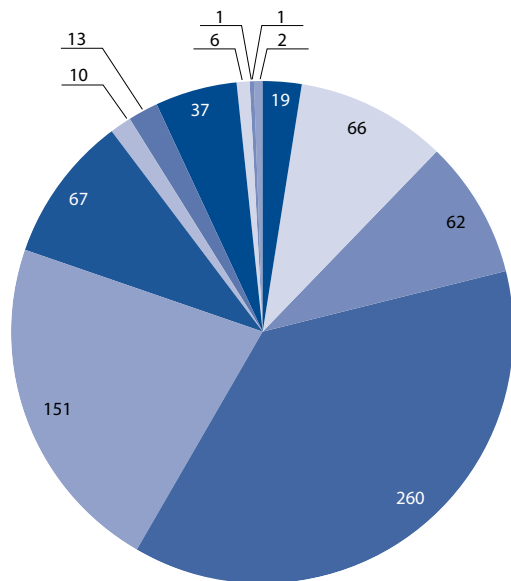
Despite efforts of air protection authorities of all levels focused on informing operators of stationary sources of air pollution with their obligations based on the air protection legislative change of 2012, the obligation to request a permit to operate facilities from regional authorities continues to be neglected.

The cases of identified violations of pollutant emission limits, which were not very numerous in 2016 but of significant consequences, are dominated by cases of exceedance of emission limits for those substances that are most difficult to reduce, which are gaseous organic substances.

A lingering problem is emissions of sensorily detectable substance – odorous compounds, dark smoke and discoloured fumes – associated with operation of stationary sources of air pollution.

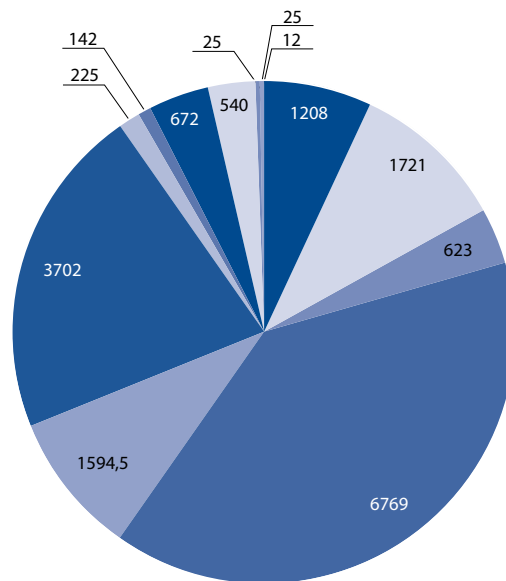
5.1.6 Charts

Numbers of violations – air protection, ozone layer and climate protection requirements – negotiated in 2016



- EL, ES (19)
- failure to measure emissions (66)
- failure to submit report (62)
- operation without permit (260)
- non PE, SPE, IRZ (151)
- permit requirements (67)
- unpermitted fuels (10)
- controlled substances (13)
- F-gases (37)
- hazardous situations (6)
- certified entities (1)
- permit trading (1)
- PP import without licence (2)

Fines awarded for the violations of air protection, ozone layer and climate protection requirements in 2016, by type of violation (CZK thousands)



- EL, ES (1208)
- failure to measure emissions (1721)
- failure to submit report (623)
- operation without permit (6769)
- non PE, SPE, IRZ (1594,5)
- permit requirements (3702)
- unpermitted fuels (225)
- controlled substances (142)
- F-gases (672)
- hazardous situations (540)
- certified entities (25)
- permit trading (25)
- PP import without licence (12)

5.2 Water protection and prevention of major industrial accidents

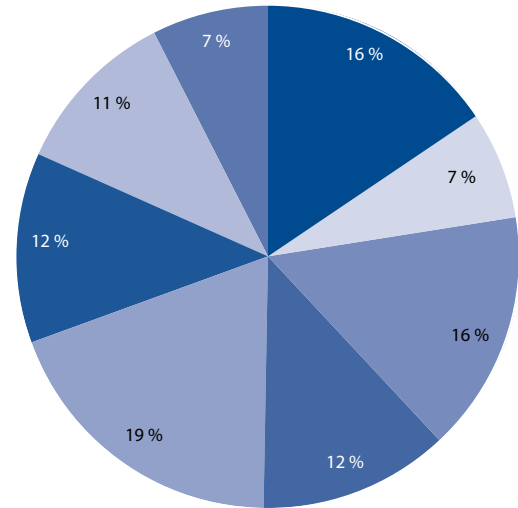
5.2.1 Overview of inspection work in 2016

The Water Protection inspectors focus on inspection of obligations arising from Act no. 254/2001 Coll. on Waters and on amendment of certain acts (Waters Act), Act no. 224/2015 Coll. on Prevention of Major Accidents Caused by Selected Hazardous Chemicals or Chemical Mixtures and on amendment of Act no. 634/2004 Coll. on Administrative Fees, as amended (Major Accident Prevention Act), and Act no. 76/2002 Coll. on Integrated Prevention and Pollution Reduction, the Integrated Pollution Register and on amendment of certain acts (Integrated Prevention Act).

The foundation of work of inspectors in the Water Protection Department (WPD) of the CEI territorial inspectorates (TI) is inspections made as part of scheduled main and departmental tasks, which focus on priority problems in water protection nationwide. They are inspections primarily of larger environmental polluters such as major wastewater treatment plants (WWTP), industrial facilities and sites featuring historic environmental burdens (HEB). One main task and 7 departmental tasks were defined for the inspection work in 2016. As part of specific tasks, the inspectors focused on problems in their respective regions. A significant part of activities are unscheduled inspections, made based on suggestions or resolution of extraordinary situations. In 2016, the Water Protection Department made 3,539 inspections under the Waters Act or the Major Accident Prevention Act, including 2,883 inspections made as part of the main task, departmental and specific tasks; the remaining 656 unscheduled inspections cannot be assigned to any of the tasks set for 2016.

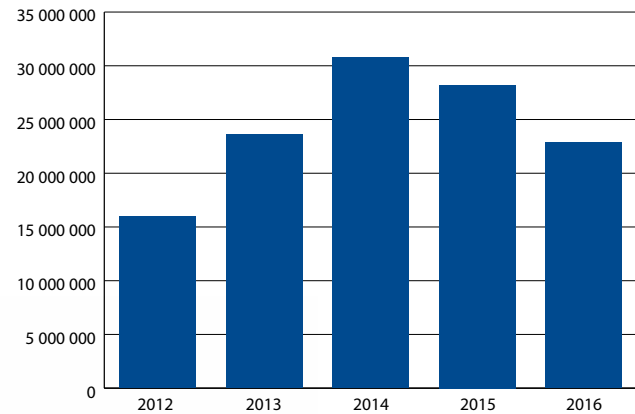
Another 352 inspections were made by WPD inspectors in cooperation with other CEI departments when inspecting facilities with integrated permits.

An integral part of inspection work is administrative proceedings, performed when violating conduct is identified. Based on inspection work, we issued 580 decisions on penalties for violations of the



■ H1 (16 %) ■ S1 (7 %) ■ S2 (16 %) ■ S3 (12 %) ■ S4 (19 %) ■ S5 (12 %) ■ S6 (11 %) ■ S7 (7 %)

Division of inspections implemented by tasks set for 2016 (except specific tasks)



Amount of fines in force

Waters Act or the Major Accident Prevention Act in the study period. Moreover, WPD inspectors cooperated on the issuance of 22 decisions as part of inspections in businesses with IP that are registered in Chapter 6 under the heading Integrated Agendas. A significant part of the penalties was awarded based on unscheduled inspections. In 2016, a total of 549 decisions on fines entered into force, totalling CZK 22.9 million. To eliminate shortcomings and defects identified, we issued 79 decisions on remedial measures, out of which 77 entered into force in 2016.

In the study period, WPDs received 426 suggestions, and handled 101 more in cooperation with other departments

Charges for wastewater discharge into surface water

In 2016, we issued 1,056 decisions on charges for 2015, setting charges for wastewater discharge into surface waters, totalling CZK 196.3 million. For payment of advances in 2017, we issued 1,019 decisions on charges totalling CZK 215.2 million. In 2016, the CEI also issued several decisions on changing advances for payment of charges.

Charges for groundwater collection

In 2016, we issued 4,494 decisions on charges for groundwater collection for 2015, totalling CZK 711.9 million. For payment of advances in 2017, we issued 4,885 advance assessments totalling CZK 1,234.5 million. In addition, we issued 449 decisions in 2016 in connection with new consumers or changes or revocation of advance assessments. In 2016, we issued 9 charge assessments (additional charges) for the years 2013 and 2014 totalling CZK 303,847.

As part of the charge agenda, the CEI inspection work continues to find violations of annual and monthly limits set in water management authority permits or even groundwater collections without permit. For these violations, the CEI awarded fines in excess of CZK 3 million in 2015.

Besides inspection work, Water Protection Department inspectors made 2,283 position statements and statements, both separately on behalf of the WPD (e.g., for subsidies from the State Environment Fund, water management authorities, etc.), which

numbered 871, and as part of aggregate position statements (e.g., for EIA, integrated permits, etc.), which numbered 1,412 in a collaborative effort.

The Water Protection Department inspectors cooperate with other public authorities and institutions (water management authorities, SEF, Ministry of Finance, Povodí enterprises, Fire Rescue Service, TGM Water Management Research Institute, regional authorities, etc.); as part of international cooperation, they meet with environmental protection authorities from neighbouring countries and participate in meetings of international committees for protection of boundary waters.

5.2.2 Fulfilment of main and departmental tasks

(H1) Inspections of sources of pollution with integrated permits in force

Inspections of facilities with integrated permits (IP) were made in accordance with the inspection plan in cooperation with other CEI environmental protection departments so as to meet the requirements on frequency of inspections in specific businesses or facilities specified by the Integrated Prevention Act. Besides, where needed, the WPD also carried out unscheduled IP inspections, included under the WPD work categories depending on their focus. Beyond the scope of scheduled inspections, we checked facilities on which the CEI had received a suggestion for inspection, and made repeated inspections of facilities where violations of IP conditions were found in previous periods. The most important sources of pollution from the point of view of water protection fall under the Integrated Prevention Act. The extent of inspections, their focus and inspection period were chosen based on specific conditions of facilities with IP.

Inspections made by the WPD focused on adherence to requirements of the water management section of the IP, primarily adherence to permits for groundwater and surface water collection, wastewater discharge, handling of potential pollutants, verification of IP validity, inspection of operating rules, currency of accident plans and their elaboration pursuant to Decree no. 450/2005 Coll.

WPD inspectors in cooperation with other departments made 352 integrated inspections, and made 83 inspections of facilities with IP on their own (on behalf of the Water Protection Department only).

Based on results of inspections made under the main task H1, we initiated 27 administrative proceedings on fines or remedial measures. A total of 17 fines worth CZK 780,000 entered into force. In 10 cases, the administrative proceedings have not yet been completed. Inspections of adherence to the Integrated Prevention Act were made, for example, at: Zemědělské obchodní družstvo Poolšaví, FCC - Dačice, s.r.o. - landfill at Dačice – Borek, TŘINECKÉ ŽELEZÁRNY, a.s. - tube pickling and rolling plant, OKK Koksovny, a.s. - Jan Šverma coke plant, HASIT Šumavské vápenice a omítárny, s.r.o., SYNTHOS Kralupy a.s. - production of styrene-butadiene rubber.

A major violation of obligations arising from the Waters Act was identified, e.g., at PRECYS s.r.o. in Stráž nad Nisou, which was awarded a fine of CZK 60,000 for exceedance of the maximum of the monitored pollution indicator.

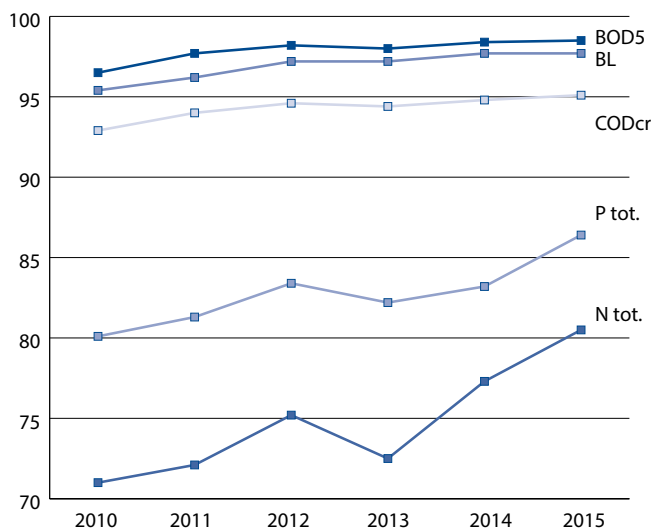
Detailed information relating to inspections made under the Integrated Prevention Act is provided in Chapter 6. Integrated agendas.

(S1) Inspection of most important municipal WWTP for over 10,000 equivalent inhabitants (EI)

Checks of the most important municipal wastewater treatment plants (WWTP) focused on adherence to water management authority permits, meeting of Council Directive no. 91/271/EEC on municipal wastewater treatment, inspection of documents on hydraulic structures and their operation in accordance with approved operating rules.

In 2016, we made 159 inspections and checked 142 municipal WWTP for over 10,000 EI. Based on the results of these inspections, we awarded 3 fines in force totalling CZK 130,000. At WWTP sized for over 10,000 EI, we make checks periodically; the inspection results clearly indicate that intensifications and implemented renovations of both WWTP structures and process equipment, using best available techniques in order to meet requirements of Council Directive

91/271/EEC on wastewater treatment, result in improved quality of discharged wastewater at WWTP outflow, thus a significant reduction in pollution discharged into surface water. This statement is based on the observable trend of increasing efficiency of wastewater treatment, particularly as concerns N_{tot} (more than 9% in 2010-2015; see schematic chart of average efficiency of pollutant removal).



Average efficiency of pollutant removal

For all municipal WWTP in this category, we inspected the balance data for 2015. Based on the balance data for 2015, municipal WWTP had treated 477 million m³ of wastewater. The wastewater treatment efficiency in these WWTP was 98.5% for BOD₅, 95.1% for COD_{Cr}, 97.7% for BL, 80.5% for N_{tot}, and 86.4% for P_{tot}. Requirements of Council Directive no 91/271/EEC are met by the majority of significant pollution sources, or measures to meet them are in progress.

The WWTP inspections also included checks of rainwater separators in single sewerage. As part of this check, the WPD made inspections of rainwater separators in the 36 checked agglomerations that have

single or mixed sewerage. There are 478 rainwater separators in the sewerage systems inspected. Physical inspections were made in 100 randomly selected separators. The check of the separators found the following shortcomings:

- The structure owner frequently does not have a permit, so that the permit requirements cannot be checked. These are separators built decades to 120 years ago.
- The owner frequently does not have project documentation, although pursuant to Section 125 of the Building Act, they should have at least a structure passport, specifying basic capacity and balance data and environmental impact of the structure.
- The inspection can thus only determine whether the separator is functional or not, or its technical condition can be determined visually. It cannot be determined at what dilution ratio it works, or how frequently, or how much wastewater is discharged untreated and its impact on the water quality in the watercourse.
- Separators are designed for an expected amount of wastewater produced at the time of making the project documentation. In many cases, over time the sewerage network expanded significantly, resulting in significantly higher wastewater flow rates, primarily during rain.

The check indicated the necessity to adjust the legislation. At least, it is necessary to make a decree specifying requirements that the separators have to meet.

Based on legislation in force, we have to conclude that the CEI has very few powers for inspection of rainwater separators. The powers under the Water Mains and Sewerage Act and the Building Act are primarily bestowed to water management authorities. The insufficient legislation frequently results in water management authorities' permits lacking any, or containing vague requirements for rainwater separators. As for requirements made based on hydrotechnical calculations, rainwater separators cannot be inspected with technical equipment missing. Only exceptionally is there any metering of the amount of bypassing water, or frequency and time since the bypass. At the same time, we have found out that, in many cases, expansion of sewerage networks probably leads to bypassing of wastewater to an undesirable extent, but without technical equipment these as-

sumptions cannot be verified. We have also found out that wastewater bypassing is not done any better even in catchment areas of drinking water reservoirs.

Not monitoring the quality and quantity of wastewater discharged from rainwater separators means not knowing the size of contamination thus discharged. While efficiency of wastewater treatment at WWTP has been increasing over time, the situation is getting rather worse in the case of rainwater separators, primarily because sewerage networks are expanding (more properties have sewer connections). It is well known that, in particular, the initial portions of increased rainwater flows in sewers are significantly more polluted than ordinary sewage due to washing of dirt off drained areas and sediments out of sewers. The quality of bypassing water then improves as the precipitation event progresses. While organic pollution discharged is largely removed by self-purification processes, biogenic elements (phosphorus, nitrogen) cause secondary contamination of surface water. In summer, the phosphorus and nitrogen concentration determines the quantity of biomass produced (algae, cyanobacteria, etc.) in surface waters, which causes unsatisfactory condition of surface water, particularly in drinking and other water reservoirs because the contamination accumulates there.

(S2) Inspection of municipal wastewater treatment plants for 500 – 10,000 EI

In 2016, we inspected 340 WWTPs, in which we made 352 inspections. Inspection results led to the initiation of 51 administrative proceedings. As a consequence, 28 decisions on fines entered into force, totalling CZK 1,229,000; 23 administrative proceedings on fines have not been concluded yet. The most frequent violations are exceedance of pollution emission limits and amounts of wastewater discharged, non-adherence to frequency of inspection sampling, and wastewater discharge without a water management authority permit. In addition, we awarded penalties for operating WWTP in contravention of operating rules, unpermitted groundwater collection for WWTP operation, or spills of sludge from WWTP to surface water. The greatest shortcomings remain at WWTP operated by municipalities. It is obvious that wastewater handling in smaller municipalities may pose a significant future environmental risk and requires specific inspection supervision.

One desirable cases worth mentioning is the third phase of the project Clean River Bečva II, concluded in 2016. During the project, Vsetín District built 181 kilometres of new sewers and renovated and intensified two wastewater treatment plants.

(S3) Inspection of industrial entities handling potential pollutants, including industrial WWTP discharging wastewater into watercourses and discharging wastewater containing particularly dangerous potential pollutants into sewerage

The inspections of industrial entities focused on adherence to obligations defined by Section 39 of the Waters Act and Executive Decree no. 450/2005 Coll., i.e., primarily whether they adopt adequate measures to prevent potential pollutants entering surface water or groundwater or sewers. We inspected mainly major industrial estates, abandoned industrial estates and other entities that store or handle larger quantities of potential pollutants. The task included inspections of industrial WWTP (industrial treatment plants in chemical facilities, deemulsifying stations, neutralising stations, etc.). These inspections focused notably on adherence to legal obligations when handling waters, such as meeting of requirements of permits to discharge wastewater into surface water and sewerage.

Under this departmental task, we made 276 inspections at 236 entities. They were mostly larger entities working in mechanical engineering, petrochemical industry, processing and food processing industry. It can be said based on the inspection results that the quality of handling of potential pollutants by larger entities is gradually improving.

The inspections identified violations of legal regulations in 52 cases, i.e., 22% of cases; administrative proceedings on fines were initiated and remedial measures ordered. The most frequent shortcomings were identified in industrial WWTP, which exceeded emission limits in the discharged wastewater and did not meet the obligation to have an approved accident plan. A total of 42 decisions entered into force in 2016, awarding fines totalling CZK 1,601,730. In 10 cases, the administrative proceeding periods are still underway. The highest fines in force were awarded to CHS Epi, a.s., amounting to CZK 300,000, for violation of

requirements of the integrated permit, and to Meteor – Kolínspol. sr.o., which was given a fine of CZK 150,000 for exceedance of set emission limits on wastewater discharged.

(S4) Inspection of implementation of remediation of historic environmental burdens and long-term groundwater accidents

In 2016, we continued our constant supervision over the progress of remediation works on historic environmental burdens in cooperation with the Ministries of the Environment and of Finance. Besides, the CEI paid attention to sites of long-term accidents and sites suffering contamination as a consequence of activities of Soviet Army troops. Long-term accidents, where the Inspectorate cannot impose remedial measures due to absence of a polluter, are successfully handled thanks to national subsidy schemes and EU schemes. They bring substantial help facilities the removal of these pollution sources.

The primary task in 2016 was to obtain an overview of the current status of remediation works on all the sites of historic environmental burdens for which the CEI had issued decisions. The continuity of resolution of undesirable status is slowed down and influenced by the risk of reverse contamination of already remediated areas and the current lack of funds on specific remediation sites. Another adverse effect is that of drawn-out tendering procedures. Besides ordering of remedial measures, the CEI's role consists in supervisory work over implementation of remedial measures, typically in the form of quarterly field inspections with a physical check of the site.

In 2016, WPD inspectors carried out 432 inspections under this departmental task. A total of 15 new decisions on remedial measures were issued. They included decisions issued on the assignees' request due to prolongation of periods of existing decisions in order to continue or complete remediation. Every year, the supervision work primarily focuses on problematic sites in terms of both performance and substantial risks to the environment and human health.

In 2016, the MoF completed, based on documented CEI conclusions from the remediation work, remediation at Al-fatexMóda,

spol. s.r.o., CL Servis, spol. s.r.o., Edwards, s.r.o., Antonín a Vladimír Nahodilovi, STAVMAT STAVIVA, Rudná, s.r.o., Dřevošrádky Vysoké Veselí, s.r.o., and Kastl Invest, s.r.o.

In late 2016, there was a significant forward shift in the resolution of the long-term problematic site of the Ostramo lagoons. The EIA documentation was discussed publicly and without any major comments influencing the remediation; it handles disposal of almost 100,000 t of excess sludge on the site.

(S5) Inspection of (mostly surface) water collection

Based on experience of previous periods, the inspection work plan for 2016 included collection of surface water utilised in power generating facilities (power plants in general, small hydropower plants, thermal power plants) and other operations (raceways for production facilities, operations with large water consumption) with a focus on adherence to requirements set by water management permits, particularly observance of minimum residual flow rate in watercourses. In winter, we also made inspections of adherence to requirements of permits for collection of surface water and groundwater in ski resorts, which use water for artificial snowing of skiing slopes.

Under this departmental task, we made 277 inspections at 217 entities. With entities where we identified violations of the Waters Act, we initiated 53 administrative proceedings on fines (24% of the cases) and 2 administrative proceedings on remedial measures. By the end of 2016, 35 decisions on fines entered into force, totalling CZK 1,689,140, as did 2 decisions on remedial measures. In 18 cases, administrative proceedings were not concluded in 2016 due to administrative periods still running. The greatest conclusive fines were awarded to the Municipality of Krasikov, amounting to CZK 366,075 for groundwater collection in contravention of the water management authority's permit, and to BOBOLIFT s.r.o. operating the Portášky ski resort, amounting to CZK 155,170 for violation of the maximum permitted quantity of water collected from the Úpa river. For not observing the minimum residual flow rate when operating a small hydropower plant on the Svratkariver, the Inspectorate awarded Ing. Tomáš Carda with a fine of CZK 75,000.



View of the weir on the Svratkariver at SHP Veverská Bítýška I. (Brno TI)

(S6) Inspection of agricultural businesses, fisheries and biogas stations for compliance with the Waters Act

Inspections of selected entities focused on compliance with Section 39, as well as other requirements of the Waters Act. We inspected hydraulic security in stores of mineral and farm fertilisers, bulk fodders, petroleum products, including operation of internal fuel filling stations, stores of plant protection preparations, field repositories, stabling areas, dung dumps and biogas stations. In total, the water management supervision involved 156 agricultural entities (including 18 biogas stations and 11 fishponds), where we made 247 inspections. Based on these inspections, we issued 47 decisions on fines totalling CZK 1.9 million, out of which 35 worth CZK 1.5 million are conclusive. In the other cases, the administrative proceedings have not yet been concluded. In addition, decisions imposed 55 remedial measures, out of which 38 have entered into force. Administrative proceedings against some of the agricultural entities will start in 2017. In many cases, inspections of agricultural businesses were made beyond the schedule, based on suggestions.

The main shortcomings identified included unpermitted handling of potential pollutants and other violations of obligations such as non-existence of an accident plan, non-performance of mandatory pipeline and tank tightness tests. Penalties were also imposed for operation of hydraulic structures without water management authority permits and, last but not least, for unpermitted groundwater collection.

The level of knowledge of legal regulations on water protection and the resulting obligations were traditionally better among agricultural businesses than farmers. For more information, the inspections included familiarisation of the inspected entities with the most important obligations under the Waters Act and its executive decrees (Decree no. 450/2005 Coll. and Government Regulation no. 262/2012 Coll.).

(S7) Inspection of adherence to Act no. 224/2015 Coll. on Major Accident Prevention

Inspections were made by the Czech Environmental Inspectorate in cooperation with integrated inspection authorities (IIA) based on an inspection approved by the Ministry of the Environment. The goal of the check was to inspect all the 120 structures included in category B and 38 selected structures included in category A. The inspections were made pursuant to Act no. 224/2015 Coll., implementing current European regulations, particularly Directive 2012/18/EU of the European Parliament and of the Council on the control of major-accident hazards involving dangerous substances. The Act introduces development of safety documents and their approval process, and defines public access to information on risks associated with dangerous substances located in buildings. All the inspections were made as joint with integrated inspection authorities and regional authorities. In relation to the requirements of the new legislation, some operators handling hazardous substances are, as of 1 6. 2016, required to review the list of hazardous substances developed pursuant to the preceding Act no. 59/2006 Coll., update and submit safety programmes and report, internal accident plans and documents for delineation of an accident planning zone and development of an external accident plan. Based on this legislative requirement, changes in classification of entities under the SAP Act took place in 2016. We actually inspected 153 buildings; 2 class B buildings and

3 class A buildings were excluded. In 2016, we also made 11 unscheduled inspections of entities not included, in cooperation with regional authorities. These inspections are focused on verification of currency of information from notifications on non-inclusion of entities, identification of quantities of selected hazardous chemicals stored and used in the operation (production process), the scope of the companies' activities and expected future development (growth – reduction – change of production), observance of obligations in the area of handling of potential pollutants and selected chemicals, etc.

The CEI did not award any fines for administrative violations under the Major Accident Prevention Act to any of the operators inspected. Shortcomings identified during the inspections were handled by proposing remedies to the shortcomings, including specification of a deadline in the inspection results report; alternatively, the shortcomings were removed in the course of the inspection.

In inspection work and generally in the agenda under the Major Accident Prevention Act, there is good cooperation between the CEI and all the concerned public authorities in the area of major accident prevention. Based on the inspections in the area of major accident prevention made in 2016, it can be concluded that operators of facilities accept the MAP system and inspection work under this task has a positive impact on prevention of accident and extraordinary situations.

Two major accidents under the Act on Prevention of Major Accidents occurred in 2016.

On 8 2. 2016, ArcelorMittal Ostrava a.s. caused a major accident under Act no. 224/2015 Sb., on Major Accident Prevention. The bottom part of wet scrubber no. 15 – BF3 suffered puncture/destruction of steel shell and occurrence of a circular hole approx. 80 cm in diameter. This resulted in a leak of approx. 30,000 m² of blast furnace gas. The gas cloud spread from the damaged plant to the casting house of Blast Furnace 2, where employees were intoxicated. Increased concentrations of CO were not measured within or outside the company premises downwind, except at BF2. The operator submitted to its regional authority a final report on the occurrence of the major accident on 8 2. 2016; the regional authority forwarded the report

on 10. 2. 2016, in accordance with Section 36, Para. 1, item b) of the Major Accident Prevention Act to the Ministry of the Environment and the Ministry of the Interior. On 6 5. 2016, the operator submitted to its regional authority a final report on the occurrence and impacts of the major accident. During the inspection on 25 - 27 5. 2016, we made a review of the measures adopted to prevent recurrence of this type of major accident.

On 13 5. 2016, engine diesel vapours ignited at Čepro, a.s., facility in Šlapanov while welding a product pipeline in building 223; this resulted in injuries to 3 employees of an external company doing the welding. No hazardous substances leaked from the accident. The accident was reported to the CEI and the applicable regional authority. The draft of the final report on the occurrence and impacts of the major accident was submitted to the regional authority for approval on 10 8. 2016. In the final report, the company presented a set of 6 measures intended to prevent a similar accident from recurring. The accident was also investigated by Czech Police, FRS and IIA.

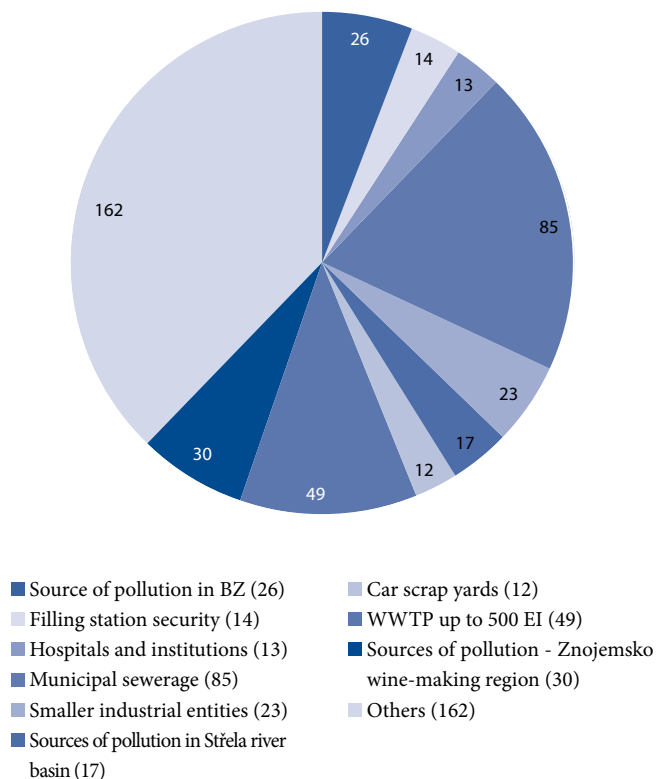
5.2.3 Overview of fulfilment of specific tasks

The inspection work of territorial inspectorates under specific tasks focuses on problematic areas and activities under the jurisdiction of respective TI. In 2016, we made 552 inspection investigations as part of 29 specific tasks.

Almost 43 % of the tasks followed from inspection work in the last year. We made repeated inspections of public fuel filling stations, recreational facilities, pollution sources in buffer zones of water sources of drinking water reservoirs, municipal and industrial sewerage.

The inspection work results indicated that the most frequent violations of the Waters Act occurred in the area of inspection of recreational facilities, where the biggest problem was unpermitted handling of wastewater (discharge and treatment) and groundwater collection. Problems were also identified in WWTP, particularly in smaller municipalities. Based on the inspection findings, we issued 117 conclusive administrative decisions on fines. The amount of fines awarded in the study period was more than CZK 2.54 million.

Especially the following most important specific tasks were tackled in 2016:



1. 1. Inspection of recreational facilities and hotels

In 2016, we carried out checks of adherence to obligations under the Waters Act among operators of recreational facilities and hotels under jurisdiction of seven territorial inspectorates. We made 105 inspections. Based on the findings, we initiated 32 administrative proceedings on fines. Eighteen of the decisions on fines, totalling CZK 358,410, entered into force in 2016. Based on the findings, additional administrative proceedings on fines will be initiated in early 2017.

The most frequent violations of the Waters Act occurred as a consequence of inexpert operation of household wastewater treatment plants, leading to exceedance of emission limits in discharged wastewater. We also identified discharging of pre-treated wastewater without water management authorities' permission. We also identified unpermitted groundwater collection.

2. Inspections of sources of pollution in buffer zones of drinking water reservoirs

of potential or real sources of pollution in drinking water reservoirs focused primarily on those sources of pollution that may affect or are affecting quality of surface water or groundwater in buffer zones of water reservoirs used for public drinking water supply. The inspection focused primarily on those entities where shortcomings had been found in previous periods and remedial measures had been ordered. They included municipal WWTP, industrial entities, fuel filling stations, agricultural businesses, accommodation facilities, etc. The inspections focused on adherence to obligations and activities prohibited in buffer zones of water sources under the Waters Act.

Under this specific task, CEI Prague TI made checks in the buffer zone of the Švihov reservoir on the Želivka river. Due to the continuing problems with contamination with total phosphorus and nitrogenous substances, which cause eutrophication of water in the reservoir, and presence of pesticides in treated water and in the reservoir inlets, the systemic checks of sources of contamination of the Švihov drinking water reservoir will continue in 2017.

The Ústí nad Labem TI made inspections in the buffer zones of the Horka, Myslív, Podhorka, Mariánské Lázně and Stanovice reservoirs. Due to the size and numbers of inhabitants supplied from said reservoirs, who receive drinking water from them, the above are important sources of raw water for conversion to drinking water. For this reason, the CEI has paid particular attention to this task for several years.

In 2016, we made inspections of municipal WWTP, e.g., in Čechčice, Dolní Kralovice, Chmelná and Snět, Senožaty, Bernartice, Onšov, Boží Dar, Květná, Habartov, and Stanovice. Inspections

were also made at agricultural business, such as ZD Trhový Štěpánov, a.s., and repeatedly at ZD Čechčice.

5.2.4 Major cases

ZEVO, spol. s r.o.

Based on repeated findings of violations of the Waters Act in 2015, this entity was awarded a conclusive fine by CEI decision of 8. 6. 2015, amounting to CZK 700,000. Specifically, the fine was assessed for an administrative violation of Section 125g, Para. 3 of the Waters Act for violation of other obligations set by the Waters



Hay store and adjacent storage area

Act while handling larger quantities of potential pollutants in the Velký Karlov biogas station facilities.

The entity appealed against the CEI decision. The MoE, being the authority of appeal, confirmed the CEI decision, and the MoE decision entered into force on 12. 1. 2016.

CHS Epi, a.s.

Based on repeated proofs of increased quantities of contamination with aggregate tetrachlor propyl ether (TCPE) in water sampled at a metering point in Děčín on the Elbe river, we carried out an in-depth inspection at CHS Epi, a.s. Production of epichlorohydrin generates TCPE, which is detected in wastewater. It had been proven that the method of operation of the facility “Combined Epichlorohydrin Production” has an effect on the quality of surface water in the Elbe river, and a direct connection to the increased levels of TCPE in the watercourse. Between October 2015 and mid February 2016, the company failed to operate its biological WWTP in accordance with the operating rules, which set periodic monitoring of the quantity of pollution with TCPE in the discharged wastewater. Based on CEI intervention, the Ústí nad Labem Regional Authority made a change to the integrated permit, consisting in an adjustment (reduction) to the TCPE emission limits, modification to the binding operating requirements, and approval of updated operating rules of the sources of pollution among the process equipment and the BWWTTP.

Said conduct had constituted violation of binding requirements of the integrated permit. By a decision of 28. 6. 2016, the company was awarded a fine of CZK 300,000. On 16. 7. 2016, the decision entered into force.

Holzindustrie Chanovice s.r.o.

Following a repeated check of handling of groundwater, the company was awarded a fine of CZK 335,635 in January 2016 for collecting groundwater both in contravention of the permit and without the required permit, and for using a drilled well without a final approval. The company appeal against the decision. A new decision awarded a fine of CZK 328,790 to the company. The decision entered into force on 16. 11. 2016.



Groundwater collection from a drilled well

5.2.5 Conclusions from inspection work

In the study period, the Inspectorate made a wide range of inspections in the water protection area arising under respective legal standards. Comparing the results with the previous period, the development can be described as stable.

The overall results of WPD inspection work in 2016 showed that the most administrative violations were unpermitted wastewater discharge into surface waters from small WWTP, mostly operated by municipalities, and groundwater collections. The inspection results indicate that there is a need to supervise proper wastewater handling even in relatively small WWTP (above 50 EI), which often receive the contents of dead-end cesspits from their “commute” territory or more or less historically partly process wastewater from local businesses (recreational facilities, hotels, small-scale industrial and agricultural production, services, haulage, etc.). Long-term problems still include insufficient sewerage in villages and methods of wastewater disposal, particularly by holiday resorts in mountain and sub-mountain areas.

Renovations of WWTP structures and equipment and implementation of best available techniques have resulted in a significant reduction in pollution into surface waters from plants sized over 10,000 EI. Due to the importance of large WWTP and the quantity of wastewater discharged, supervision over these WWTP is also necessary, but the inspection frequency can be reduced.

Serious shortcomings in industrial and agricultural businesses continued in 2016 as well; they were mainly unsecured storage and handling of potential pollutants, farm fertilisers and their liquid components, petroleum products and chemicals. We also found shortcomings in inspections of storage areas (absence of tightness tests, absence of accident plans), and identified several problematic agricultural operations, mainly biogas stations. Based on experience from inspections of biogas stations made in recent years, it is obvious that supervision over biogas stations has to increase. The inspection findings indicate that major sources of pollution violate legislative regulations in the area of water protection only exceptionally. The decrease in violations identified is exactly the result of consistent and long-term inspection work. However, the CEI should not stagnate supervising larger and more significant sources of pollution but continue searching for new sources. In the area of handling of potential pollutants, shortcomings were identified particularly among smaller operators.

Another problematic issue is tackling defects on sites without a known polluter, where no legal entity that could be ordered remedial measures is known. Another persevering problem is the completion of remediations, i.e., meeting of target remediation limits on HEB sites that are currently lacking funds.

In the area of supervision and legal violations leading to fines, there is a continuing trend of more cases of identified violations in unscheduled inspections compared to scheduled ones. However, investigation, acquisition of evidence and information in these unscheduled inspections is always more time-consuming and administratively complex than in scheduled inspections and larger pollution sources. Another continuing trend is frequent appeals of inspected entities against our decisions, which makes the administrative proceedings much more time-consuming.

Another problem is the insufficient quality and variability of decisions (primarily permits issued by water management authorities) the adherence to which the WPD inspects. In many cases, final approval decisions are not issued in accordance with water management permits or vice versa. Sometimes the permit requirements are such that adherence to them cannot be determined (e.g., residual flow rate where no metering point exists).

Handling suggestions against natural persons represents a relatively large amount of inspections and related activities with a marginal environmental impact. However, investigation and acquisition of information in these cases is always more time-consuming and administratively complex than in scheduled inspections and larger pollution sources, which consumes time that the WPD could otherwise dedicate to inspection of entities whose impact on quality of surface and groundwater is much greater.

Also in the years to come, our inspectors will cooperate with other environmental protection authorities and, as part of prevention, teach and inform business entities and the general public about obligations arising under legislation so that the inspected entities have the opportunity to protect the environment by themselves.

5.3 Waste management chemicals and biocidal preparations

5.3.1 Overview of inspection work in 2016

In 2016, inspectors of the CEI Waste Management Department (WMD) made 3,261 inspections across the Czech Republic. This number includes inspections of adherence to legal standards in the area of waste management, packaging and chemicals. We made 631 inspections based on suggestions. The total amount of fines in force in 2016 was CZK 59,364,000.

WMD inspectors were involved in 301 cases of inspection pursuant to Act no. 76/2002 Coll. on Integrated Prevention (IPPC Act). Another 156 suggestions were submitted to other public authorities.

In 2016, we initiated 960 administrative proceedings and issued 977 decisions on fines. In the study period, 966 decisions on fines and 24 decisions on remedial measures entered into force.

The inspectors issued 297 position statements and statements, including 151 statements for the State Environmental Fund (SEF). Other position statements were made, e.g., when drawing new legislation by central public authorities. It must be noted in this connection that CEI WMD employees are members of various expert working groups.

5.3.2 Overview of fulfilment of departmental tasks

Waste disposal and treatment facilities

In 2016, we made primarily scheduled inspections of landfills, with a priority to hazardous waste landfills, as well as hazardous waste/municipal waste incinerators (facilities for energy reuse of waste) and inspections of decontamination facilities (biodegradation areas, solidification plants, neutralisation stations).

Based on the results of 417 inspections made under this departmental task, we initiated 81 administrative proceedings on fine/remedial measures, and the amount of fines in force by the end of the year (without all the administrative proceedings having concluded) was CZK 5,279,000.

We received and investigated 153 suggestions. The overwhelming majority of the suggestions were related to unlawful deposition of mostly construction and demolition waste and earth, or other waste ("illegal dumps").

In 2016, we inspected 143 landfills. The inspections focused on both operation of actively operated landfills (first operating phase) and landfills that have been reclaimed or are in the follow-up management phase.

As for actively operated landfills, we must draw attention to the operator's continuing efforts to exclude waste accepted from the "charging" duty. The Inspectorate found out that some operators of major hazardous waste landfills, as well as operators of several

municipal waste landfills, continue in the long term to wrongly report the method of waste disposal under the code N1 (structural elements) instead of the proper D1 in the course of the first phase of landfill operation. Charges for waste deposition are not collected for waste reported in this way (under N1), the charges are then not paid to their legitimate recipients, and no payments are made to the reclamation fund; alternatively, proper financial reserve of an adequate amount is not generated.

Some landfill operators modify accepted waste to make "products", which they use for landfill technical security measures, but they fail to register these products made from waste and thus dodge their charging.

Moreover, landfill inspections frequently found out failure to adhere to requirements of facility operating rules, specifically, for example, waste being accepted to the facility without a basic waste description (BWD); if it was completed, then only formally, i.e., insufficiently describing properties of the accepted waste with reference to appropriateness of accepting such waste to the facility; besides, the BWD often lacked an explanation why the specified waste cannot be reused for energy generation or otherwise and is instead only disposed of at the landfill; we also found insufficient covering of asbestos in the landfill body. In isolated cases of municipal inert waste landfills, we found absence of a waste manager, non-adherence to operating rules in relation to physical waste handling, landfills were not identified with signs, complete continuous records on waste and waste management methods were not kept, and we found disposal of unpermitted waste types.

In one case, being a hazardous waste landfill, the Inspectorate closely cooperated with the applicable regional directorate and district department of Czech Police and, subsequently with a state attorney on preparation of a criminal prosecution based on a crime report.

The CEI WMD inspected 13 waste incinerators in 2016. Inspections at these waste disposal facilities only identified isolated cases of violations of the Waste Act. Specifically, they mostly consisted in non-adherence to requirements of facility operating rules.



Construction of a new landfill bay at Hradčany landfill, run by SUEZ Využití zdrojů a.s. (Olomouc TI)

Waste reuse facilities

The Inspectorate checked waste reuse facilities, specifically including: landscaping (both permitted and unpermitted facilities for reuse of demolition waste in landscaping), reclamation of landfills and underground spaces, recycling lines for construction waste (demolition waste recycling facilities), facilities for recycling plastics, metals, paper, wood and other waste types, facilities processing waste pursuant to Section 14, Para. 2 of the Waste Act, biodegradation facilities, facilities for treatment of biodegradable waste (composting plants, BGS), and more. In total, we made 376 inspections of waste reuse facilities. For the shortcomings identified, we initiated 104 administrative proceedings on fines, and the amount of penalties conclusive as of the end of the year was CZK 3,685,000.

The greater part of the inspections were unscheduled, based on suggestions received, which pointed out mostly deposition of waste in areas not intended for the purpose and its reuse in

landscaping. In total, we investigated 140 suggestions received in 2016.

The large proportion of suggestions aimed at handling of construction and demolition waste and excavation earth is caused, among other things, by the fact that construction and demolition waste makes up more than half the total waste production in the CR as a consequence of the construction boom. The Inspectorate thus intensively dealt with activities of construction companies, particularly due to massive renovations of roads, motorways and railway lines. We registered increased occurrence of deposits of asphalt plates and milled asphalt rubble.

In inspections of approved facilities, the Inspectorate focused in 2016 on agreement of facility operations with existing approvals and facility operating rules. Inspections often came across the problem of definition of by-product and the situation where waste stops being waste. Oftentimes, operating rules of waste reuse facilities fail to specify the exact output from the facility.

The most frequent finding related to waste management in a facility not intended for the purpose or operation of a facility in contravention of its approved operating rules, or in contravention of regional authority decision, such as incomplete operating logs, missing analyses, and missing sampling reports.

In 2016 as well, we continued to come across the problem of meeting all the Waste Act requirements for materials generated from construction or demolition works being recognised as by-products or no longer being waste.

Inspections of adherence to requirements under the Waste Act were made in 44 composting plants, 3 biogas stations and 9 entities handling WWTP sludge.

Composting plant inspections identified 16 violations, representing approx. 36% of the inspections made. It can be concluded that most of the cases were less serious violations, without a factual impact on facility operation. Specifically, we found defects such as mistakes in records on waste admitted, non-submi-

ssion of reports of waste management for the respective year, and sometimes inspection analyses of compost had not been done frequently enough.



Incorrect biodegradable waste management – long-term storage without processing by the composting plant



Branch crushing at a composting plant

However, every year we tackle several cases of fundamental violations consisting in the fact that composting plant operation is not in accordance with the work procedures ensuring a correct composting process. For example, operators had failed to observe the ratio of raw materials for setting up the heap to the extent that the composting process did not take place (temperatures during the process not observed).

Another fundamental violation was operation of the facility with minimal steps (not setting up heaps, insufficient digging, short composting process), and there was a case where biodegradable waste with dry matter content below 40% were only stored (grass, garden waste), leading to an anaerobic environment, thus deterioration of the material and a threat to the environment. If a composting plant is operated in this way, it can be concluded that it is a non-functioning facility, which does not perform its purpose: production of quality compost. In such cases, the CEI awards significant penalties.

Inspection of handling of WWTP sludge found out that entities exchanging the sludge had not adhered to requirements set by operating rules, sludge had not been transported by approved vehicles, and their exchanges were only on paper, while the sludge had not been physically admitted to facilities.

Waste collection and repurchase facilities

Inspections in the area of operation of facilities for waste collection and repurchase were a priority activity of the CEI WMD in 2016 as well. In this segment, we have also actively cooperated with the Czech Police, Czech Trade Inspection Authority and other institutions. This cooperation is supported by the formation of a working group that exchanges information about its work systems, discusses specific cases and designs joint coordinated solutions to the situation around waste collection and repurchase.

In 2016, we made 437 inspections in waste collection and repurchase facilities. This number includes checks made as part of the action Blue 24, which took place in early October 2016. It was a one-day inspection event organised by Czech Police,

aiming, among other things, at suppressing theft in the area of railway transport. In connection with this inspection action, we can say that consistent inspection work in the area of collection and repurchase of metals is one of the tools for minimising illicit conduct when repurchasing metals. It must be noted on the total number of inspections that 61 of them were made based on suggestions.

In 2016 we initiated 147 administrative proceedings and awarded fines totalling CZK 3,354,000. A total of 112 decisions entered into force.

The inspectors also frequently came across late, false or incomplete reports on waste production and management from facilities. Besides, it is not uncommon to find waste submitted to the collection yard operator by a natural person while such waste must not be repurchased from natural persons, such as parts of machinery, etc. Records on natural persons are frequently insufficiently kept at collection yards.

Based on results of inspection work in the area, it can be concluded that, among other things, the stricter legal regulations (especially the ban on cash payment for specified types of waste), particularly in the area of repurchase of waste from natural persons, has had a significant effect on the numbers of identified violations of obligations.

Car wreck collection, repurchase and processing facilities CEI WMD inspectors made 90 inspections in car wreck collection, repurchase and processing facilities in 2016. We made 29 inspections based on suggestions.

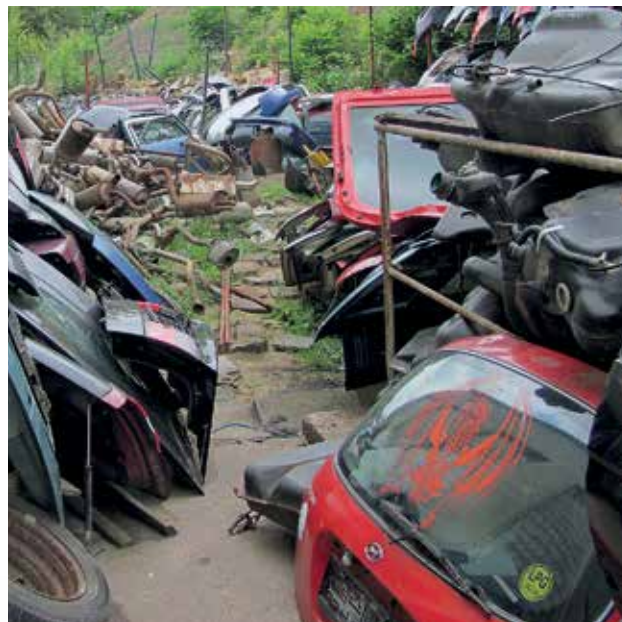
Violations identified resulted in 28 administrative proceedings and 48 decisions on the imposition of fines in 2016. A total of 48 decisions entered into force in 2016, awarding fines totalling CZK 2,633,000.

Generally, it can be concluded that the Inspectorate continues to very frequently comes across cases of illegal car scrap yards run by natural persons. Among authorised operators, we most

frequently came across violations of recording duties and operation of facilities in contravention of requirements of approved operating rules.

The inspectors have a highly positive view of the legislation that has allowed the Inspectorate access to the central vehicle registry. Based on information acquired in this way, inspections of illegal car scrap yards can be made much more effectively.

In addition, we praise the MA ISOH database, particularly its expansion with photo documentation of car wrecks admitted to facilities. This database is also utilised by Czech Police, who cooperate with the CEI especially on cases of illegal reuse of VIN codes and identification of car wrecks outside approved facilities.



Operation of a facility without a relevant approval to operate a car wreck handling facility under Section 14, Para. 1 of the Act (Ústí nad Labem TI)

Recollection of used products

The inspections focused on obligations relating to the recollection system and on their section relating to handling of recollected products (recollection and processing points). In a follow-up on findings made in 2014 and 2015 and a request of the MoE, the CEI focused its inspections in the area of recollection of used tyres particularly on the obligation to provide a mandatory minimum level of recollection and the vendors' information duty.

Inspections in the area of electrical appliances and batteries focused primarily on freeriding, i.e., entities not fulfilling their legal obligations in respect of these commodities. Inspections also aimed at provision of recollection free of charge by the vendors (e-shops) when delivering new electrical appliances.

In a follow-up on inspections made in 2015, the CEI dealt with checking operators of joint recollection systems for electrical appliances.

Besides checks focused on recollection, a large portion of the inspections focused on potential illegal leaks of electrical appliances from the recollection system (illegal trade and repurchasing of these commodities).

A brief overview of numbers of inspections by subject area is shown in the table below.

| Total inspections | Electrical appliances (manufacturers, incl. vendors) | Tyres (listed entities, incl. vendors) | Batteries and storage batteries (manufacturers, incl. vendors) | Processing facilities* | Recollection system operators | Electric waste recollection points |
|-------------------|--|--|--|------------------------|-------------------------------|------------------------------------|
| 163 | 53 | 37 | 14 | 8 | 3 | 48 |

* 7 inspections of electric waste processing facilities, 1 inspection of tyre processing facility.

Under this departmental task, the Inspectorate made 163 checks, including 17 made based on suggestions. We initiated 54 administrative proceedings, and issued 57 decisions on fines in 2016. Some administrative proceedings from the previous year were concluded. 58 decisions totalling CZK 1,261,000 entered into force in 2016. The greatest conclusive fines in this area were awarded for non-observan-

ce of obligations of a manufacturer of portable batteries in an individual system (CZK 200,000), non-observance of obligations of an operator of a recollection system for electrical appliances and solar panels (CZK 200,000; CZK 80,000), non-observance of obligations of an end vendor of electrical appliances in provision of recollection (CZK 60,000), and non-cooperation or failure to allow inspection (CZK 50,000).

In the area of recollection of used tyres, the CEI most frequently came across violations of the Waste Act in their recollection, particularly by listed entities. In total, the CEI awarded fines to 30 entities in the area in 2016, totalling CZK 415,000. Like the year before, the CEI came across repeated shortcomings in duties relating to registration of listed entities in the MoE List, development and submission of annual reports on recollection of tyres, and failure to meet the required level of recollection of tyres. Based on these inspections, we awarded 19 penalties for not complying with the obligation to provide a minimum level of recollection, totalling CZK 230,000. It turned out that some of the companies had repeatedly failed to meet the mandatory minimum obligation of recollection even in 2015. One of the reasons was the absence of a tyre recollection system, which began functioning in early 2016, nevertheless. A recurring violation in the area of electrical appliances and batteries was freeriding, and the associated failure to submit annual reports to the MoE. These have traditionally been the most frequent violations identified in the area of recollection; nevertheless, they generally relate to smaller importers typically without the necessary knowledge of national legislation.

Since 2015, the CEI has inspected joint recollection systems in the area of electrical appliances (incl. solar panels). Based on inspections made so far in 3 joint recollection systems, the CEI has found violations of legal regulations in the area of accessibility of recollection points. Already in 2015, the CEI awarded 1 fine to a joint recollection system (entered into force in 2016), which had quite insufficiently set up recollection points to the required extent (penalty of CZK 200,000). In addition, the CEI also issued 2 decisions, not yet in force, for operators of joint recollection systems who had not established a sufficiently dense network of recollection points at the time of inspection. Another 3 inspections of operators of joint recollection systems were initiated in 2016; they will be concluded in 2017.

Another serious finding was made at an individually performing manufacturer of portable batteries, who had distorted the recollection results in its annual report and failed to perform its information duty about recollection points as well as the mandatory level of recollection for portable batteries. For this violation, it was awarded a conclusive fine of CZK 200,000.

Inspections of industrial businesses and other waste producers

In 2016, our inspectors made 836 inspections among waste producers, out of which one quarter (210) took place based on suggestions. 179 decisions totalling CZK 11,517,000 entered into force in 2016. In this area, we initiated 191 administrative proceedings. Among waste producers, the most frequent violations identified were non-observance of recording and reporting duties as well as unsorted collection of waste. Other violations included failure to make and post hazardous waste identification sheets, and submission of waste to an entity not authorised to accept it under the Waste Act.



Unsecured waste – mixture of waste foundry sand and oil at a grey iron foundry (Brno TI)

In 2016, the CEI made 67 inspections of municipalities focused on observance of obligations associated with sorting of municipal waste. Based on these inspections, only 3 cases of violation were identified. They involved insufficient provision of sorting for paper, non-provision of sorting of biodegradable municipal waste, and last but not least, hazardous waste too. In two cases, we came across storage of considerable quantities of biodegradable waste by a municipality for several years. In one case, we came across burning of biodegradable waste along with cemetery waste.

It can be concluded based on the inspection work that municipal representatives in charge of municipal waste sorting at municipal authorities are sometimes not sufficiently informed about the significance of sorting of biodegradable waste, composting and application of compost to arable land.



Municipal waste sorting in a municipality – the colour bag system

Transboundary waste transport

The departmental task focused on transboundary waste transport was included in the CEI inspection plan for 2016 based on a requirement of the amended EU Regulation no. 1013/2006 on waste transport. CEI WMD inspectors checked waste producers who transport waste across borders to European countries or export waste to third countries, as well as entities that transport waste across borders to the CR in order to reuse it. Another type of inspection was joint actions with the Czech Police and the Customs Administration, where vehicles transporting waste were checked directly on the road.

In 2016, we made 94 inspections, including 21 based on suggestions. Violations identified resulted in 6 administrative proceedings and 11 decisions on the imposition of fines. A total of 12 decisions entered into force in the course of the year, awarding fines totalling CZK 515,000.

The Inspectorate handled several cases of attempts at exporting used electrical appliances and used tyres to Benin, Niger and Nigeria. German inspection authorities interpreted the transport of these commodities as an attempt at illegal transboundary waste transport, since the “used products” did not meet minimum requirements on quality set by European legal regulations in force. Proofs of functionality tests were missing for electrical appliances, and the packaging for the used electronics was inadequate for transport.

Inspection of compliance with Packaging Act

In 2016, we made 105 inspections of compliance with the Packaging Act; we initiated 45 administrative proceedings on the violations identified, and 45 penalties entered into force, totalling CZK 1,430,000. We checked 11 entities based on suggestions.

Almost 50% of the inspections were made at manufacturers or importers of packaged goods who could be assumed to fail to comply with their obligations under the Packaging Act completely (were not registered on the MoE List or did not have a contract with the authorised packaging company EKO-KOM). The greatest fine of CZK 600,000 was awarded to a child restraint manufacturer, importing packaged

components for the production, who had failed to perform its obligations under the Packaging Act concerning a large quantity of pac-

kaging waste. Other significant penalties in the order of CZK 100,000 were awarded on domestic wine makers. Penalties were also awarded to food manufacturers (cordials, meat products), book importers and vendors, and window manufacturers.

It follows from the above that obligations under the Packaging Act are related to a wide range of entities in many manufacturing industries that import or produce packaged goods. Based on inspection findings, we can conclude that the level of information on obligations arising under the Packaging Act is not sufficient.

At entities that performed their obligations under the Packaging Act autonomously and technically at their own expense, i.e., were registered on the MoE List, we found out primarily that they had not sent reports on packaging and waste management to the MoE, or had not performed their obligation to reuse packaging waste pursuant to Annex 3 to the Packaging Act. Here, it must be noted that if a company chooses to perform its obligations in this way, it has to prove the specific actual reuse of the packaging waste for which it is responsible, to the extent specified in the aforesaid Annex (i.e., to which waste reuse facility the packaging waste was submitted).



Packaging waste before submission for reuse

Inspections of adherence to the Chemicals Act

In the chemicals agenda, we made 773 inspections in 2016 focused on obligations arising under the Chemicals Act and related

European regulations: concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH), on classification, labelling and packaging of substances (CLP), on detergents, and on inspections under the European RAPEX system. Part of the inspections focused on the REACH (registration of chemicals, material safety data sheets, regulated and permitted chemicals, totalling 339 inspections), part on obligations under the CLP Regulation (classification, packaging and labelling of substances, totalling 281 inspections); a smaller part on the Detergents Regulation (19 inspections). In the study period, we made 34 inspections based on suggestions received (47% more compared to 2015).

A total of 164 fines for violations of the Chemicals Act (including the Inspection Act no. 255/2012 Coll.) in 2016, totalling CZK 5,662,000. We initiated 162 administrative proceedings and issued 165 decisions on fines. The majority of the violations concerned reporting of chemical mixtures to the registry of the Ministry of Health and their incorrect identification, material safety data sheets and regulated substances.

In the chemicals agenda, the Inspectorate closely cooperated with the European Chemicals Agency (its Enforcement Forum) and with colleagues from inspectorates abroad. Authorities abroad were handed 2 cases (concerning wrong classification of mixtures marketed in the CR and advertising). In the same period, the CEI received 4 suggestions from abroad, relating e.g. to registration of substances or classification of mixtures.

In 2016, our inspectors focused on substances subject to permission pursuant to the REACH Regulation. These are highly hazardous substances that cannot be used in the EU without a special permit. Inspections were made as part of a European inspection project organised by the European Chemicals Agency. The project involved 19 inspections. In 12 cases, we inspected companies manufacturing polystyrene thermal insulation boards, one of which used hexabromocyclododecane (HBCDD), which is subject to permission, as a flame retardant. The company's use of HBCDD was permitted, and the rest of the inspected polystyrene board manufacturers had already shifted from HBCDD to other flame retardants. Other companies inspected included manufactures of plastics, semiconductors

and explosives; they too, however, had shifted from permitted substances to safer alternatives by the time of inspection.

The most important inspection event in 2016 was our involvement in the Europe-wide project REACH-EN-FORCE 4, focused on entities supplying or importing items containing substances regulated by Annex XVII of the REACH Regulation, such as cadmium, nickel, lead, asbestos, toluene, benzene, etc. In the course of the year, we checked 299 products, out of which 48 were noncompliant in terms of contents of regulated substances. We initiated administrative proceedings against 8 suppliers marketing these noncompliant items in the Czech Republic; 7 of them were jewellery and costume jewellery suppliers. To this day, 7 decisions on fines for violation of the REACH Regulation made as part of the REF-4 project have entered into force, totalling CZK 230,000. Interesting results related to contents of heavy metals (nickel, cadmium and lead) in jewellery and costume jewellery, where most frequent violations were identified. Besides, we checked items for contents of sensitising dimethyl fumarate, substances toxic to reproduction, plastic items for phthalates, and solders for cadmium. These inspections made wide use of new mobile analytical equipment that the Inspectorate has available: an X-ray spectrometer for elementary analysis and a Raman spectrometer for compound analysis.

The last thematic inspection action was detailed inspections of material safety data sheets using a single inspection form. In the majority of the cases, we inspected compliance with measures on handling of chemicals specified in the material safety data sheets. Some of the inspections were made in cooperation with the State Labour Inspection Office; these inspections will continue in future.

The year 2016 was the third year of the CEI's cooperation with the Toxicology Information Centre (TIS), which provides information for physicians and the public in cases of acute poisoning. The CEI was informed about 51 chemical mixtures that had produced an accident or poisoning but for which TIS employees had not found information in the Register of Chemical Mixtures kept by the Ministry of Health. CEI inspectors investigate whether suppliers of these mixtures have observed their duty to report to the Register of Chemical Mixtures and other requisites mandatory for a chemical

mixture marketed in the CR. The CEI's cooperation with the TIS allows us to focus our inspection efforts on mixtures really dangerous to human health.

5.3.3 Conclusions from inspection work

Činnost ČIŽP OOH v oblasti odpadového hospodářství a chemieThe activity of the CEI WMD in the area of waste management and chemicals proceeded identically to previous years. The inspection plan for 2016 was met by the respective TIs. At the same time, the CEI WMD was significantly involved in preventive activities, including issuance of position statements for other public authorities.

The year 2016 can be viewed as positive particularly from the point of view of continued expansion of the CEI's instrumentation for quick and efficient identification of qualitative composition of samples collected during inspection work in the areas of both waste management and chemicals. The reason is that the CEI had its own X-ray spectrometer and a Raman spectrometer in 2016; using them, screening measurements made on-site helped us detect exceedance of limits set by legal standards governing the work of the WMD.

From the point of view of the supervised areas, it can be concluded that the predominant continuous major problems involve handling of construction and demolition waste. The Inspectorate very often deals with this issue mainly based on great numbers of suggestions received, which is logical primarily due to the large quantities of these types of waste and the related limited capacities of authorised entities running approved end-of-the-line facilities for these types of waste. At the same time, the planned further increase in renovation of linear infrastructures can be expected to continue making this issue a significant portion of the CEI inspection work in the area of waste management.

That said, our cooperation with Czech Police has significantly intensified in 2016, particularly in the area of illegal handling of hazardous waste. We continue investigation into several cases in 2016 where the quantity and method of illegal handling of hazardous waste posed a very significant threat to the environment.

5.3.4 Major cases

LADEO Lukavec s.r.o.

While jet blasting a railway bridge in Ústí nad Labem, the waste producer generated approx. 218 tonnes of waste in the category 08 01 17 Waste from removal of paints or coats containing organic solvents or other hazardous substances, which were found to contain approximately 80 mg of PCB per kg of dry matter. The risk substance PCB (polychlorinated biphenyls) is listed in Annex IV to Regulation of the European Parliament and the Council (EC) no. 850/2004 on POPs. Waste contaminated by substances listed in the Annex at a concentration above 50 mg/kg must not be deposited in landfills even following stabilisation. Based on the waste producer's order, the waste was transported to S-NO Lukavec landfill. The waste producer explicitly specified the waste properties in the order. In spite of that, the facility operator accepted the waste, mixed it with approx. 600 t of other waste, treated the mixture in a mobile stabilisation device and then landfilled it. This conduct resulted in a violation of Section 21, Para. 4 of the Waste Act, in conjunction with Section 3, Para. 3 of Decree no. 294/2005 Coll., and in conjunction with Section 27a of the Waste Act and Article 7, Para. 2 of Regulation no. 850/2004. For this violation of the waste legislation, the company was awarded a fine of CZK 600,000 pursuant to the Waste Act. The acceptance of the waste with excessive content of PCB to the facility posed a threat to the environment, because the pollutant PCB is a carcinogenic substance characterised by considerable persistence and bioaccumulation. For these reasons, waste with excessive content of it require special handling. The legislation defines that, in order to ensure environmental safety and protection of persons, PCB in such waste has to be destroyed or irreversibly transformed, which can only be achieved by chemical decomposition at high temperatures. Solidification at the operator's facility and disposal of the solidified matter in a landfill did not comply with this requirement.

ITALPE s.r.o.

During inspection work in approved facilities, we registered a serious violation in the waste disposal facility Dvorce – Rejchartice Managed SMW Landfill, run by ITALPE, s.r.o., which accepted, in contravention of its integrated permit in force, approx. 108 thousand tonnes of mixed municipal waste (MMW) produced by remediation of historic environmental burden under "Revitalisa-

tion of remedial measures at Litovel – Nasobůrky”; before disposal, the composition of the MMW was mechanically processed in an unpermitted way (sorting), which activity was not permitted at the facility. The company was awarded a fine of CZK 1.1 million for violating the Integrated Prevention Act. At the same time, we awarded a fine pursuant to the Waste Act, which the company violated by failing to perform its reporting duty for 2014 associated with the unpermitted sorting of mixed municipal waste.

HYDROGEOLOGIE CHRUDIM spol. s r.o.

The company HYDROGEOLOGIE CHRUDIM spol.sr.o. had operated the “DEKOS decontamination and recycling centre” in Hradec Králové based on an integrated permit issued by a decision of the regional authority. We found out that waste in the category Hazardous, 05 01 06 Petroleum sludge from equipment maintenance accepted to the facility had long (at least 15 years) been stored at the facility in contravention of the permit in force.

Besides, the facility had long (at least since 2008) stored several dozen tonnes of hazardous waste collected in a “pit” made in the northeastern part of the plot. This pit was filled with liquid effluent, which sedimented there and the excess liquid was absorbed by the ground. At the same time, accepted waste was mixed at the facility in contravention of its operating rules.

The CEI interpreted the findings as a violation of the Integrated Prevention Act and awarded HYDROGEOLOGIE CHRUDIM spol. s r.o. a conclusive fine of CZK 300,000. At the same time, remedial measures were imposed on HYDROGEOLOGIE CHRUDIM spol. s r.o. for said violations; their implementation has been documented.

Interesting cases from the chemicals agenda

Walmsley enterprises international spol. s r.o.

A fine of CZK 300,000 was awarded to the company for incorrect and insufficient labelling of car freshener trees, wrongly performed classification and erroneous material safety data sheets for products. Besides, the company did not report these hazardous mixtures to the Register of Chemicals and Preparations (CHLAP)

of the Ministry of Health. In addition, it failed to inform the European Chemicals Agency (ECHA) about the classification of some of the substances.

This concerned 18 types of the product “WUNDER-BAUM® Lufterfrischer”, imported from Switzerland in 2014–2015, totalling approx. 2.5 million units.

Stoklasa textilní galanterie s.r.o.

A fine of CZK 80,000 was awarded to Stoklasatextilnígalanterie s.r.o. An inspection in the company’s central storehouse used screening with an X-ray spectrometer and revealed increased contents of cadmium, lead or nickel in 7 samples out of the 25 checked. The contents of these metal in costume jewellery is restricted by Annex XVII to the REACH Regulation. Samples in which the spectrometer detected possible exceedance of the limit concentration for the given metal were then analysed in an accredited laboratory to verify their composition. The limit exceedance was confirmed in 6 out of 7 samples. This finding was the reason for initiation of an administrative proceeding, order to withdraw the products from the market and report them to the EU RAPEX system for non-food products dangerous to consumers (notification no. “INFO/0227/16”). The company withdrew the noncompliant products from the market and adopted additional measures to ensure sales of products compliant with the limits set by Annex XVII of the REACH Regulation.

Illustration of selected costume jewellery samples from the Stoklasa case:



*Necklace: 88.8 wt% of lead
- limit exceeded 1,770 times
(Ostrava TI)*

*Bracelet: 74.1 wt% of cadmium
- limit exceeded 1,770 times, rate of nickel release: 2.5 µg/cm²/week - limit exceeded 5 times (Ostrava TI)*



*Necklace: 85.4 wt% of cadmium
- limit exceeded 8,540 times
(Ostrava TI)*

5.4 Nature protection and CITES

5.4.1 Overview of inspection work

Nature protection inspectors made 2,836 inquiries in 2016; among these, unscheduled inspections dominated as usual, typically in connection to a delivered suggestion. Over the same period, the NPD issued 679 conclusive decisions, including 509 on fines, 29 on remedial measures, and 18 on restricting or halting an activity; this was a 10% increase on average in most of the parameters compared to 2015. The total sum of conclusive fines grew by more than 2 million to a final CZK 12,842,450. Out of that amount, CZK 11,717,850 were fines to legal entities and natural persons doing business; natural persons not doing business represented CZK 1,094,600 worth of penalties. Besides, we issued 123 decisions on confiscation of illegitimately held individuals and 20 preliminary measures in 2016. The number of crime reports filed increased year-on-year to 16 submissions.

In 2016, the nature protection department dealt with 1,103 suggestions received, which was an admittedly slight yet still continuous increase compared to previous years. Investigation of received suggestions continues to represent a very extensive agenda, which at least in some parts of the year makes up the largest portion of the Nature Protection Departments' work. The composition of the cases handled matched the long-term trends, i.e., the statistically largest parts of submissions received concerned unpermitted felling and damage of trees outside forest, whether they were in built-up areas or open country. There has been a long-term presence of suggestions focused on interference with prominent landscape features, violation of protection requirements of specially protected sites, specially protected plant and animal species and wild birds, and there is always the issue of protection of agricultural land from pollution.

A significant part of the delivered submissions is justified and points out serious violations of legal regulations, which constitutes grounds for initiation of administrative or misdemeanour proceedings with the responsible entity, typically resulting in the imposition of a fine or remedial measures, sometimes even restriction of activity. On the other hand, the Inspectorate is often burdened by investigating trivial, unjustified or repeated suggestions resulting from the submitters' reluctance to first contact the locally applicable nature protection authority, which

could provide the initial information on specific interventions, or reluctance to accept results of previous investigations, be it by the CEI or other applicable authorities. The situation would be improved by implementation of conceptual measures that would help eliminate this conduct, thus making adequate room for investigation of truly serious cases.

The greater part of the inspection work of the nature protection department concerns enforcement of Act no. 114/1992 Coll. on Nature and Landscape Protection. To a lesser extent, the inspection work follows other departmental acts, notably Act no. 78/2004 Coll. on Handling of Genetically Modified Organisms and Genetic Products, Act no. 162/2003 Coll. on Conditions for Operation of Zoological Gardens, and last but not least, also Act no. 334/1992 Coll. on the Protection of the Agricultural Land Fund. A separate chapter is inspection work done based on Act no. 100/2004 Coll. on Protection of Wild Animal and Plant Species by Regulating Trade in Them, the coordination of which belongs to the separate CITES department. However, some of the inspection work under this Act is done by some inspectors of nature protection departments of the CEI territorial inspectorates.

Genetically modified organisms

In 2016, the CEI made 37 inspections in the area of genetically modified organisms. In 30 cases, they focused on the limited handling regime in risk categories 1, 2 and 3 and on entities checked more than 3 years ago, and new notifiers of handling GMO. The remaining 7 inspections were related introducing GMOs into the environment as part of field experiments. Above all, we inspected all the field experiments permitted by the MoE Environmental Risk and Environmental Damage Department for 2016, specifically experiments with a transgenic plum tree (clone C5), a transgenic flax and two types of transgenic barley. Conversely, experiments with GM pea plants and GM tobacco were not conducted last year, thus not inspected.

A separate area was monitoring of sites with presence of GMO crops done based on delivered suggestions. We made 7 investigations in the growing season focused on GM potato Amflora on 3 sites where they had been grown as part of field experiments until 2010. Measures have been implemented there for several years to prevent regrowth of GM potatoes, which may grow from persistent microtubers even after se-

veral years. In 2016, presence of Amflora potatoes was detected on only one site; in spite of that, we will continue this monitoring in 2017 as well.

Based on another suggestion, we also made 5 inspections to monitor presence an admixture of unpermitted GM rape (OXY235) in mercantile rape seed stock (HRC 918) designed for field experiments. Our investigation of the measures implemented to destroy the sown rape did not detect any presence; in spite of that, we will continue inspecting these sites next year as well. The numbers of cases of presence of GMO admixtures in ordinary commercial seed stock has had a slightly increasing tendency in the recent years, and increased attention to this topic is required.

Inspections at the entities, both scheduled and unscheduled, in 2016 did not identify any cases of environmental danger or significant violations of Act no. 78/2004 Coll., as amended. Any minor shortcomings, largely of an administrative nature, were eliminated by the inspected entities immediately after the notification or within the period set by the CEI.

Last but not least, our inspectors focused on GMO issues participated, as part of their continuous training, in 3 expert excursions to specialised institutions handling GM organisms, expert lectures and the periodic nationwide GMO session. GMO inspections in 2016 involved 10 authorised inspectors of the TIs and 1 employee of the CEI Headquarters.

Zoological gardens

As in previous years, the CEI inspected zoo licence holders in connection with periodic inspections organised by the MoE Department of Species Protection and Implementation of International Commitments (ODOIMZ) in cooperation with the Zoo Commission and other public authorities. In the course of 2016, we inspected in this way 13 existing zoos; three other facilities (ZOO Plasy, ZOOPARK Na Hrádečku, ZOO Harta) were inspected as part of proceedings on zoo licence awarding.

Shortcomings were identified at one of the applicants, who applied for a suspension until the end of 2018 based on that

finding. The existing zoo inspections did not find any shortcomings that would be in contravention of Act no. 162/2003 Coll. or requirements of zoo operation licences. The inspection of zoo operators also focused on compliance with Act no. 114/1992 Coll. and Act no. 100/2004 Coll. The administrative defects identified were related to some individuals of specially protected species, which may only be kept and bred based on an exemption from the bans awarded by regional authorities. The shortcomings were resolved immediately on the spot; administrative proceedings on the imposition of a fine will be conducted in justified cases. There were 27 zoos licensed by the MoE in the CR as of the end of 2016.

Protection of agricultural land (ALF) from pollution

2016, we received more than 25 suggestions more or less aimed at the area of ALF protection. A great part of them were unjustified or aimed at areas that are completely outside the CEI's powers. Examples include suggestions related to erosion, use of ALF for purposes other than agricultural, and ALF exemptions. The NPD's powers equally exclude contamination with substances or elements other than those listed in the applicable Decree to the ALF Protection Act, natural occurrence of heavy metals and historic environmental burdens.

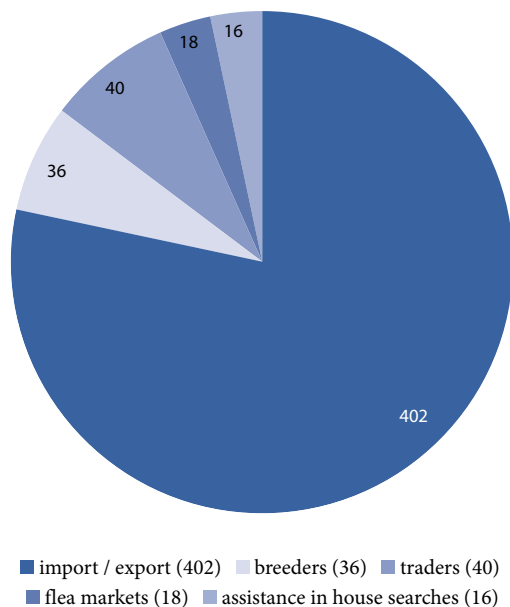
We are currently investigating cases of dumping sludge on agricultural land in cooperation with other institutions (Central Institute for Supervising and Testing in Agriculture). Any violations of laws and liability of a specific entity can only be assessed after collecting and analysing samples of the sludge and the agricultural land. The existing analysis of our capacities under the newly acquired power to inspect ALF contamination is focused exactly towards this area.

Trade in endangered species – CITES

In 2016, CEI inspectors made 479 inspections under Act no. 100/2004 Coll. (CITES). Out of that, 84% concerned importation and exportation via international airports, domestic customs authorities and customs mail, i.e., international trade in endangered species. Only 16% of the inspections concerned internal EU trade in CITES specimens. These figures confirm the situation in recent years, where the majority of the CITES inspection work in

the CR is focused on international trade (imports, exports). This work cannot be planned beforehand since it follows from the current situation (only 10% of inspections in the CITES area at the CEI fall within planned work).

CEI inspection work – CITES 2016



At present, more than 80% of the CITES inspection work is done by the International Biodiversity Protection and CITES Department of the CEI Headquarters, which deals primarily with international issues of the CITES treaty (inspection of imports and exports, international cooperation), investigation of serious cases of violation of laws and cooperation with authorities of criminal proceedings, and also provides professional services for other CEI inspectorates and state authorities.

In inspections of imported and exported CITES specimens, 27% found violations of laws, i.e., almost every fifth inspected shipment was not in order. This is an increase compared to 2015, when this was only 17%. There is still a major contribution of Vietnamese nationals to violation of laws on CITES and wildlife. In 2016, perpetrators of Vietnamese nationality were behind 56% of the cases (50% in 2015, 36% in 2014). These were cases of various nature: not serious imports of traditional medicines, but also very serious offences such as trade in ivory, tiger bones and decoctions. We also registered increasing shipments of dried invertebrates (butterflies, beetles) by means of mail parcels (77 shipments).

The CEI carried out 136 fine proceedings; fines totalling CZK 446,200 were awarded in the CITES area (decisions in force); serious cases are forwarded to authorities of criminal prosecution, with which the CEI cooperates on investigation of the cases. Legitimate confiscation of CITES specimens proceeded in 120 cases: we confiscated 235 live specimens of endangered animals and plants and 924 non-live specimens (products).

Under the stand-by duty, the CITES inspectors handled 127 telephone activations from the Customs Administration and the Czech Police. Most of them were resolved via telephone and e-mail (thanks to the possibility of electronic transmission of photographs and data) and agreement of next steps. Seven of the cases required intervention outside business hours.

The CEI assisted in 16 house searches and actions of authorities of criminal prosecution; CEI inspectors participated as expert consultants. This shows an increasing trend, consisting in more frequent involvement of the expert component of public administration in criminal proceedings. The most important action in 2016 was the operation Ebur, in which 126 kg of ivory was seized, worth an estimated CZK 6 million.

The joint operation Tiger Eye took place at the Václav Havel Airport Prague in cooperation between the CEI and the Customs Administration in the spring of 2016. The aim of the operation was detailed inspection of passengers travelling to Vietnam with a focus on possible smuggling of wildlife products. During the four-week operation, we

used X-ray to inspect 7,370 pieces of luggage, out of which 2,284 were subjected to physical content searches. CITES specimens or suspicious products were intercepted in 44 cases. In the majority of the interceptions, we had to proceed to demanding genetic analyses in order to identify the species. We identified tiger infusions, ointments with bear bile, preparations from saiga horns, and musk from musk deer. We also intercepted pendants with tiger teeth and Amur leopard teeth. A crucial result of the operation Tiger Eye is the finding that extensive trade in decoctions and bouillons from protected animal species (mostly monkeys and tigers) exists in the Czech Republic, apparently of an international organised nature.

In 2016, the ninth annual three-day seminar Wildlife Crime in the CR was organised, intended for inspectors, police, customs administration and public prosecutors, attended by approx. 160 participants. The participants included 6 judges as well. The seminar included presentations of cases currently investigated, methods of illegal trade, Internet crime, use of forensic methods in exposing wildlife crime, conservation projects relating to endangered species, handling of animals, etc. In 2016, the CEI in cooperation with the Supreme Public Prosecutor's Office in Prague organised a specialised 2-day training for public prosecutors focused on wildlife crime issues.

5.4.2 Overview of fulfilment of departmental tasks

1. Inspections of farming entities as part of the Cross Compliance (CC) process with a focus on defined inspection requirements

In the past year, the CEI made 315 conditionality inspections in 311 businesses in connection with disbursement of agricultural subsidies. In 240 cases, we assessed adherence to statutory management requirements (PPH) arising from Council Directive no. 79/409/EEC on the protection of wild birds; and in 75 cases, adherence to the requirement arising from Council Directive no. 92/43/EEC on habitat protection. The overwhelming majority of the inspections took part based on a centrally drawn inspection plan, which includes at least 1% of applicants for agricultural subsidies.

As is traditional, the inspections focused on potential risk areas from the point of view of nature and landscape protection, i.e.,

farming on land blocks (DPB) with presence of both solitary trees and patches of trees and shrubs, as well as on surroundings of watercourses and bottomlands, particularly in connection with grazing of farm animals. As traditionally, increased attention was paid to land plots interfering with Natura 2000 sites or specially protected areas. We also considered DPB included under the newly established subsidy brackets "lapwing" and "blue butterfly".

Violations of PPH and provisions of the law were found in tow of the inspected entities in the jurisdiction of Brno TI in 2016. In one case, the CEI registered illegal removal of a large quantity of trees, leading to a motion to reduce the subsidy as a consequence of violation of requirement PPH 2/2 and initiation of a proceeding on a fine, which has not yet become conclusive. Another subsidy applicant made a violation of requirement PPH 2/1 in connection with an unpermitted interference with a watercourse prominent landscape feature when it made adjustments to the bed profile without a respective position statement of the applicable nature protection authority. Based on these findings, we also filed a motion to reduce the subsidy, and awarded a fine of CZK 10,000. Both cases were inspections made based on suggestions. This year's inspections were also the first to result in a motion to revoke an agricultural subsidy as a consequence of the applicant not permitting inspection, specifically in the jurisdiction of České Budějovice TI.

The remaining cases did not find any violations of legal regulations and requirements inspected, or these were only minor defects, resolved by agreement on the spot or under an inspection findings report. Last but not least, the CEI continuously alerts businesses to all potentially dangerous activities the consequences of which might be interpreted as violations of the Nature and Landscape Protection Act, or might lead to a motion to reduce a subsidy.

This was the most inspection-rich departmental task, carried out based on an interdepartmental commitment and obligation towards the EU. Each year, we check at least 1% of applicants for agricultural subsidies, representing about 1/3 of all the scheduled NPD inspections. Due to the relatively low numbers of violations identified, these inspections have a predominantly preventive effect.

2. Inspection of legal compliance in handicap rescue stations

Under this task, we were supposed to carry out inspection of legal compliance by entities that had received MoE permits to operate handicap rescue stations. Out of the 45 approved facilities (the list is published at <http://www.mzp.cz/Aplikace/rzc.nsf/index.xsp>), we only checked 40 operators in 2016, since 2 of the rescue stations had been discontinued, another 2 were not opened at all, and one entity had been checked the year before.

The inspections revealed shortcomings in a number of cases. A total of 12 rescue stations had held specially protected species or wild birds for some time without a valid exemption from the bans or rulings on differing procedure; 9 stations had failed to adhere to some of the requirements of exemptions issued for the station operation (incomplete records, failure to inform about release of cured individuals of specially protected species, non-submission of report) or approval to release bred individuals of specially protected species has not been given. At 12 of the inspected entities, the defects identified have led or will lead to initiation of administrative proceedings on fines, including 3 fines already in force totalling CZK 12,000. One of the operators was found to have committed such gross violations of law that the Inspectorate motioned the MoE to withdraw the exemption for the station operation.

Besides, the inspections registered differing approaches of regional authorities when issuing exemptions for holding specially protected species, which may make it difficult for some stations to comply with the legal requirements. Examples include 2 of the rescue stations to which the regional authority refused to issue an exemption for holding SPS with the justification that it was replaced by the exemption for the station operation. In such cases, the station operators were released from the duty.

Thus, this departmental task has resulted not only in assurance of legal compliance in operation of handicap rescue stations, but also initiation of a unification of the approach of the applicable nature protection authorities. Besides the above-mentioned exemptions for holding SPS, this also concerns decisions defining differing procedures for holding of wild birds, typically issued by municipal authorities with extended powers.

3. Inspection of legal compliance in connection with safety provisions at airports

Under this departmental task, we inspected 7 shortlisted airports with international traffic, where available information indicates the practice of safety provisions by means of scaring or killing wild birds and other animals that may pose a risk for air traffic. This protection is typically done using falconry-trained birds of prey and, besides exemptions from bans on holding them, it requires the issuance of a decision on differing procedure consisting in scaring and hunting of wild birds. Our inspections sought for potential violations of laws, typically in connection with shortcomings in records on the hunted animals, but legal violation was not proven in any of the cases.

4. Inspectorate-wide check

In the second quarter of 2015, inspectors country-wide were involved in an inspection action focused on exercise of and adherence to public nature protection interests in the Sedlčany, Votice, Benešov and Vlašim districts, with a particular view to protection of SPA, SCI, memorial trees, PLF and trees growing outside forest. The 22 inspection investigations resulted in one administrative proceeding on a fine for violation of tree protection; two more were initiated by the Blaník PLA Administration and the Sedlčany water management authority under their territorial jurisdiction. Other public authorities were sent invitations to assure remedy based on the findings, most frequently in the areas of insufficient labelling, management plan compliance, and management measures in SPA, SCI and memorial trees. The Nature Conservation Agency was informed about the condition of the 21 inspected memorial trees.

5. Inspection of keeping of tigers in private breeds

In the course of 2016, we carried out the final phase of the task focused on checking tigers bred in captivity in connection with the illegal trade with non-live tiger specimens and derived products. Inspections under this task showed numerous violation of laws. Doubts concerning tiger records, disappeared animals, mismatched documents and difficulties with identification, high reported mortality, etc., all indicate a possible connection with the organised trade in tiger products. Specific cases will continue to be handled in cooperation with authorities of criminal proceedings.

5.4.3 Crucial inspection work as part of specific tasks

Tree protection

Protection of trees growing outside forest has traditionally been a very frequent task of the nature protection departments, including as part of inspections of managers of watercourses, the power grid, roads and railway lines. In this connection, the Inspectorate paid great attention to performance of legal duties when doing maintenance of railway lines by the Railway Infrastructure Administration (RIA). In 2016, the CEI awarded the RIA with a decision in force on a fine of CZK 1,030,000 for non-observance of a prohibition of activity and felling of trees without permission. Simultaneously, another inspection focused on illegal felling of trees took place this year; based on it, we initiated another administrative proceedings on a fine with the RIA. The decision should be made in the first half of 2017.

The investigation also included entities involved in the felling as subcontractors. These inspections were made in the territories of Brno, České Budějovice, Hradec Králové, Liberec, Ostrava and Ústí nad Labem TI. In the course of 2016, 10 were awarded conclusive fines totalling CZK 1,614,450; together with the above fine, felling of trees along railway lines alone was subject to 11 decisions on fines totalling CZK 2,644,150 last year.

Larger-scale damage or cutting of trees can also be come across when implementing regionally significant investments, infrastructure construction or renovation, or maintenance of farmland. In this connection, we may mention the conclusive fine of CZK 360,000 awarded to the Town of Sobotka for damaging 25 grown lindens by inadequate treetop pruning. A similar proceeding resulted from a suggestion from Mariánské Lázně, where the company Hotel Esplanade a. s. radically reduced the tops of 21 grown trees, for which the CEI gave it a fine of CZK 150,000, reduced after an appeal to CZK 90,000.

Based on a suggestion, we dealt with a case of unpermitted tree cutting and violation of landscape character by the Road and Motorway Directorate; besides the imposition of a fine, the proceed-

ing also concerned a remedial measure in the form of planting of trees along a section of a road in Třeboňsko PLA. The MRD protested against the conclusive fine of CZK 200,000 with a legal action. Another conclusive fine of CZK 160,000 was awarded to Sportovní areál Ještěda s. for unpermitted tree cutting in a recreational and sports ground, and a similar case was the conclusive fine of CZK 150,000 awarded to PARPLANDO s.r.o. for cutting of trees in order to make room for dumping excavated earth. A case of an extraordinary size was handled by Liberec TI, issuing a decision on a fine for a natural person doing business amounting the CZK 520,000. The matter was returned by the authority of appeal for a new discussion. The above brief overview shows clearly that construction activity continues to collide with protection of trees growing outside forest; this situation demonstrates the long-term attitude of many investors and property managers.

Like in previous years, the CEI in 2016 came across cases of large-scale felling of continuous tree stands on long unmanaged land, such as overgrowing pastures and old orchards. This illicit activity is usually motivated by one-off profit, whether in the form of the wood material (or wood chips) or turning land into plots for which agricultural subsidies can be applied for. This is also related to cases of non-performance of the reporting duty when cutting trees pursuant to Section 8, Para.2 and 4, or misuse of the institute of emergency cutting. Another type of instance is tree cutting based on a watercourse or power line manager's authorisation, done in excess of that authorisation.

Decisions in force included the fine of CZK 150,000 awarded to the legal entity Zelené pláně Českého středohoří s.r.o., which was found liable for unpermitted cutting of a continuous stand of trees growing outside forest covering an area of 18,600 m² in within the territorial jurisdiction of Ústí nad Labem TI; the fine of CZK 180,000 to Ekobiomasa s.r.o., which had misused its authorisation under the Energies Act to cut grown trees at a distance from the power line considerably longer than that representing the buffer zone; and the fine of CZK 160,000 to Business strategy s.r.o., a company that had continued cutting trees regardless of being informed about the illegal nature of its conduct in the cutting.

In the course of 2016, the Inspectorate registered increased attempts at wilful cutting of even very tall-grown solitary trees, particularly lindens. Some of the trees had been cut before the suggestion was submitted, quite often with the knowing quiet consent or based on a calculated decision of the respective local nature protection authority without there being a serious reason for the cutting. A frequent argument was the impossibility to do adequate maintenance of the tree, whether for financial or ownership-related reasons, or alleged or exaggerated collision with immovable property. In several cases, the original intent to cut the tree was reversed, such as a linden almost 4 m in circumference in Díly, a linden almost 4.5 m in circumference in Jáchymov, and a similar linden in Postrěkov in Domažlice district, which had even been considered for declaration as a memorial tree. In the latter case, the CEI made a motion to review the municipal authority's decision permitting the cutting and initiated a proceeding on halting harmful activity pursuant to Section 80, Para 2 of the NLPA, in connection with the preliminary measure in order to refrain from cutting the tree. All the cases concerned dominant vital trees without significant defects that might constitute reason for cutting the trees.

Furthermore, the CEI made inspections of implementation of substitute planting ordered by the CEI or local nature protection authorities. The most frequent problems identified were non-adherence to requirements for substitute planting, particularly non-matching quantities and types of trees and no growing care of the plantings, as well as failure to do the substitute planting within the specified time. We also made supervision of public authority work connected with substitute planting orders; municipal authorities continue to make serious errors consisting in ordering legally unenforceable obligations. Usually there is no specification of the trees or dates of planting, or the substitute planting is ordered in places where it can practically not be made. It is no exception that a nature protection authority and the proceeding party make a wholly informal agreement on changing the substitute planting conditions ordered by a decision in force, without such agreement reflected in the administrative proceeding documents. The Inspectorate also purposefully enforced protection of memorial trees; a case worth mentioning is the conclusive fine of

CZK 40,000 awarded to a legal entity for damaging roots of the memorial tree "Linden in the Parochial Garden" by heavy machinery when renovating the chateau ice house in Třebíč.

Protection of prominent landscape features

Investigation regularly deals with cases of unpermitted intervention in PLF, often in connection with protection of trees along watercourses or interference with natural evolution of SPS of aquatic animals. Among the cases handled in 2016, we can name the conclusive fine of CZK 150,000 to the construction company Dráb a spol. s.r.o., which made an unpermitted intervention with fishpond, watercourse and bottomland PLF by cutting 92 trees. Relatively frequently, the CEI came across deposition of materials and landscaping in the territory of watercourse and bottomland PLF, sometimes in conjunction with damaging or cutting of trees, for which a number of legal entities received conclusive fines in the order of CZK 100,000. Such interventions are typically connected with the necessity to order remedial measures consisting in elimination of effects of the unauthorised interventions.

Another administrative proceeding on a harmful intervention in a PLF was conducted with Povodí Vltavy, which was doing extensive dredging of the bottom of the Vltava river between Vraňany and the confluence with the Elbe with reference to flood damage of 2013. Since it interfered with the bedrock in addition to the alluvial sediments, the Inspectorate halted its work in the river bed with a preliminary measure. The priority of the case turned out to be the effort to prevent additional damage resulting from the company's following wrongly drawn project documentation; the Inspectorate therefore ordered a new preliminary measure, setting requirements for the work. The company's further work was monitored and the proceeding on the imposition of a fine was discontinued after the work was completed.

Inspections of operators of SHPP

Inspections of operators of small hydropower plants took place in the territorial jurisdiction of several TIs; their existence poses a long-term risk for some environmental components, particularly aquatic. The investigations followed up on previous tasks,

and confirmed the continuing currency of the issue. We made several dozen scheduled and unscheduled inspections of SHPP, many of which proved violations of laws by their operators.

Among the important cases, we can name the inadequate collection of water from the Morava: according to findings of Olomouc TI, a legal entity had made an unpermitted intervention in a PLF, a biotope and natural evolution of the SPS Alpine Bullhead, for which it was awarded a fine of CZK 90,000, not conclusive yet. In the jurisdiction of Olomouc TI alone, 6 more possible violations of laws were investigated, consisting in harmful interventions in PLF and unpermitted interference with natural evolution of SPS as a consequence of failure to observe residual flow rates. Out of the 6 decisions on fines issued, totalling CZK 200,000, three have entered into force, while an authority of appeal is deciding about the others.

Other decisions concerned a SHPP operator in the jurisdiction of Havlíčkův Brod TI, a natural person doing business repeatedly committing administrative violations of unpermitted interference with natural evolution of specially protected animal species, harmful interventions in prominent landscape features without a nature protection authority's approval, and doing activity inside a Site of Community Importance that requires a nature protection authority's approval without such approval. All of that was in connection with failure to observe the minimum residual flow rate in the bed of the Šlapanka river, for which it was awarded a fine of CZK 75,000, confirmed by the authority of appeal.

Species protection and protection of wild birds

An integral component of the NPD's work is inspection of observance of protection of specially protected plant and animal species and wild birds, also accentuated by the public concern expressed by suggestions received. Some of the cases are related to mandatory protection of SPS individuals, and even more to their populations and biotopes. The Inspectorate has traditionally dealt with unpermitted interference in natural evolution of SPS during construction, renovation or maintenance of hydraulic works, watercourses and fishponds, construction of infrastructure, some sporting grounds or alternative power sources.

Very serious cases have recently been registered in connection with leaks of foreign substances into watercourses, some of which are shown among the major cases.

A separate chapter is cases of illegal killing of birds of prey, predators and other wild species with firearms or poisons, prominently featuring carbamate pesticides containing carbofuran, used in the past as insecticides. This is very ruthless conduct irrespective whether the poisonings of the most frequently affected species occur deliberately or as a consequence of non-selective eating of poisoned bait, because even placing it in open country constitutes a public danger. From the start of the monitoring in 2016, we registered so far the greatest numbers of poisonings of birds of prey, including 12 white-tailed eagles, 3 red kites, 1 golden eagle; other species that often become victims include otters and other predators, but even free-ranging domesticated dogs and cats are endangered. A great problem is the difficulty proving such conduct, which may constitute the facts of several different criminal offences.

An example of a harmful intervention in a population of specially protected plant species is drainage of a waterlogged meadow with presence of the endangered western marsh orchid. A groundwater collection point was set up on the site along with a network of drainage channels with perforated plastic piping, resulting in an alteration to the water regime and a threat to the population of the aforesaid species. For the unpermitted interference with the natural evolution of the SPS, the legal entity was awarded a fine that has not entered into force yet, and the obligation to put the plot in its original condition.

Another fine of CZK 150,000 was awarded for cutting of trees on the banks of fishponds in Třeboňsko SCI. The cutting was investigated based on a suggestion received, and Rybářství Třeboň a.s., being the liable entity, was proven to have committed not only the expected unpermitted cutting of trees but also an unpermitted interference with the natural evolution of SPS of insects, specifically beetles (hermit beetle, variable chafer, great capricorn beetle) developmentally bound to woody mass of cut trees.

Another specific case was the halting of an harmful activity in connection with unfinished unpermitted intervention in the biotope of the seriously endangered serpentine spleenwort by constructing a forest track across a site with its presence at Sklené nad Oslavou, handled based on a suggestion received. After identification of the state of affairs, the CEI halted further construction with a decision on a preliminary measure and then decided to restrict the harmful activity pursuant to Section 80, Para. 2 of the Act. Lesy České republiky, s.p., appealed against the decision. The authority of appeal rejected the appeal and confirmed our decision.

A number of suggestions in 2016 concerned provision of favourable living conditions for the corncrake and selected species of diurnal butterflies. Their lifecycle depends on favourable management of grassland, consisting in the choice of an appropriate mowing technique and dates. Several times, the Inspectorate handled potential unpermitted interference in the natural evolution of blue butterflies bound developmentally to the great burnet and host ant species, including the currently investigated suggestion to change management of areas with presence of blue butterflies at Dolní Žleb and Přelouč, managed by the Waterways Directorate.

Protection of SPS of plants and animals is a relatively frequent subject matter of suggestions received, and quite often it yields relatively serious findings requiring immediate intervention in the form of halting of activity or specification of detailed requirements in order to conserve the biotope and its respective population.

Territorial protection

Another area handled by the NPD is inspection of observance of protective requirements of SPA, often in connection with endangerment of other protected interests. Among the cases handled in 2016, we can name the inspection at POLNOST, which had managed meadow plots in NR Koutské a Zábřežské Louky in recent years using intensive techniques (ploughing, fertilisation, etc.), carried out forbidden activities (use of pesticides, etc.) and damaged a nameless watercourse and several dozen trees using an excavator. The company was awarded a fine of CZK 280,000, subsequently reduced by the authority of appeal to CZK 190,000. We also initiated a proceeding on remedial measures in this matter.

Another fine of CZK 50,000 was awarded to a legal entity for an administrative violation committed in January-July 2015 by leaving timber from trees cut on a forest plot on an adjacent NRLipovské Globeflower Meadows in Lipová cadastral zone, leading to an unpermitted change and endangerment of the well-preserved condition of a part of the NR site covering approx. 2,700 m². The decision is currently in an appeal phase. A violation of the NLPA was identified inside the buffer zone of the Králický Sněžník NNR at Dolní Morava in connection with the construction of a ski slope. The company VSJ mechanizace s. r. o. Zábřeh, doing the construction, was awarded a conclusive fine of CZK 50,000. One of the most serious cases of environmental damage, not concluded yet, which occurred between March and July 2015 in connection with waste disposal on a SPA outside places defined by approval of the nature protection authority, irreversible damage to the soil surface, change to water regime, and large-scale landscaping by dumping earth in zone II of a PLA without having an exemption from a nature protection authority in connection with the construction of a hunters' firing range on plots in Škrdlovice and Světnov. The Ministry of the Environment had issued an exemption for the construction of the hunters' firing range in question for some of the activities described above and for a part of the concerned land plots, the validity of which had expired on 31.12.2001.

Having found out that the entity was probably continuing its illegal activity even after the start of the inspection, the CEI initiated a proceeding on restricting activity pursuant to Section 80, Para. 2 of the Act and issued a decision on a preliminary measure. The liable entity appealed against the decision on the preliminary measure; the subsequent decision was not appealed, and thus entered into force. After concluding the inspection, the CEI initiated a proceeding on a fine. The proceeding party appealed against said decision. The appeal proceeding had not concluded by the end of 2016. The Nature Protection Department is dealing with the matter in close cooperation with the Waste Management and Water Protection Departments.

A not very common case was handled by Hradec Králové TI, which based on a suggestion investigated the rehabilitation of a slope in the renovation of the railway line Ústí nad Orlicí-Letohrad. The

inspection proved the removal of a rock formation, which had included the cave “U dolních Libchav”. That said, all caves enjoy legal protection, it is forbidden to destroy, damage or modify them in any way, unless an exemption is granted by the respective nature protection authority. The cave, originally several metres deep, was reduced to a torso of the end crevice; the CEI therefore initiated an administrative proceeding on a fine with the entity doing the rehabilitation works.

Another serious and untypical case of violation of legal regulations was the case of dumping of earth excavated during construction of a new power substation on a number of nearby sites under Havlíčkův Brod TI. This construction project involved a chain of transfers of excavated earth from entity to entity. Among other things, based on a purchase order by a natural person, a legal entity dumped 9,296.5 tonnes of earth in the bottomland of a watercourse on plots of Mírovka. At the same time, 18 trees growing on the bank of a water body in the same cadastral zone were cut without a permit. The inspection had not concluded by the end of 2016.

5.4.4 Major cases

We can name an absolutely unprecedented case of a mass killing of a population of several thousand critically endangered noble crayfish as a consequence of a leak of pesticide containing the toxic substance Chlorpyrifos into a watercourse. The illegal deed was committed by ZS Vilémov, which as a consequence of improper handling of the preparation NURELLED caused a leak of residue into the farm compound storm sewer and then into a nameless left-hand tributary of the Doubravka river, where the noble crayfish lives.

The leak of the pesticide preparation occurred at the turn of March 2014, leading to the death of at least 8,475 juvenile and adult individuals (excluding the number of eggs) of the noble crayfish on the section of the Doubravka between river km 1.5-7.9. The CEI could only initiate the penalty proceeding in early 2015, when Czech Police adjourned the motion for criminal prosecution and forwarded the dossier to the CEI for further investigation. Following the complex evidence procedure, the Havlíčkův Brod TI issued a decision on a fine for causing the death of specially protected animals and serious damage to a watercourse prominent landscape feature,

amounting to CZK 1,700,000. In the course of 2016, the decision on the fine was confirmed by the authority of appeal in full and the fine, near the upper bound of the legal range, entered into force.

In the autumn of 2015, insufficient dilution of wastewater discharged from the premises of LAKUM – AP a.s. into the Tichá voda raceway in Frýdlant nad Ostravicí led to the death of 3,633 fish, including 2,605 individuals of the SPS common minnow. The cause of the insufficient dilution was the reduced flow rate in the raceway to approx. 1/3 due to repairs. The company LAKUM – AP a.s., which had ordered the repairs, was awarded a fine of CZK 600,000, and FORTI OSTRAVA s.r.o., the repair contractor, a fine of CZK 60,000. LAKUM – AP a.s. appealed against the decision. In 2016, the body of appeals reduced the fine to CZK 540,000.



The killed fish included more than 2,500 individuals of the specially protected common minnow, as well as brown trout (pictured), stone loach and river gudgeon.

A long-standing problematic entity is SKLÁDKA ELZET s.r.o., awarded a fine of CZK 1,500,000 in 2015 for not adhering to requirements of a MoE decision permitting an exemption from the basic protection requirements for specially protected animals. The penalty is currently under examination in administrative courts. Afterwards, the Pardubice RA revoked the exemption from the ban for specially protected species due to the company's failure to adhere by it, as it had repeatedly dumped construction and demolition waste, recycled matter and earth into a body of water supporting several species of amphibians. In the course of 2016, the Hradec Králové TI received a suggestion reporting continued dumping into the water body, to which it responded by initiating a proceeding on restricting activity and ordering a preliminary measure. In spite of that, the former body of water was filled up completely, leading to the initiation of a proceeding on a fine, not yet conclusive. The CEI then discontinued the proceeding on halting activity as no longer grounded.

A similar case was investigated by the CEI in connection with renovation of sewerage by four municipalities in the jurisdiction of the Brno TI; excavated earth was dumped at the edge of a wetland supporting endangered and critically endangered species of waders (common redshank, common snipe). The earth was spread across the wetland site in the first half of September 2015, resulting in a destruction of habitats populated by the species. Although waders' eggs were no longer present at the time of the intervention, and eggs or fledglings were thus not destroyed or killed, the company Agria, who had ordered the spreading over the wetland, was awarded a conclusive fine of CZK 50,000.

5.4.5 Statements, position statements and suggestions for other public authorities

In the long term, The Nature Protection Department assesses large numbers of delivered statements and position statements, particularly concerning plans in all the phases of EIA and SEA processes. In 2016, Nature Protection inspectors commented on 699 documentations, notifications and reviews; in many cases, we applied specific reservations and comments on documentations and plans submitted. This number includes a significant portion of plans for

construction and modification of recreational and sports facilities or alternative sources of electricity. A number of such projects are situated in large-scale specially protected areas or their buffer zones.

Almost every one of the materials submitted has some shortcomings, whether absence of specific information, such as detailed data on the state of the site, sufficient information on biological surveys conducted, necessary binding position statement of the applicable nature protection authority, or sufficient assessment of impacts on some of the environmental components. The settlement of comments submitted is also often only formal without an actual consideration of environmental impacts, including potential cumulative effects. An alarming fact is that one of the biological survey reports submitted stated that the project implementation was already underway at the time of processing of information for the survey, although the CEI was only making a statement on the zoning and building permit procedure.

The year 2016 was characterised by very intensive cooperation with authorities of criminal prosecution, which the CEI provides with consultations or expert assessments and in whose actions the CEI participates as expert consultants. A specific case was the CEI's involvement in several house searches focused on persons suspected of trading in individuals of specially protected insect species and illegal holding of stuffed individuals of specially protected mammal and bird species. One of the cases handled ended in 2016 with a conclusive conviction of a perpetrator who was proven to have caught and sold a large quantity of protected animals, including the critically endangered Alpine longhorn beetle, caught in its area of unique presence in Central Bohemia. Besides the cooperation already mentioned, the Inspectorate regularly submits other notifications of suspicion of commitment of criminal offences to respective authorities.

Last but not least, the CEI has long-term cooperation with other nature protection authorities at the level of municipalities, regional authorities or the MoE. Some TIs maintain intensive cooperation with expert non-governmental organisations such as the Czech Society for Ornithology and the Czech Bat Conservation Society. Quite natural is the communication with the Nature Conservation Agency of the Czech Republic, including the former administ-

rations of the PLA, where the CEI makes use of the NCA's expert knowledge and experience in commissioning expert reviews.

5.4.6 Conclusions from inspection work

The supervisory work of the NPD is very extensive and thematically diverse, as a consequence of a combination of the wide range of protected interests listed in legislation and potentially harmful activities. Practical implementation of our inspection work and law enforcement is limited by not very great numbers of nature protection inspectors. At the same time, a significant portion of the work capacity is occupied by investigation of suggestions and inspections made based on interdepartmental commitments (Cross Compliance), often regardless of their significance in terms of nature protection.

The room for systemic planning of inspection work that would reflect actual needs following from previous findings is very limited. The inspectors' capacity is further occupied by a large number of operations specified by the Rules of Administrative and Inspection Procedure in force, and the new Offence Rules in future, resulting in increasingly paperwork and time-consuming inspection and administrative work. A great attention will have to be paid to the application of the new Offence Rules, which will no doubt affect the work of the CEI's inspection units.

The inspection work done continues to reveal consistent and deliberate disrespect to legal regulations in environmental protection in some areas of human activity. These include investment plans mentioned above, in relation to protection of trees, prominent landscape features, specially protected species and landscape character. We are alarmed by the constant failure to obey legal regulations by managers of railway lines, watercourses and hydraulic structures, and to a lesser degree, roads and power lines.

A very serious problem is the damaging of objects of nature protection particularly in connection with interference with the aquatic environment, where investors or watercourse managers frequently disrespect legal regulations in environmental protection; moreover, decision-making of applicable nature protection authorities in this area is often only formal. Watercourse management also frequently intentionally misuses, or even abuses the institution of flood damage,

proposing often even absurd interventions several years after a flood situation. Great attention has to be paid to operators of small hydropower plants in connection with provision of necessary residual flow rates. A separate chapter is cases of watercourse contamination, which may have far-reaching consequences for aquatic ecosystems.

Traditionally problematic plans from the point of view of nature protection have included construction of some types of sporting grounds and facilities producing electricity from alternative sources. A constantly current topic is consistent inspection of municipal authorities at all levels, where the CEI has long-term experience of inconsistent and inexpert execution of public administration, which seriously hampers subsequent law enforcement by the CEI. The work of entities in charge of environmental management of entrusted sites, such as tree management, must also be interpreted as poor. We are alarmed by cases of misuse of official powers in the area of decision-making on nature protection, and even falsification of official documents in order to legalise action in contravention of laws. Last but not least, we have to conclude on too benevolent interpretation of violation liability in the area of nature protection and a formalist approach of some public authorities supporting economic interests of big investors to the detriment of the public interest in nature and landscape protection.

Compared to 2015, when we issued zero decisions under Section 66 of the NLPA, we issued 8 decisions under Section 66 of the NLPA. Three of the cases involved setting of requirements for work activity (mowing dates) due to protection of specially protected bird species (corncrake and yellow wagtail). One case concerned restrictions related to cattle grazing, where the passage of grazing cattle was causing excessive damage to a watercourse bed. Here, we must point out the diametrically different approach of various regional offices of the NCA, with the Ústí nad Labem NCA office made a suggestion to the CEI to handle the issue, whereas the NCA regional office under the jurisdiction of HB TI did not consider the activity harmful. The remaining proceedings under Section 66 of the NLPA were conducted in connection with construction or operation of golf courses in Cínovec and Mikulášovice. Both cases have been presented repeatedly, and a penalty proceeding is in progress in the case of the Mikulášovice golf course.

5.5 Forest protection

5.5.1 Overview of inspection work in 2016

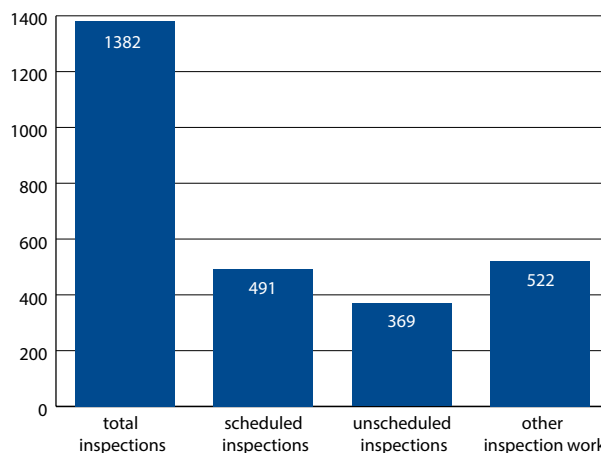
In the past year, 43 inspectors did the inspection work. This is one more compared to 2015 due to the filling of a job vacancy. Each inspector was in charge of 62,265 hectares of forest on average in 2016.

There were no changes in departmental laws in force in 2016, meaning that the same legal framework was in force as in the previous years. It comprised primarily Act no. 282/1991 Coll. on the Czech Environmental Inspectorate and its powers in forest protection, Act no. 289/1995 Coll. on Forests and on amendment of certain acts (Forest Act), Act no. 149/2003 Coll. on Circulation of reproductive material of tree species and artificial crossbreeds important to forestry intended for forest restoration and afforestation, and on amendment of certain acts (Forest Tree Reproductive Material Trade Act), Act no. 114/1992 Coll. on NLP, Act no. 255/2012 Coll. on Inspection (Inspection Rules), Act no. 500/2004 Coll. (Rules of Administrative Procedure) as amended by Act no. 413/2005 Coll., and CEI internal regulations.

Inspectors in the Forest Protection Department made 1,382 checks. There were 491 scheduled inspections, 369 unscheduled and 522 cases of other inspection work. This included field activities in the form of operations preceding inspection, which was not initiated after that, various investigations as part of verification of suggestions and information, as well as applications by other public authorities, Czech Police and others.

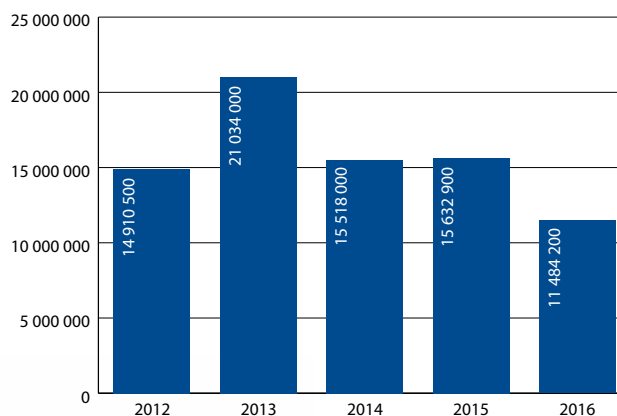
The total number of inspections and inspection actions was 179 more than in 2015. The inspections covered all types of forest ownership, with an emphasis on smaller private properties, where a higher rate of defects in compliance with legal regulations has been proven historically.

We developed 155 EIA position statements, 3 expert reviews and 466 other position statements and statements.



Numbers of inspections in 2016

In 2016, TIs issued 189 decisions on fines for administrative violations in forests. Out of that, 183 decisions entered into force, including 15 concerning previous periods. The total amount of fines was CZK 11,484,200, which was CZK 4,148,700 less than in the year before.



Development of conclusive fines in CZK in 2012-2016

The Forest Protection Departments of Territorial Inspectorates contributed to the fines as follows:

Prague CZK 1,334,500; České Budějovice CZK 1,011,000; Plzeň CZK 906,500; Ústí nad Labem CZK 839,000; Hradec Králové CZK 1,107,000; Havlíčkův Brod CZK 1,097,500; Brno CZK 2,266,500; Olomouc CZK 1,439,000; Ostrava CZK 1,234,700; and Liberec CZK 248,500.

Even though the amount of fines was the lowest within the time series shown above, the crucial causes of their awarding remain the same or similar. They include violation of regulations in forest renewal, illicit logging, development of biotic agents, damage to land intended to perform forest functions by forest traffic, unpermitted forest land occupations, etc. Under the administrative proceedings conducted in 2016, we issued 209 decisions on remedial measures. Out of that, 207 decisions entered into force, including 7 concerning previous periods. Like in previous years, it can be concluded that the ordering of remedial measures is effective. The measures are implemented and perform both a preventive and an educational function. The further boosting of the prestige of the forest protection inspection authority is also worth mentioning.

This year, out of the total number of 398 decisions issued (189 on fines, 209 on remedial measures), 42 cases were appealed against. Out of these appeals, 16 cases were confirmed, 8 returned for new discussion, 7 revoked, 1 case discontinued, and 10 appeals have not been decided yet. These figures quite readily document the high quality of administrative decisions issued by CEI TI FPD inspectors.

Eleven cases under Prague TI FPD were handled by courts in the past year, relating to the years 2005-2008.

We ordered no preliminary measures and filed no crime reports.

We halted activity in one case, by a decision at Brno TI FPD with problems carrying out remedial measures.

We investigated 198 suggestions and petitions. Their topics are similar to previous years, namely:

- verification of logging carried out (TI Prague, Č. Budějovice, Olomouc, Liberec),
- damage to land intended to perform forest functions (TI Prague, Č. Budějovice, Olomouc, Liberec),
- forest protection from biotic agents (TI Prague, Č. Budějovice, Olomouc, Ostrava),
- use of land for purposes other than to perform forest functions (TI Prague, Č. Budějovice, Olomouc, Liberec),
- condition of forest stands or forest soil (TI Brno),
- inadequate forest renewal (TI Prague, Ostrava, Liberec),
- damages by game (TI Ostrava),
- damage to forest by farm husbandry (TI Liberec).



Inspection based on suggestion – logging road surface at Hůzová, Olomouc district, upset and waterlogged after bark beetle timber shifting



Condition of the same logging road after inspection following rehabilitation

The most suggestions (56) were handled by Prague TI FPD, followed by Č. Budějovice TI FPD (28) and Ostrava TI FPD (20).

That suggestions were settled within set terms.

In 2016, CEI Forest Protection Departments received and settled 13 requests for information pursuant to Act no. 123/1988 Coll. and 9 requests pursuant to Act no. 106/1999 Coll.

5.5.2 Fulfilment of departmental task

For 2016, the TI FPD had a departmental task relating to the current issue in forests, namely “Development of biotic agents – calamity pests”. The purpose was to obtain objective information about the condition and protection, if any, of forest stands from insect calamity pests, particularly bark beetles.

An internal CEI binding regulation was issued by way of a methodological instruction for unified assessment of forest condition; it defined parameters of inspections and investigations, their focus on specific forest sites as well as selection of entities to inspect so that the entire area supervised by the respective TI was covered.

Inspections were made at 246 entities and the area of forests inspected reflected the intensity of pest development. Depending on the Inspectorate, they supervised areas from 550 to 3,600 hectares of LIFF.



Bark beetle infestation of stands owned by a natural person at Střítež nad Ludinou, Přerov district

The evaluation of the outcomes from the departmental task indicated that the development of biotic agents is minute in some regions (Central Bohemian and South Bohemian). Increased occurrence of bark beetles was registered near the zero-intervention sites in the Šumava National Park. In West Bohemia, insect pests have developed in areas dominated by smallholders; state-owned forests are in good condition. One of the causes, besides the climatic situation, is missing awareness-raising work of central authorities that would focus on forest smallholders.

The bark beetle development is extreme in the Moravian-Silesian and Olomouc Regions. This is a consequence of climate change, which is difficult to influence operatively by management activity itself. These areas require urgent attention of both managing entities and inspection authorities. For this reason, the departmental task “Development of biotic agents and forest damage due to forest traffic” has been set for 2017. Besides monitoring of bark beetle development, it should assess forest owners’ attitudes to handling of calamity pests and damage done to forest by forest traffic.

5.5.3 Interdepartmental inspections

Forest Protection Department inspectors were involved in 70 interdepartmental inspections initiated by the different Territorial Inspectorates. They were joint actions with the Nature Protection, Water Protection and Waste Management Departments. Forest Protection Departments most frequently involved in these inspections were those of Prague TI (11), Hradec Králové TI (15) and Ostrava TI (11).

5.5.4 Fulfilment of specific tasks

As part of both scheduled and unscheduled inspection actions, TI FPD inspected 13 topics in 2016, namely:

- comprehensive checks – 173 inspections;
- development of biotic agents – 290 inspections;
- damage by game – 66 inspections;
- damage to forests by logging – 92 inspections;
- forest land fund protection (illicit land occupation, illicit fencing, unpermitted motor vehicle entry into forest, damage to forest soil by forest traffic, waste and litter in forests, unspecified forest protection) – 376 inspections;

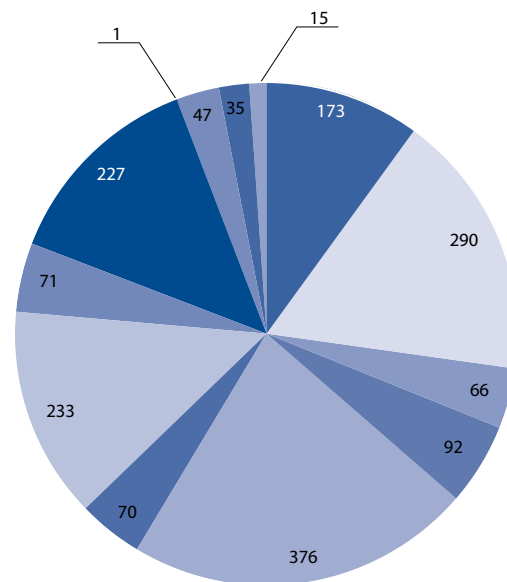


Sika deer near Líštany, March 2016

- circulation of reproductive material of forest trees – 70;
- forest stand restoration, including stands after illicit logging – 233 inspections;
- adherence to binding provisions of FMP and FMG – 71;
- implementation of remedial measures – 227 inspections;
- environmental harm to forests – 1 calculation;
- afforestation of agricultural land fund – 47 inspections;
- pruning in stand age groups up to 40 years – 35;
- inspections in cooperation with NPD under Act no. 114/1992 Coll. – 15 inspections.

Fulfilment of specific tasks in 2016

As part of 1,382 scheduled and unscheduled inspection actions in the form of both comprehensive checks and special inspection actions focused on one or more issues, we inspected the above issues in 1,696 cases.



- comprehensive checks (173)
- development of biotic agents - bark beetles (290)
- damage by game (66)
- damage to forests by logging (92)
- forest land fund protection (376)
- circulation of reproductive material of forest trees (70)
- forest stand restoration, including stands after illicit logging (233)
- adherence to binding provisions of FMP and FMG (71)
- implementation of remedial measures from administrative decisions (227)
- environmental harm to forests (1)
- afforestation of agricultural land fund (47)
- pruning in stand age groups up to 40 years (35)
- inspections in cooperation with NPD under Act no. 114/1992 Coll. (15)

5.5.5 Principal inspection topics in 2016

They included damage by game, forest stand renewal, forest land fund protection, damage to forest soil by forest traffic, reproductive material of forest trees, protection from insect pests, and unpermitted forest land occupation.

5.5.6 Major inspection findings

- illicit logging in forests,
- illegal occupation of LIFFE,
- unpermitted landscaping on LIFFE,
- problematic afforestation of agricultural land – expert and time-consuming case with a natural person in Rakovník district,
- problems with forest damage as a consequence of overpopulated game under H. Králové TI FPD,
- jump increase in forest damage by insect pests due to climatic conditions, particularly among smallholders up to 50 ha under Havlíčkův Brod TI FPD,
- failure to implement remedial measures by Třebíč forestry company at Trnava u Třebíče (Havlíčkův Brod TI FPD),
- failure to meet obligations in forest renewal by a natural person at Křelovice u Pelhřimova (Havlíčkův Brod TI FPD),
- repeated failure to properly renew forest by JOPA- TRANS, s.r.o. on forest land at Drásov (Brno TI FPD),



Repeated failure to reforest by JOPA- TRANS, s.r.o.

- failure to properly renew forest by LANDININE, s.r.o. at Svatoslav u Tišnova (Brno TI FPD);
- violation of the Forest Tree RM Act by LESCUS Cetkovice, s.r.o. (Brno TI FPD),
- repeated failure to meet obligations in forest renewal by I.L.C., a.s. at Přemyslovice, Prostějov district (Olomouc TI FPD),



Site after unauthorised logging by I.L.C., a.s. Prague at Přemyslovice, Prostějov district, not renewed within the mandatory period

- exceedance of clear cut width on an exposed site and inadequate damage to soil cover and damage to trees by skidding in a natural person's forest at Morávka (Ostrava TI FPD),
- inadequate damage to soil cover and damage to trees by skidding in a LČR forest at Staré Hamry (Ostrava TI FPD);
- failure to implement remedial measures to reforest and protect young forest stands at Lišný by SEAPOINT CAPITAL, s.r.o. and similar by ŠM-TRADING, s.r.o. at Smržovka (Liberec TI FPD).

As for the Šumava National Park, where we had registered long-term increased occurrence of calamity pests, it can be concluded that the situation has improved considerably compared to 2010 and 2011.

Among the Šumava NP sites, the worst situation is at territorial offices Modrava, Srní, Prášíly in the West Bohemian section of the Park, whereas the worst affected site in the South Bohemian

| Year | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|-------------------------|---------|---------|--------|--------|--------|--------|--------|
| Quantity m ³ | 343 000 | 235 000 | 75 500 | 40 770 | 22 900 | 21 050 | 29 000 |

Overview of bark beetle logging in Šumava NP in 2010-2016

section is České Žleby. Increased occurrence of bark beetles in the National Park was only identified near the zero-intervention sites, where the bark beetles are still active: Radvanovice and Stožecká skála.

5.5.7 Major cases of administrative violations in 2016

- conclusive fine of CZK 200,000 for CASPERVIA, s.r.o. at Kolín for illicit logging in forests (Prague TI FPD),
- illegal land occupation and modification by a natural person at Sádek, with a fine awarded of CZK 1,000,000, currently in appeal proceeding (Prague TI FPD),
- illicit logging on leased forest land by Orlík nad Vltavou, s.r.o., with its registered office in Prague 6, with a conclusive fine of CZK 300,000. A court proceeding is in progress on the matter (Č. Budějovice TI FPD),
- illicit logging at Děkanské Skaliny in an area of 930 m³ in contravention of approvals of Kaplice OLH and MA. Administrative proceeding initiated on the matter with Villena s.r.o.; simultaneously, the case is handled by Czech Police as a criminal offence because the logging involved logging on neighbouring owners' land (Č. Budějovice TI FPD),



Illicit logging by Orlík nad Vltavou, s.r.o.



Illicit logging at Děkanské Skaliny in January 2016

- unauthorised logging at Šimanov na Šumavě on an area of 1.90 ha and capacity of 496 m³. Penalties awarded to 3 entities, decisions on fines of CZK 60,000 entered into force for PERPERUNA ECO, s.r.o., and another CZK 60,000 for Volary forest and logging company (Plzeň TI FPD),
- 3 cases of violation of obligation to reforest clearings – JOPATRANS, s.r.o. in liquidation (fine of CZK 254,000), S KINOT, s.r.o. in liquidation (fine of CZK 245,000) and SKOGAR, s.r.o. (fine of CZK 239,000) – Plzeň TI FPD,

- problematic cases with NEMO 99 s.r.o. at Lužice u Mostu, handled since 2014 (illicit logging with quantified environmental harm of CZK 24.7 million plus CZK 1 million on a neighbouring plot caused by illegal notching of trees). The initiation of an administrative proceeding is in progress due to property sales (Ústí nad Labem TI FPD);
- at Chvalov and Stebno u Dubic, we identified extensive deliberate clear-felling on the property of LODESTAR INVEST, a.s., followed by considerable damage to trees by logging and timber transport without treatment with rehabilitation paint. Due to a lease of the whole property, the administrative proceedings on a fine amounting to CZK 234,000 and on remedial measures is conducted with the tenant, which is LAGRON, s.r.o. (Ústí nad Labem TI FPD);
- exceedance of permitted deforestation at Pecka, Lhota u Pecky and Staňkov u Pecky by PECKA, s.r.o., with a conclusive fine of CZK 200,000 (Hradec Králové TI FPD);
- fine for not implementing remedial measures by I. L. C., a. s., amounting to CZK 400,000 at Jaroměřice (Hradec Králové TI FPD);
- a conclusive fine to Třebíč forestry company at Trnava u Třebíče for long-term failure to reforest land amounting to CZK 273,000 (Havlíčkův Brod TI FPD);
- a conclusive fine to PONOVOL, s.r.o. at Trnava u Třebíče, also for long-term failure to reforest land amounting to CZK 143,000 (Havlíčkův Brod TI FPD);
- a conclusive fine of CZK 980,000 to JOPATRANS, s.r.o. for not renewing forest within the set period at Drásov (Brno TI FPD);
- a conclusive fine to Landinine, s.r.o. amounting to CZK 950,000 also for not making proper renewal of forest stands on a reduced area of 4.72 ha of stand land at Svatoslav u Tišnova (Brno TI FPD);
- a conclusive fine of CZK 430,000 to I.L.C., a. s., applying a double rate for repeated violations in the form of exceedance of clear cut parameters and not implementing remedial measures of reforesting the clearing at Přemyslovice (Olomouc TI FPD);
- a fine to FARADO INVEST, s. r. o. amounting to CZK 260,000 for not reforesting clearings left by illicit logging (Olomouc TI FPD);
- a fine to Wood-Steel, a. s., in liquidation, amounting to CZK 300,000 also for not reforesting clearings left by illicit logging (Olomouc TI FPD);



Failure to properly renew forest by LANDININE, s.r.o.

- a fine of CZK 80,000 to Lesy města Prostějova, s. r. o. for violation of obligations under Act no. 149/2003 Coll. on Trade in Reproduction Material of Forest Trees (Olomouc TI FPD);
- three conclusive fines for exceedance of clear cut width, damage to soil cover and damage to trees by skidding at Morávka, awarded to a natural person and legal entities, totalling CZK 514,000 (Ostrava TI FPD);
- five conclusive fines to a legal entity and natural persons totalling CZK 482,000 for damage to soil cover and damage to trees by skidding at Staré Hamry (Ostrava TI FPD);
- a conclusive fine of CZK 400,000 to SKOGAR, s.r.o. at Krásná pod Lysou horou for not renewing forest after forest protection from bark beetles (Ostrava TI FPD);

- a conclusive fine of CZK 120,000 to ŠM-TRADING, s.r.o. for not implementing remedial measures of reforestation and forest protection from weed and game browsing at Smržovka (Liberec TI FPD).

5.5.8 Problems and positive aspects of inspection work of FPD and its direction for 2017

- The CEI supervision authorities continue to come across professionally and time-consuming proceedings as a consequence of offenders' qualified legal representation, problematic functioning of OLH, public authorities in forestry and gamekeeping. This situation binds considerable capacity of the FPD to the detriment of field inspection work. Prevalent shortcomings occur in forest renewal, illicit logging, unauthorised handling of forest land, damage to forest caused by bark beetles, damage to forest caused by logging and timber skidding, and game damage, which all have long-term impact on environmental condition of forests,
- forestry generates situations where FPD inspectors award fines for administrative violations to legal entities that received fines for the same activity the year before. These included I.L.C., a.s., and ŠM--TRADING, s.r.o.;
- long-term postponements of the amendment to the Forest and Gamekeeping Acts have a negative effect on the progress and results of inspection work;
- the phenomenon of spruce deaths as a consequence of lack of moisture, infestation by honey fungus and bark beetles and its spreading in Central and Northern Moravia has been crucial in recent years. The FPD's current capacity does not permit an adequate blanket response to the situation, knowing that this is primarily a task for forest owners, OLH and state forest administration pursuant to the Forest Act;
- relatively considerable shortcomings in the work of gamekeeping public authorities result in continuing overpopulation of some game species, and game damage is a limiting factor for forest renewal, particularly for broadleaved trees;
- awareness-raising activity of central authorities that would focus on forest smallholders can be interpreted as missing. These owners are insufficiently informed about issues of stand perishing and they establish new forest stands with inappropriate species composition;

- legislative insufficiency in the form of missing recording of temporary exemptions from the Cadastre, minimal powers of professional forestry managers, including liability. There is little capacity to prevent entities evidently involved in legal violations from performing the role of professional forestry managers,
- there is no binding form of forestry management records, and owners of smaller properties have different obligations than owners of larger properties (e.g., no obligation to do pruning),
- there may be negative impacts of expansion of forest areas with a high percentage of spruce, which disintegrated as a consequence of a set of factors. The situation spreads to other areas, particularly to Western and Southwestern Moravia;
- the efficiency of inspection work is often reduced by frequently differing decision-making practice of MoE authorities of appeal, so that a request for its unification is in order.

Despite the problems mentioned, there are grounds for emphasising the continuously rising prestige of the CEI, particularly its preventive and educational effect. It is becoming common practice that, after notification of an inspection date, the forest owner resolves shortcomings in its property, e.g., by means of random logging, which is then evident during on-site visits as part of inspections. Similarly well-functioning is the institution of "calls", leading to elimination, by a set date, of shortcomings that would result in an administrative violation in future. These procedures, often operatively implemented, help achieve a desirable state of forests.

It follows from inspection work plans developed for 2017 that this year, too, the priorities of our inspection work will continue to be protection of forest soil, development of biotic agents, damage to forest by logging and skidding, damage by game, illicit logging and circulation of reproduction material of forest trees.



6 | Integrated agendas

An integrated approach to environmental protection is ensured by the CEI's expert departments (Air Protection, Waste Management, and Water Protection) under coordination and collaboration of experienced inspectors specialised in these agendas, i.e., coordinators of integrated agendas (CIA). The fundamental job in the area of integrated agendas (IA) is supervision (inspection). Another important, largely preventive work, is as issuance of professional CEI statements (on EIA, IPPC, etc.).

6.1 Legal foundation of work on integrated agendas

Performance of public administration (obligations and authorities) is delegated to the CEI (Inspectorate) in the area by legal regulations of the CR on environmental protection, notably acts in force and effect and directly applicable EC regulations:

- Act no. 76/2002 Coll., on Integrated Prevention and Pollution Reduction (IPPC), the integrated pollution register and on amendment of certain acts (the Integrated Prevention Act). The purpose of this central Act for the integrated agendas area is to achieve maximum possible prevention of industrial pollution to all environmental components and its protection as a whole,
- Act no. 100/2001 Coll. on Environmental Impact Assessment and on amendment of certain acts,
- Act no. 167/2008 Coll. on Prevention of Environmental Harm and its Remedy and on amendment of certain acts,
- Act no. 25/2008 Coll. on the Integrated Environmental Pollution Register, the integrated system of reporting obligations on the environment, and on amendment of certain acts (the IPR Act), in connection with
- Regulation of the European Parliament and the Council (EC) no. 166/2006, establishing the European Pollutant Release and Transfer Register (E-PRTR).

6.2 Overview of performance of tasks in integrated agendas – supervision (inspections)

6.2.1 Summary data for CEI – Integrated Agendas

The work related to integrated agendas itself, done by CEI expert departments, is contained in Section 5 – CEI Work in 2016 by departments.

A priority of inspections of facilities under the IPPC, i.e., pursuant to the Integrated Prevention Act, is the obligation to accept provisions of the Integrated Prevention Act amended by Act no. 69/2013 Coll. – Sections 20b, 34, etc., implementing Directive of the European Parliament and of the Council no. 2010/75/EU of 24 11. 2010 on industrial emissions.

According to these provisions, it is primarily necessary to observe the time between two inspections on a site (one to three years depending on the facility level of risk). This has made considerable requirements on the frequency and extent of inspections and other CEI activity in the area.

In total, the CEI made 1,301 inspections in the area of integrated agendas in 2016, initiated 148 administrative proceedings, issued 133 decisions on fines and orders, and 144 decisions in force (including from past periods) led to the awarding of fines totalling CZK 12,312,000 in force.

The range of conclusive fines relating to integrated agendas was from CZK 4 thousand (Technické služby Hlinsko, s.r.o. – disagreement in waste production and management reports) to CZK 1,110,000 awarded cumulatively to FEREX - ŽSO spol. s r.o. – primarily for violation of binding operating requirements (waste, air, water) for its foundry with equipment for smelting and casting of grey iron in Liberec.

The average amount of fine per decision (order) in force in the period was about CZK 85.5 thousand. .

The plan and schedule for ordinary inspections at IPPC facilities for 2016 (640) in relation to compliance with the Integrated Prevention Act and observance of integrated permits (IP) was met handsomely (863 inspections made), and the inspection plan for the three-year period 2014-2016 was also met by 2016 ($619+658+640=1917$ inspections scheduled; $842+876+863=2581$ inspections made). These figures include inspections made based on suggestions, media cases, accidents or non-standard operation, as well repeated inspections based on gross violations of binding requirements of IP.

6.2.2 Integrated Agendas Department (IAD)

Specialised integrated agenda coordinators of the CEI Integrated Agenda Department (IAD), in close collaboration with the expert departments, were involved in, cooperated on or coordinated 549 inspections at 458 facilities. This number includes both inspections under the Integrated Prevention Act and the IPR Act as well as the Act on Prevention of Environmental Harm. In the study period, the CIA themselves initiated 65 administrative proceedings. The number of decisions on fines (including orders) that entered into force in 2016 was 67; the total amount of fines in force was CZK 6,836,000 .

The range of the fines in force was also from CZK 5 thousand to CZK 1,110 thousand . The average amount of fine per decision (order) in force in the period was about CZK 102 thousand .

Departmental tasks

So-called integrated inspections were made as overall comprehensive checks of operators in the area of the environment (even beyond IP), or as checks under specific MoE tasks or regional themes, reflecting the emission levels and types, sensitivity of local environment and accident risk (e.g., inspections at facilities that have historically committed gross violations of the Integrated Prevention Act, experienced accidents covered by the media, etc.).

In addition, there were (inter)departmental inspections at IPPC facilities for adherence to IP requirements, which would otherwise (under departmental permits) be made ordinarily as part of departmental specific tasks by expert environmental protection departments (Water, Air, Waste), e.g., energy and production facilities such as power plants, heating plants, cement works, lime works, major wastewater treatment plants, chemical operations, entities handling larger quantities of potential pollutants, hazardous waste landfills, etc.

Specific tasks

MoE Environmental Impact Assessment and Integrated Prevention Department requested, by arrangement with the IAD, besides priority performance of our mandatory obligations, the inclusion among our specific tasks for the next two or three years of composting plants, especially as part of landfills, as well as foundries, with a focus on the smaller ones, which may be using contaminated scrap metal (assumed contamination with dust, petroleum products, plastics, etc.).

The CEI accepted that and made a number of inspections in 2016, which confirmed the legitimacy of the focus in some cases.

In the case of composting plants, for example, several inspections found out that composted organic waste was used primarily for securing or reclamation of landfills; the composting plant output was reported under catalogue number 190503

“Compost of unsatisfactory quality”. Moreover, we found out that operators failed to develop a basic waste description for this waste type (when using it for landfill securing) and failed to commission periodic analyses pursuant to Decree no. 341/2008 Coll. or Decree no. 294/2005 Coll.

Besides, what we saw was not composting in the true sense of the word. Organic waste was mostly separately piled and then perhaps dug over, monitoring the pile temperature. This organic waste was not mixed with earth, natural aeration was not provided using coarse-grain materials (e.g., wood chips), the digging was insufficient (using front loaders only), the optimum C:N ratio was not provided, no nitrogen (N) was added.

Composting plants inspected operated as part of landfills showed considerable differences; landfills run by municipal utilities (EKOLTES Hranice, a.s., Technické služby Jeseníka.s. a Technické služby města Přerova, s.r.o.) operate then as facilities located in separate areas built exclusively for that purpose; there were numerous piles in the facilities during on-site inspection. For example, the composting plant run by EKOLTES Hranice, a.s. produces registered organic fertiliser (reg. no. 4138).

As for foundries, i.e., facilities with IP under categories 2.4 or 2.5 b) of Annex 1 to the Integrated Prevention Act, e.g., the facility run by Brembo Czech s.r.o., we are currently handling co-smelting of castings contaminated with petroleum products (inspection not concluded in 2016). Only minor shortcomings were found at PSP Slévárna a.s. in Přerov (non-submission of report on compliance with IP requirements, handing of waste to an unauthorised entity, wrong waste production and management report, and failure to report transfer of substances in waste) and UNEX Slévárna (handing of waste to an unauthorised entity). At SCB Foundry, a.s., we found out that the foundry was not admitting iron in the form of waste. The iron was purchased from companies doing collection, purchasing and sorting of waste; after the sorting, some of the iron was exempted from the waste regime and resold as product. Other cases of inspections without administrative violations included the cast iron foundry run by the legal entity Ing. Matas - Slévárna Strašice spol. s r. o. and Slévárny přesného lití KDYNÍUM a.s.

Specific inspections dealt with whether the activity falls under the Integrated Prevention Act (11 inspections) as well as facilities with cancelled IP. Out of that, 8 inspections were made by the Hradec Králové TI. For example, inspections at ŠKO-ENERGO, s.r.o. – WWTP Kvasiny, Autoneum CZs.r.o. – Hnátnice tool plant, found out that they still partly fell under the IPPC regime based on decisions on facility exemption (until departmental permits enter into force). Inspections at ZZN Svitavy, a.s., and GUMOTEX, a.s., Jaroměř, found out that the exemption process had been completed and the facilities no longer fell under the Integrated Prevention Act. Two other inspections found out, for a change, that the exemption process had not been completed by the time of on-site inspection (HAUK s.r.o. and ISOPLUS--EOP s.r.o.); in one case, we

found out that no IP had been issued as of 31 December 2016 (AVE CZ odpadového hospodářství s.r.o. – Pardubice incinerator), and in one case, we found out that the decision on exemption could not be implemented, because the operator had dismantled part of the facility and thus cannot obtain the departmental permits (Spojené Slévárny, spol. s r.o.). In one case, we found out that the facility in question is out of operation in the long run as a cold stand-by (Wienerberger cihlářský průmysl, a. s. – Tuněchody brickworks).

Major inspection findings

The CEI inspections identified violations of legal regulations on environmental protection, particularly non-observance of binding operating requirements of IP, such as:

- wrong handling of hazardous waste (waste similar to municipal), handing of waste to an unauthorised entity, failure to keep records, wrong waste production and management report, failure to report transfer of substances in waste,
- landfilling of waste types other than those permitted, insufficient completion of basic descriptions of admitted waste, failure to measure dust levels,
- exceedance of pollutant limits (e.g., carbon monoxide), failure to update operating rules of stationary sources of air pollution,
- failure to carry out one-off emission measurement within 3 months of start of operation of a stationary source, relocation of emission measurement points,
- wrong handling of water (failure to carry out tightness tests, exceedance of permitted quantity of groundwater collected, failure to update accident plans),
- failure to observe operating rules (technical operating requirements, etc.),
- containers with potential pollutants located in hydraulically unsecured areas, etc.

Formal findings:

- disagreement of approved documents with facility descriptions,
- failure to report measurement by required dates.

Moreover, failure to perform the reporting obligation under the Integrated Prevention Act, i.e., failure to report:

- data on performance of binding requirements of IP,

- summary operating records of air pollution sources,
- transfers (above-threshold) or releases of substances, such as ammonia,
- emergencies,
- changes to integrated permits, etc.

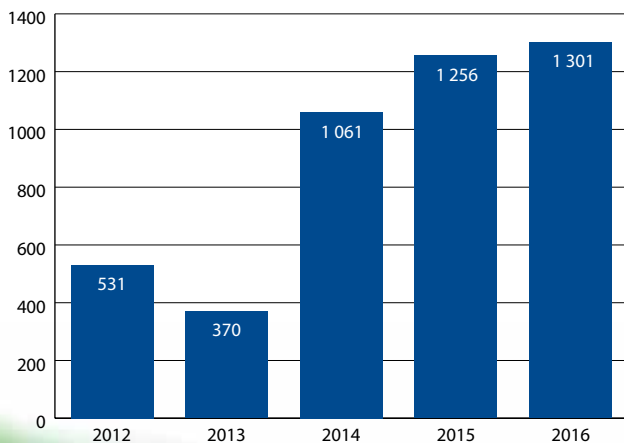
Additional violations were not meeting requirements for liquidating facilities or even operation without IP.

Integrated Pollution Register

In 2016, we inspected 315 facilities for adherence to the IPR Act, including 274 inspections as part of integrated inspections (under the IPR Act). 46 IPR inspections were separate. Another 7 inspections were made in a letter form – comparison against environmental reports in the integrated system for reporting obligations (ISPOP).

The total amount of the fines in force for not observing the reporting obligations for the IPR was CZK 406 thousand. Given 44 decisions in force, the average fine was around CZK 9.2 thousand.

Like in previous years, the penalties awarded were near the lower bound of the legal range (up to CZK 500 thousand) - from the ordinary

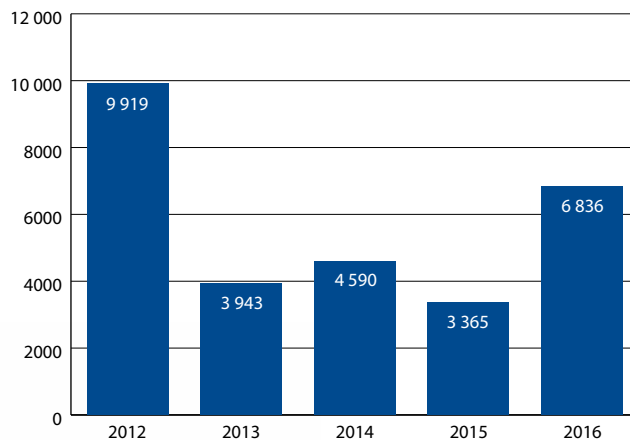


Numbers of inspections at facilities for compliance with the Integrated Prevention Act

10 thousand (HPPelzer k.s.) for submitting an IPR report past the set date, to CZK 50 thousand (Toyota Peugeot Citroën Automobile Czech, s.r.o., notably for quoting wrong data in ISPOP reports for 2014 - on leaks of the potential pollutant non-methane volatile organic compound (NMVOC) into the air from the TPCA), mostly by way of orders under Section 150 of the Rules of Administrative Procedure.

Violations of legal regulations on the IPR concerned mostly not submitting reports on time, reporting wrong data, not reporting transfers of waste or pollutants in waste.

As for the supervisory work under IPR, therefore, we only found formal violations of environmental protection by operators or misunderstandings and late reports, and the CEI treats them as such. It is almost a rule that large operators of facilities with an integrated permit perform their obligations under respective legislation much better than others, i.e., particularly small and medium agricultural operations and facilities. These smaller entities typically still lack sufficient information about the IPR. Based on the progressive results of the CEI inspection work in the area of IPR, it can be concluded that generally the awareness of obligations under the legislation and adherence to it has been improving, with the numbers of administrative violations decreasing.



Amounts of fines awarded by CEI IAD (CIA) under integrated agendas (CZK thousands)

Environmental harm

Administrative proceedings in connection with Act no. 167/2008 Coll. on Preventing Environmental Harm and its Remedy have not been initiated so far, either based on requests or by official power.

In 2016, the CEI made 249 inspections of adherence to the Act on Preventing Environmental Harm. We received basic risk assessments – 50 points were only exceeded in two cases, where detailed risk assessments were thus submitted. No administrative violations were committed

Suggestions and petitions

Coordinators of integrated agendas were actively involved in handling 101 suggestions and petitions, particularly in cases related to more departments. The principal task of the CIA was to ensure a coordinated approach to the cases.

Based on suggestions, we made a number of inspections, incl. without warning, e.g., at facilities in category 5.4: Landfills admitting more than 10t daily or with a total capacity above 25,000 t, except inert waste landfills.

Additional suggestions concerned, e.g., illegal dumps, odour in the surroundings, dumping of small watercourses, low flow rates downstream of small hydropower plants.

A more significant case handled by the Havlíčkův Brod TI departments was the notification about acrid grey smoke accompanied by a strong odour from a plant of KRONOSPAN OSB s.r.o., resulting in the awarding of a fine of CZK 150,000. The fine was awarded for the operation of a press making OSB (oriented wood chip) boards in contravention of the IP, discovered by an inspection in June 2016; we found out air pollution due to damaged polycarbonate skylights on the roof of the manufacturing hall.

The company KRONOSPAN OSB s.r.o. had violated its obligation by not remedying the defect immediately and operating the compressed board production with damaged skylights at least until early August 2016.

The company is required to clean all the waste air from the board pressing in a water cleaner and discharge it into it air by a steel smokestack 75 m high. The damaged skylights thus led to considerable leaks of contaminated waste air and declining air quality. The company appealed against the fine, but the MoE confirmed the fine in full.



Damaged skylights at KRONOSPAN OSB s.r.o.

Accidents

Coordinators of integrated agendas were actively involved in solving 13 accidents or non-standard operations at IPPC facilities, such as: Ústí nad Labem TI has dealt with an accident consisting in the leak of a large quantity of manure slurry from “Razice large-scale pig feeding facility” run by VPR a.s., into the Syčivka watercourse and on into the Bílina river.

6.3 Non-supervisory CEI work on integrated agendas

This work includes primarily development of expert statements:

- as part of the environmental impact assessment process (EIA/SEA),
- on applications for integrated permits or changes to integrated permits,
- on subsidies from environmental operational programmes (SEF axis 5.1),
- on Environmental Management and Audit Systems as part of registration of EMAS, EMS,
- as part of zoning and building permit proceedings, on project documentation,

- on facility operating permits in terms of air protection at IPPC facilities,
- as part of the Safe Business programme,
- on environmental audits,
- as part of requests for information under Act no. 123/1998 Coll., 106/1999 Coll., etc.

Besides, coordinators of integrated agendas were actively involved in 2016 in work of technical workgroups, primarily for the MoE, such as “Regions and Integrated Prevention” and the MIT “Forum for Exchange of Information on BAT”.

An important activity of some IAD inspectors of the Ostrava, Brno, Olomouc and Plzeň TI was transboundary cooperation with the SEI and under the IMPEL. They included the following projects:

- Experience of Derogations from IED BAT-AELs, concerning a comparison of procedures in member countries relating to awarding of exemptions from BAT,
- Doing the Right Things for Permitting, based on the fact that the Industrial Emissions Directive sets a framework for permitting various industrial activities but there is no general methodology (guideline for the various steps). The CEI was invited to join the working group based on experience of the permitting process and inspection of set requirements.
- The project Industry and Air is intended for sharing and exchange of experience implementing the Industrial Emissions Directive in the different member countries.

EIA/SEA

In 2016, the CEI developed 995 statements on plans, documentations, reviews, notifications of strategies and proposals for strategies as part of the EIA/SEA process. Compared to last year, this is a more than 13% decrease in the statements issued (1,153). It can be concluded that, like in previous years, the quality of notifications submitted still showed some shortcomings in 2016. In particular, some data on inputs and outputs, their evaluation or alternative designs were missing.

Major EIA cases

MZP468 - Remedial measures - Ostramo lagoons, excess sludge, 1st implementation phase, handled by Ostrava TI. This case in-

volves removal of so-called excess sludge located in lagoons R1, R2 and R3, hindering completion of remediation works on the landfill site “Ostramo lagoons” in an existing compound at Mariánské Hory, amounting to 71,360 t of raw (unlimed) sludge and 20,202 t of limed sludge. The output from the facility will be waste that will be processed in adequate facilities. The CEI had numerous comments on the project notification, but did not require the whole process as did the other concerned authorities; however, based on requirements of the other commenting authorities, the whole process was ordered, followed by a discussion at the CEI on the comments on the documentation and the measures proposed were approved.

In November 2016, the Brno TI received a notification of initiation of the inquiry proceeding for the project “Hi-tech processing of plastics, including surface treatment”. In its statement, the CEI disapproved with the option to use hexavalent chromium for surface treatment of plastics for the automotive industry, and disapproved with discharge of rainwater from an area of 4.1 ha via storm sewers directly into surface water and potential discharge of up to 500 t/year of dissolved inorganic salts in contravention of the sewerage rules.

Based on the applicant’s request, the MoE ended the impact assessment process for this project.

Applications for integrated permits

In the area of integrated prevention, the CEI actively cooperates with regional authorities; this cooperation includes issuance of statements on IP and, much more often, substantial changes to IP.

In 2016, the CEI developed 695 statements on applications for integrated permits or changes thereto. This is a slight decrease compared to last year (718). In 34 cases, CEI representatives attended face-to-face meetings on applications for integrated permits or changes thereto.

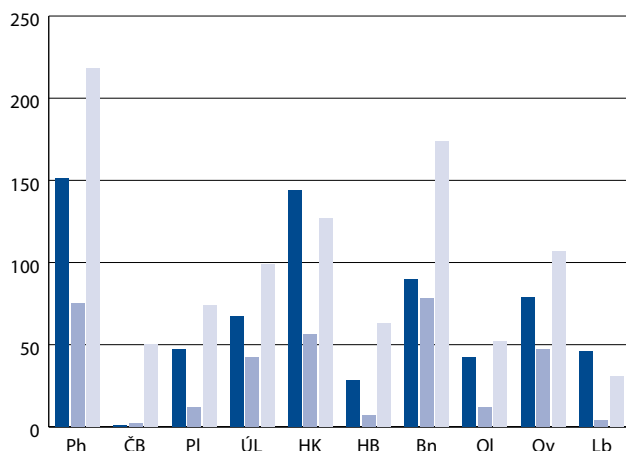
The communication with regional authorities is not bad, but sometimes not reliable, which increases the time required for inspection preparation. The uneven quality and completeness of publication of changes in IP in the IPPC IS is a problem. There are facilities for

which a number of change decisions are missing in the information system. If a regional authority forgets to send a change to an integrated permit to the CEI, we are left completely uninformed.

Other expert statements

In addition, coordinators of integrated agendas of the TI made or cooperated on another 335 statements on EMAS, for the SEF CR, under the Safe Business programme, and environmental audits, etc., as mentioned above.

Statements issued by CEI TI



- Statements on applications for IP and IP changes (together for CEI) - 695
- Other CIA statements and dealings - 335
- EIA/SEA (together for CEI) - 995

Reports on inspection

Pursuant to Section 20b, Para. 9, of the Integrated Prevention Act in connection with each inspection and beside the inspection report on the spot, the CEI has to elaborate a report containing a description of the inspection findings and conclusions about any other measures, known as a “report on inspection”. Moreover, pursuant to Section 20b, Para. 11 of the Act, we have to publish the report via the integrated prevention information system (IS

IPPC) run by the MoE, within 4 months of the on-site inspection date. However, the report can only be made after the expiry of the period for submitting protests against the inspection finding shown in the report pursuant to Section 13 of Act no. 255/2012 Coll. on Inspection.

Each CEI territorial inspectorate is required (which is also inspected) to adhere to the terms regarding the posting of these reports on inspection in the IS IPPC.

In 2016, the Inspectorate (largely CIA) identified the posting of 793 reports on inspection in the IS.

6.4 Major cases from inspection work

Liberec TI: In 2016, the cumulative fine of CZK 1,110,000 awarded to FEREX - ŽSO spol. s.r.o. in Liberec entered into force. The operator primarily failed to perform its obligations under the Waste Act regarding waste collection and failed to secure waste stored outdoors from leaks of pollutants, failed to keep continuous waste records, exceeded the “p” and “m” limits for discharged wastewater, i.e., exceeded the balance quantity of the indicator “solids”, failed to carry out one-off authorised measurement of substances emitted to the air, reported wrong information on transfer of lead and lead compounds (as Pb) in waste to the IPR, etc. (the entity is currently in bankruptcy).

Ostrava TI: Based on inspection work in 2015 (a departmental inspection, administrative proceeding conducted by the Waste Management Department), the fine of CZK 1,100,000 awarded to ITALPE s.r.o. for operating the facility “Dvorce – Rejchartice Managed SMW Landfill in contravention of its IP (unpermitted method of waste management in contravention of operating rules) entered into force in 2016.

In a combined administrative proceeding between the Plzeň TI and the operator D+P REKONT s.r.o. awarded, under the Integrated Prevention Act and the Waters Act, two fines for administrative violations committed in operating the Doubrava De-

contamination Area, totalling CZK 770,000 (CZK 750,000 under the Integrated Prevention Act and CZK 20,000 under the Waters Act). The MoE confirmed the decision in full during the appeals proceeding. The facility had failed to carry out waste biodegradation in the way described in its operating rules; the waste had only been stored at the facility. The operator had failed to update the operating rules, which stated outdated information about the location of facility documentation, among other things. As part of the facility, the operator had run an interception pool for wastewater from the facility without a valid tightness test certificate, thus violating its obligation in handling of potential pollutants classified as hazardous substances by Annex 1 to the Waters Act.



D+P REKONT s.r.o. - Doubrava Decontamination Area

Moreover, the Plzeň TI conducted a combined administrative proceeding with the legal entity IC-PARK ENERGO, a.s. under the Integrated Prevention Act and the Waste Act. The operator was awarded fines of CZK 230,000 for violation of binding IP requirements for the facility Svojšín Biogas Station and CZK 50,000 for violation of obligations in waste management. The penalty under the Integrated Prevention Act was awarded for operating the facility in contravention of multiple binding requirements (e.g., failure to secure some handling areas against leaks of potential pollutants or rainwater contaminated by them onto hydraulically unsecured ground, failure to inspect stores of potential pollutants at required frequency, incl. failure to keep records on inspection of functionality of control systems, their (non) functionality and any measures and repairs), failure to monitor quality of the organic fertiliser (digested matter) to the required extent

(moreover, analyses were made by an unaccredited laboratory), failure to submit a report on compliance with IP requirements for 2014 to the regional authority, shortcomings in the chronological records on raw materials admitted to the facility). The fine under the Waste Act was awarded for the operator failing to collect waste sorted by type and category, failing to equip hazardous waste handling points with identification sheets for the respective hazardous waste types, and failing to keep continuous records on waste and waste handling methods. The MoE confirmed the decision in full during the appeals proceeding. At present, the Municipal Court in Prague is dealing with the matter in an administrative lawsuit.

ANIVEG ECO s.r.o. – WOWITRA s.r.o. The case WOWITRA s.r.o. continued in 2016 too. The premises of the former “oil plant” in Lovosice formerly housed the facility “Organic derivative production”, which was removed, but still has an active IP since requirements relating to the end of operation and facility liquidation were not met; in 2014, the CEI Water Protection and Waste Management Departments awarded the company with 2 conclusive fines totalling CZK 1,750,000.

Ústínad Labem TI was supposed to make pre-notified inspections at WOWITRA s.r.o. in 2015, but the operator failed to present itself at either inspection, the premises were empty and closed, so that the operator did not allow the CEI to make the inspection. The operator thus committed an administrative violation pursuant to Act no. 255/2012 Coll. on Inspection (Inspection Rules), and the CEI awarded the company WOWITRA s.r.o. two fines (CZK 100,000 and CZK 200,000) for failing to allow inspection.

In April 2014, the entire premises of WOWITRA s.r.o. was sold to the hands of the natural person of Belgian nationality Beyne Bruno Beatrice. However, from the environmental point of view, WOWITRA s.r.o. continues to be the facility operator with a valid integrated permit.

WOWITRA s.r.o. does not communicate with public authorities, and has not paid the fines.

The municipality of Lovosice has been granted a subsidy from the SEF CR for disposal of substances situated in the former oil plant, which are a significant threat to environmental quality (particularly soil and groundwater). The purpose of the remediation was to remove sources of contamination, i.e., stored hazardous waste as the primary source of contamination of the rock environment, and excessively contaminated earth as the secondary source of contamination. The remediation was done between June and September 2016; a total of 669.543 tonnes of waste were removed.

An overview of interventions made on the site as part of the hazardous waste remediation in Lovosice:

- a) all waste visibly stored in sectors around the premises were excavated, then reused, modified and permanently disposed of (thermally, landfilling) using methods matching the nature of the waste in accordance with legislation in force and the approved operating rules of the respective waste handling facilities;
- b) the unsaturated zone, including repository areas on the ground, was remediated;
- c) contaminated groundwater was pumped out and permanently disposed of using an adequate effect technique;
- d) all the chemicals were removed from laboratories and their storerooms.



ANIVEG ECO s.r.o. – WOWITRA s.r.o.

6.5 Conclusion

Violations of obligations of facilities with integrated permits show a decreasing tendency, because comprehensive inspections have generally been made at these facilities and the operators are already aware of and meet their legislative obligations.

The amended Integrated Prevention Act meant a relatively substantial increase in the extent of obligations for operators (baseline reports already on the first change), regional authorities (conclusions on BAT and exemptions), the CEI and RPHA (more inspection work, reports on inspections).

The quality of the CEI's inspection work in the area of integrated prevention continue to depend on the quality of IP in force, agreement of IP with the current state of the facilities, and formulation of their binding requirements, thus their enforceability.

The CEI does not focus its work strictly only on awarding fines; it also pays attention to prevention and soft methods and actively cooperates with other public authorities, particularly regional authorities, which permit operation of facilities under the Integrated Prevention Act. The purpose of this cooperation is to improve the quality of integrated permits and thus ensure high quality of environmental protection.

However, the progressive increase in changes to integrated permits results in increased complexity of inspections. Inspections in the area of integrated prevention thus demand particularly precise preparation and sufficient time.



7 | International collaboration

In 2016, there were 54 trips abroad, involving 88 employees. One of our most important international activities is collaboration in the IMPEL, an organisation dealing with implementation and enforcement of environmental law and representing organisations of EU member states, accession and candidate countries, EEA and EFTA countries dealing with implementation and enforcement of environmental law. The IMPEL's mission is to contribute to environmental protection by involvement in effective implementation and enforcement of EU environmental law by building capacity, sharing good practice, provision of handbooks and tools, promoting cooperation and provision of feedback to legislators and regulators on practicality and enforceability of environmental legislation. The core of the network's work is projects.

The IMPEL held a General Assembly in Bratislava and CEI inspectors participated in work of expert groups: air and industry, water and soil, transboundary waste transport and waste, nature and cross-cutting tools and approaches. As every year, our inspectors attended the conference on waste and transboundary waste transport, focusing primarily on circulation economy. In addition, they were involved in IMPEL projects

“Meeting of contact persons for transboundary waste transport” and “Landfill inspections”. The project on implementation of the Industrial Emissions Directive continued another year, and our inspector participated in the projects “Doing the Right Things for Permitting” and “Sharing and exchange of experience of exemptions from emission levels associated with best available techniques under the Industrial Emissions Directive”. In addition, we attended the IMPEL conference on water and soil and participated in the project “Mapping tools for regulators”. Since nature protection was included in the IMPEL work agenda in 2013, our inspector was also involved in meetings of an expert group for nature, associated with a project focused on hunting tourism. Our employee was also invited as a member of an expert assessment team to an IRI (voluntary audit of an inspection and supervision system) in Austria.

The most important event in the IMPEL was the organisation of the first joint conference of the networks IMPEL/EUFJE/ENPE/EnviCrimeNet, attended in Utrecht by 194 participants from 35 countries, including police officers, judges, public prosecutors, inspectors and lawyers dealing with the environment. The goal of the conference was to promote enforcement of EU environmental legislation. The conference was also attended by EC representatives, who consider cooperation among networks very useful and want to strengthen it further to improve implementation of EU legislation. It was concluded that improvement requires not merely enforcing the law but searching for alternatives and new approaches and cooperate not only at the international and national levels, but primarily at the regional one. Representatives of the different networks agreed on further cooperation and joint projects and data exchange. Moreover, the conference included presentations of case studies, speeches from the academic sphere and non-governmental organisations. The following meeting of chairpersons of all these networks and the EC took place in Brussels in September, and it was agreed that they would meet periodically every year; the conference was evaluated as useful and the next joint conference, to be held in 2017, will be even closer focused on practice and should include more case studies on environmental criminal offences and their resolution; the conference will focus on waste crime and crime on wild animals and plants.

In the area of the international CITES treaty, CEI employees represent the Czech Republic at meetings of expert groups and boards focused on promotion of laws on protection of endangered species. Our inspector attended the conference “Save Wildlife – Act Now or Game over”, including a roundtable for high governmental representatives and focusing on two key areas, namely sustainable utilisation and economic development and boosting enforcement in the area of wildlife. A CEI representative attended the 17th conference of parties to the CITES, which also discussed cases handled in the CR: trade in ivory and rhinoceros horns, and included a session of the Interpol Wildlife Crime Working Group.

As every year, we attended two meetings under the EU Wildlife Enforcement Group, and our inspector instructed Austrian customs officials at the Vienna airport and provided expert assistance at the actual luggage checks. Our representative attended an international conference focused on exchange of experience and coordination of the fight against environmental crime, held as part of Slovakia's EU Presidency and including discussion of the preparation of a unified action plan focused on fighting environmental crime across the EU as well as a workshop on use of forensic methods.

A CEI inspector regularly attended the Forum of the European Chemicals Agency (ECHA), used for exchange of information on enforcement of the REACH Regulation. Based on a treaty with Slovakia, we made trips abroad dealing with waste management and IPPC.

Under so-called executive international relations, our inspectors represented the Czech environmental department at meetings of international boards for the protection of boundary waters and big rivers (International Commission for the Protection of the Oder and Elbe, Danube Commission, Austrian Boundary Waters). Most of the trips abroad were made in order to secure the CR's contractual commitments under international organisations, treaties and protocols on the one hand and activities connected with our EU membership on the other. In total, the CEI expended CZK 385,706.39 on the trips abroad; a large part of the costs was funded directly from the European Commission budget.

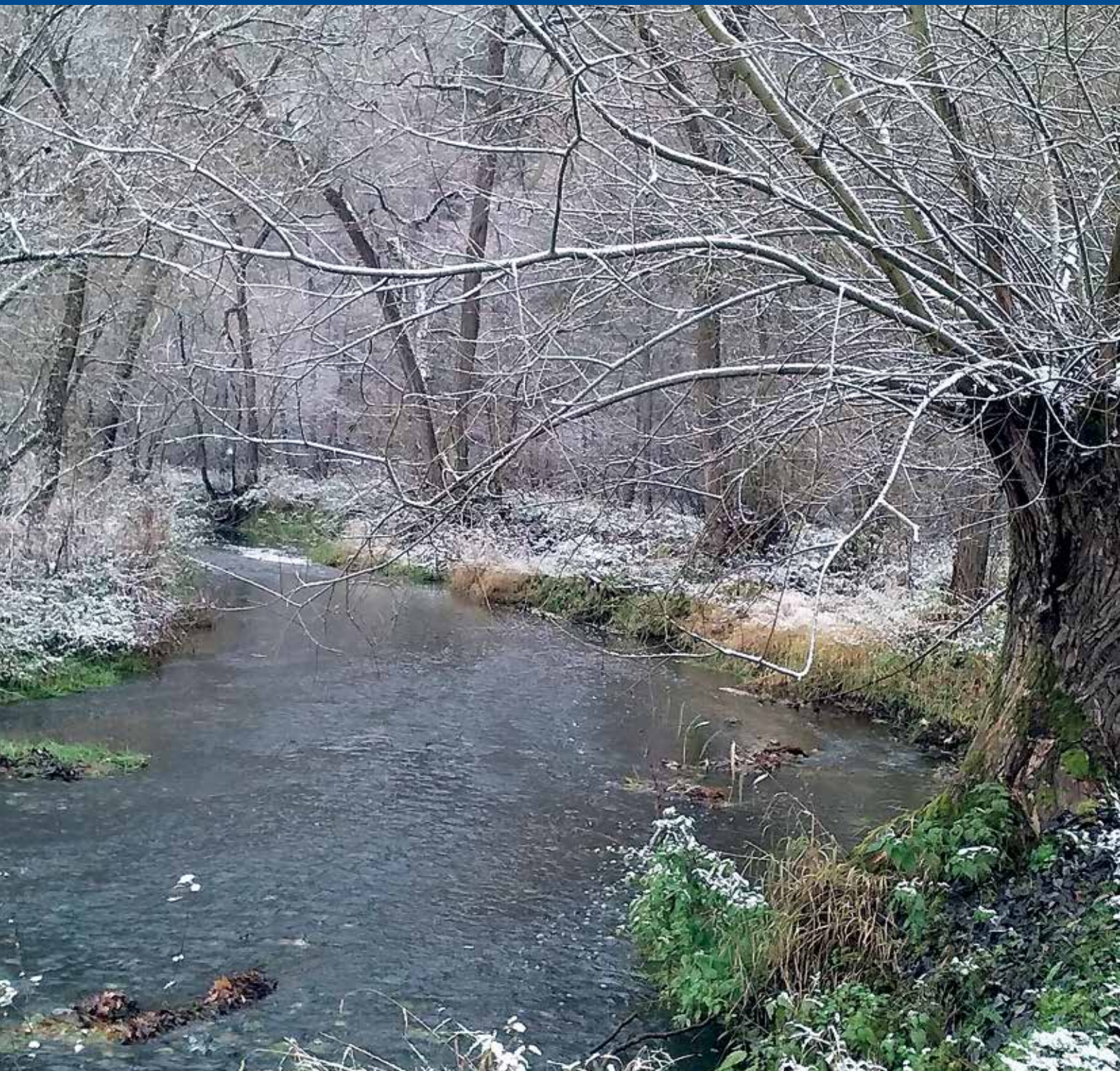
EEA – European Economic Area **EFTA** – European Free Trade Association

EUFJE – EU Forum of Judges for the Environment

ENPE – Network of the European Prosecutors for the Environment

EnviCrimeNet – informal network of mostly police authorities dealing with environmental crime





8 | Human resources

8.1 HR agenda

In 2016, the HR department work focused on standardisation of HR processes in accordance with Act no.234/2014 Coll. on Public Service. One of the main tasks was to open tenders for current chiefs within the CEI by the mandatory date, namely 30 June 2016.

In addition, the HR department work in 2016 focused on good and timely implementation of legislative changes in employment law, wages and training in the CEI.

As every year, the dominant task of the HR department was economic and sensible use of wage resources allocated.

Classification of employees by age and sex, as of 31 12. 2016

| Age | Males | Females | Total | % |
|--------------|--------------|--------------|--------------|---------------|
| under 20 | 0 | 0 | 0 | 0,00 |
| 20 - 29 let | 14 | 15 | 29 | 5,38 |
| 30 - 39 let | 55 | 68 | 123 | 22,82 |
| 40 - 49 let | 54 | 93 | 147 | 27,27 |
| 50 - 59 let | 90 | 88 | 178 | 33,02 |
| 60 - 69 let | 38 | 23 | 61 | 11,32 |
| 70 and more | 0 | 1 | 1 | 0,19 |
| Total | 251 | 288 | 539 | 100,00 |
| % | 46,57 | 53,43 | 100,0 | x |

| | Number |
|------------|--------|
| Admissions | 51 |
| Dismissals | 43 |

Summary data on start and end of employment in 2016

Classification of employees by education and sex—as of 31 12. 2016

| Attained Education | Males | Females | Total | % |
|---------------------------------|------------|------------|------------|------------|
| Primary | 0 | 0 | 0 | 0,00 |
| Secondary Professional | 0 | 7 | 7 | 1,30 |
| Complete secondary | 3 | 13 | 16 | 2,97 |
| Complete secondary Professional | 14 | 67 | 81 | 15,03 |
| College | 6 | 9 | 15 | 2,78 |
| University | 228 | 192 | 420 | 77,92 |
| Total | 251 | 288 | 539 | 100 |

Duration of employment, as of 31 12. 2016

| Duration | Number | % |
|----------------|------------|--------------|
| under 5 years | 123 | 22,82 |
| under 10 years | 117 | 21,71 |
| under 15 years | 103 | 19,11 |
| under 12 years | 82 | 15,21 |
| over 20 years | 114 | 21,15 |
| Total | 539 | 100,0 |

8.2 Training

A total of 934 employees received training in 2016. The costs of training and conferences were CZK 1,414,440.

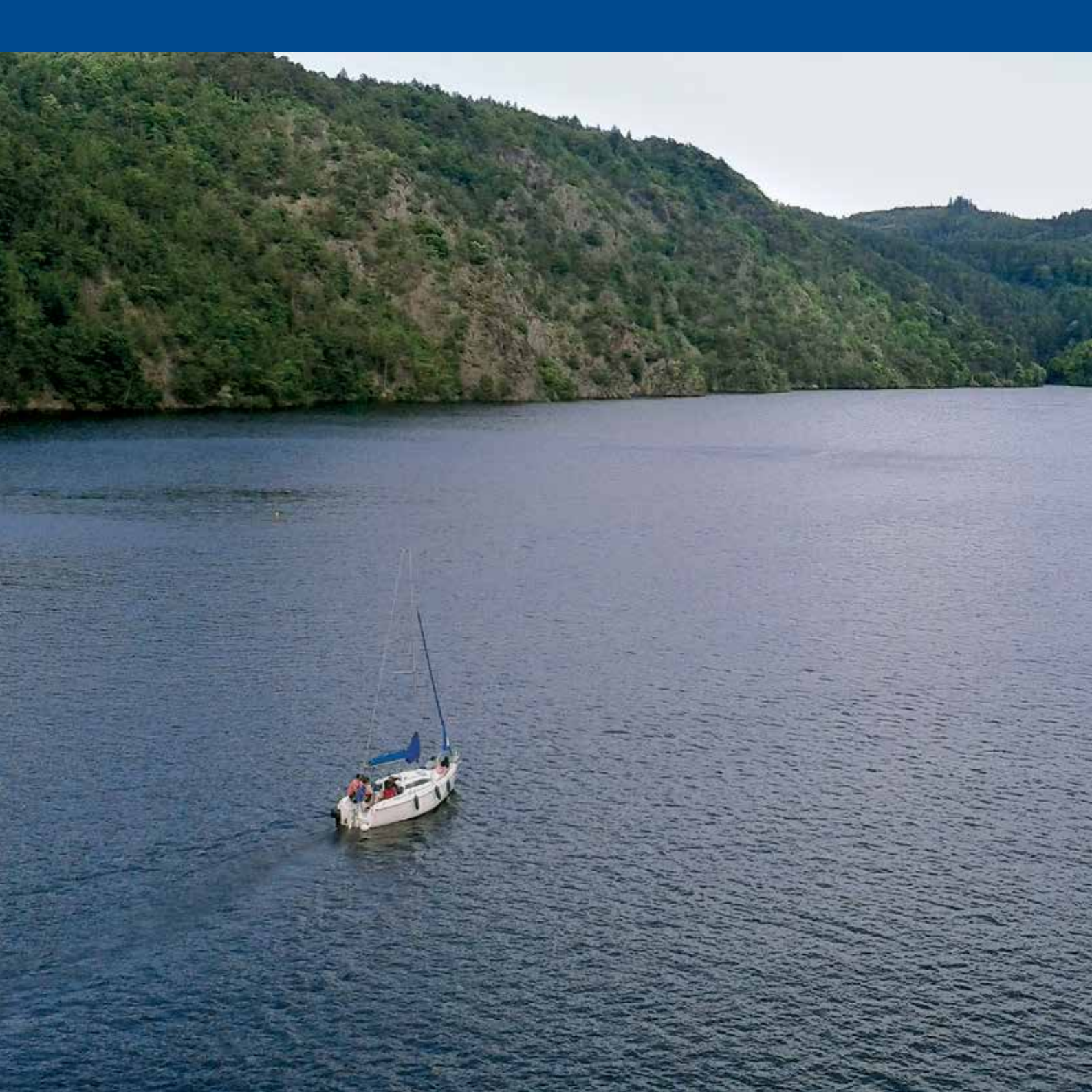
CEI employees attended 219 different courses, seminars and conferences. Out of that, 10 were organised internally for a total of 344 persons. The following training courses took place internally: Rules of Administrative Procedure, Inspection Rules, Employee Assessment Pursuant to Public Service Act. In addition, persons with access to classified information were trained. Among professional topics, training included: Water Sampling, Major Accident Prevention, and Introduction to Water Law II.

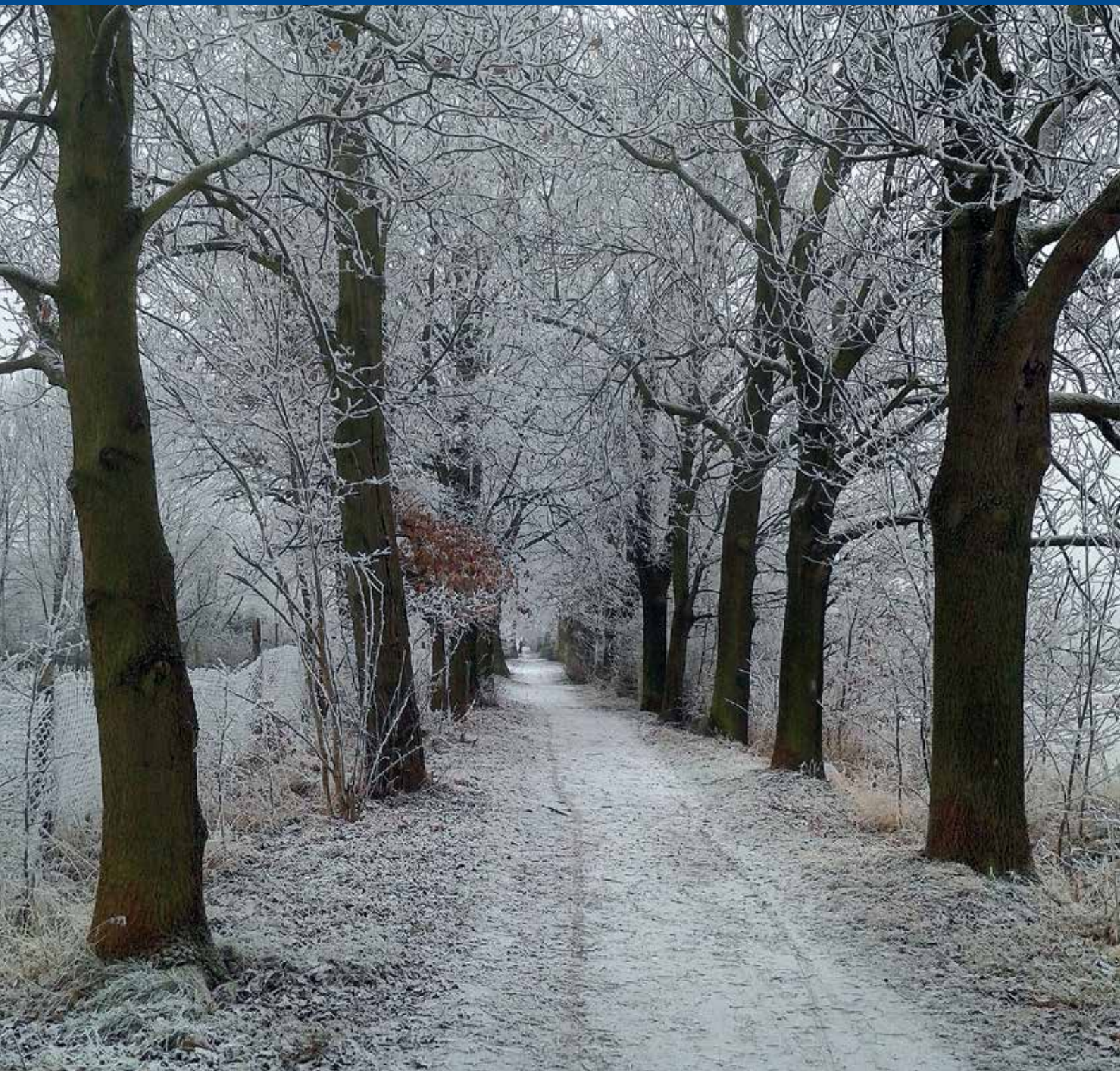
In 2016, the CEI focused on training in communication skills. The small-scale public contract was won by POSITIVE s.r.o. Training took place in 4 courses for no more than 15 persons per group. A total of 55 persons were trained. The training elicited very positive participant feedback. According to the majority of the participants, it had met their expectations.

Another 64 persons attended training courses at the Masaryk University Faculty of Law in Brno. The topics covered were: Public Service Act and Rules of Administrative Procedure. Furthermore, CEI representatives attended 16 expert conferences on nature, water, air and forest protection.

Introductory admission training was attended by 43 persons in 4 sessions. Follow-up admission training was successfully completed by 6. In order to deepen their professional education, new inspectors attend theoretical and practical specialisation training. Specialisation exams in the areas of waste management, air, forest, water and nature protection were passed by 13 persons in 2016.

The CEI mostly uses day courses and seminars for training its employees. Some of the general soft skill topics were also trained by e-learning. Examples: Corruption, Ethics and Whistleblowing; Equal Opportunities of Men and Women in Public Administration.





9 | Economics

In 2016, the CEI managed budgetary non-investment funds amounting to CZK 352,965,367.70 and budgetary investment

funds of CZK 34,750,487.60. The total investment and non-investment funds in 2016 amounted to CZK 387,715,855.30.

Drawing of non-investment expenditures for 2016

| Indicator | End budget | Drawing | Balance |
|--|-----------------------|-----------------------|----------------------|
| Salaries of employed employees | 33 234 475,00 | 30 919 648,00 | 2 314 827,00 |
| Salaries of employed employees UEC | 346 939,00 | 0,00 | 346 939,00 |
| Wages for state employees-PSA | 171 337 972,00 | 166 121 161,00 | 5 216 811,00 |
| Wages for state employees-PSA-UEC | 625 645,00 | 625 645,00 | 0,00 |
| WPD | 243 675,00 | 243 675,00 | 0,00 |
| WPD-UEC | 435 067,00 | 416 885,00 | 18 182,00 |
| Severance-UEC | 240 108,00 | 136 866,00 | 103 242,00 |
| Social and health insurance premiums | 69 702 858,00 | 66 845 147,00 | 2 857 711,00 |
| Social and health insurance premiums-UEC | 538 701,00 | 538 701,00 | 0,00 |
| Total wage expenditures | 276 705 440,00 | 265 847 728,00 | 10 857 712,00 |

| Indicator | End budget | Drawing | Balance |
|-----------------------------------|----------------------|----------------------|----------------------|
| Other current expenditures | 54,722,771.00 | 47,219,728.95 | 7,503,042.05 |
| CSNF transfer | 3,068,586.00 | 3,068,586.00 | 0.00 |
| Extrabudgetary resources | 757,804.00 | 443,625.00 | 314,179.00 |
| UEC for 2015 | 5,634,950.70 | 1,738,000.93 | 3,896,849.77 |
| Total current expenditures | 64 184 111,70 | 52 470 040,88 | 11 714 070,82 |

| Indicator | End budget | Drawing | Balance |
|---|-----------------------|-----------------------|----------------------|
| Non-investment expenditures – Computer equipment 2016 | 7 887 385,00 | 7 887 385,00 | 0,00 |
| Non-investment expenditures – Acquisition of mobile phones | 300 000,00 | 0,00 | 300 000,00 |
| Non-investment expenditures – ICT operation | 2 200 000,00 | 2 113 405,46 | 86 594,54 |
| Non-investment expenditures-wage and HR information system-UEC | 617 100,00 | 0,00 | 617 100,00 |
| Non-investment expenditures – Acquisition of licences from Oracle | 35 148,00 | 35 148,00 | 0,00 |
| Non-investment expenditures – Unification and securing of user accounts | 836 183,00 | 836 183,00 | 0,00 |
| Non-investment expenditures – Non-technical security | 200 000,00 | 0,00 | 200 000,00 |
| Total non-investment expenditures EDS/SMVS | 12 075 816,00 | 10 872 121,46 | 1 203 694,54 |
| Total non-investment | 352 965 367,70 | 329 189 890,34 | 23 775 477,36 |

Drawing of investment expenditures for 2016

| Indicator | End budget | Drawing | Balance |
|--|--------------|--------------|--------------|
| Implementation of new CIS in 2014 | 3 000 000,00 | 0,00 | 3 000 000,00 |
| Implementation of new CIS in 2014-UEC | 6 346 600,00 | 0,00 | 6 346 600,00 |
| Acquisition of licences from Oracle | 159 852,00 | 159 852,00 | 0,00 |
| Additional licences for Windows | 400 001,00 | 351 018,00 | 48 983,00 |
| Expansion of GINIS | 382 844,00 | 0,00 | 382 844,00 |
| CEI Intranet | 544 500,00 | 0,00 | 544 500,00 |
| Acquisition of parking spaces for HQ | 2 750 000,00 | 0,00 | 2 750 000,00 |
| Renovation of roof at HQ | 1 662 665,00 | 1 662 665,00 | 0,00 |
| Lift replacement at Plzeň TI | 1 214 840,00 | 31 097,00 | 1 183 743,00 |
| Sewer vertical pipe at Liberec TI | 41 503,00 | 41 503,00 | 0,00 |
| Renovation of drinking water mains at Liberec TI | 423 500,00 | 7 800,00 | 415 700,00 |
| Renovation of some structural elements at Liberec TI | 901 450,00 | 142 812,00 | 758 638,00 |

| | | | |
|---|-----------------------|-----------------------|----------------------|
| Renovation of window balcony elements at Liberec TI | 131 311,00 | 0,00 | 131 311,00 |
| Renovation of garage roof at nad Labem TI | 247 200,00 | 0,00 | 247 200,00 |
| New lift at Liberec TI-UEC | 902 827,00 | 902 827,00 | 0,00 |
| Wage and HR information system-UEC | 1,00 | 0,00 | 1,00 |
| PM measurement kit-UEC | 786 500,00 | 786 500,00 | 0,00 |
| Raman spectrometer-UEC | 1 310 430,00 | 1 310 430,00 | 0,00 |
| Car purchase in 2015-UEC | 3 354 022,00 | 3 354 022,00 | 0,00 |
| Car purchase in 2016 | 4 770 000,00 | 0,00 | 4 770 000,00 |
| Acquisition of disc arrays | 1 998 920,00 | 1 998 920,00 | 0,00 |
| Servers and accessories | 1 187 445,60 | 1 187 445,60 | 0,00 |
| CIS functionality assurance-UEC | 1 419 200,00 | 0,00 | 1 419 200,00 |
| Aggregate action | 814 876,00 | 0,00 | 814 876,00 |
| Total investment expenditures | 34 750 487,60 | 11 936 891,60 | 22 813 596,00 |
| Total | 387 715 855,30 | 341 126 781,94 | 46 589 073,36 |

9.1 Overview of transfers of budget fund savings to unspent expense claim report

A saving of non-investment expenditures of CZK 11,714,070.82 occurred primarily in connection with:

- expansion of supervision obligations (new Agricultural Land Fund Act, etc.), based on which the CEI's number of systemic jobs was increased by 25 employees. Due to the necessity to observe provisions of the Public Service Act, the CEI failed to admit the scheduled number of employees by the end of 2016. The job vacancies were reflected in a saving of other current operating expenditures at CZK 4,500,000;
- with a reserve of CZK 2,000,000 for the expected guarding of CEI buildings by SECURITAS;
- with a planned replacement of doors at the CEI Headquarters worth CZK 700,000. Since the selected contractor was not able to execute the supply within the requested period, we have had to shift the contract into 2017;
- with unspent funds allocated to the area of ICT, primarily due to reduction in maintenance services in connection with the new filing service, and due to cancellation of support to the geographic information system, totalling CZK 1,600,000;
- with non-execution of the planned purchase of office supplies and furniture worth CZK 2,300,000. The purchases were halted by the MoE in mid 2016 with reference to a planned centralised public contracts for these commodities;
- with a reserve for postponed payment of compensation for an occupational injury of approx. CZK 400,000.

The saving of EDS/SMVS non-investment expenditures amounting to CZK 1,203,694.54 was caused primarily by:

- not drawing of non-investment expenditures of CZK 300,000 on renewal of mobile phones. No bids were made in the tender; not drawing of non-investment expenditures of CZK 200,000 on implementation of non-technical safety precautions. The project was shifted to the first half of 2017;
- not drawing of funds of CZK 617,100 for the “Wage and HR information system”. The project was started but will only be completed and invoiced in 2017;
- saving of allocated funds of CZK 86,594.54 for telecommunications services.

A saving of non-investment expenditures of CZK 21,998,720 occurred primarily in connection with:

- not drawing of investment funds for Car purchase in 2016 amounting to CZK 4,770,000;
- for project Implementation of new CIS at CZK 9,346,600;
- for project Purchase of parking spaces for HQ at CZK 2,750,000;
- for project Ginis expansion at CZK 382,844;
- for project CEI Intranet at CZK 544,500;
- for project Assurance of functionality of CIS at CZK 1,419,200;
- for project Lift replacement in Plzeň at CZK 1,183,743;
- for project Upgrading and renovation of drinking water mains in Liberec at CZK 415,700;
- for project Renovation of some structural elements in Liberec at CZK 758,638;
- for project Renovation and replacement of 2 windows and balcony elements at CZK 131,311;
- and for project Renovation of garage roof in Ústí nad Labem at CZK 247,200.

These investment projects were shifted to 2017 .

9.2 Use of reserve fund and other non-budgetary resources

The CEI did not make a reserve fund in 2016. The balance of the reserve fund as of 31.12.2016 was CZK 0.

Claims of unspent expenditures in past years were spent on the following investment and non-investment projects:

1. Project 115V02100P005 – Operation of ICT – allocated funds CZK 774,809.31 – spent CZK 752,041.75.
2. Project 115V02300D017 - Lift upgrade at Liberec TI – allocated funds CZK 902,827 – spent CZK 902,827.
3. Project 115V02400D005 – PM measurement kit – allocated funds CZK 786,500 – spent CZK 786,500.
4. Project 115V02400D0011 – Raman spectrometer – allocated funds CZK 1,310,430.00 – spent CZK 1,310,430.00.
5. Project 115V02400D010 – Purchase of cars in 2015 – allocated funds CZK 3,354,022.00 – spent CZK 3,354,022.00.

Drawing of UEC for wages:

1. POL 5013 – wages to employees under PSA – allocated funds CZK 625,645.00 – spent CZK 625,645.00.
2. POL 5021 – WPD – allocated funds CZK 435,067.00 – spent CZK 416,885.00.
3. POL 5024 – Severance – allocated funds CZK 240,180.00 – spent CZK 136,866.00.
4. POL 5032 – Social and health insurance – allocated funds CZK 538,701.00- spent CZK 538,701.00.

Drawing of UEC for operating expenditures – allocated funds CZK 5,634,950.70 – spent CZK 1,738,100.93.

Non-budgetary resources

| UEC not profiling as of 1. 1. 2016 | | |
|------------------------------------|--------------|------|
| Non-investment 9,024,076.01 | 346 939,00 | 5011 |
| | 625 645,00 | 5013 |
| | 435 067,00 | 5021 |
| | 240 108,00 | 5024 |
| | 393 180,00 | 5031 |
| | 145 521,00 | 5032 |
| | 774 809,31 | 5162 |
| | 427 856,00 | 5168 |
| | 3 134 950,70 | 5169 |
| | 2 500 000,00 | 5171 |

| UEC not profiling as of 1 1. 2016 | | |
|-----------------------------------|--------------|------|
| Investment 14,934,456.00 | 7 765 801,00 | 6111 |
| | 2 096 930,00 | 6122 |
| | 902 827,00 | 6121 |
| | 3 354 022,00 | 6123 |
| | 814 876,00 | 6909 |

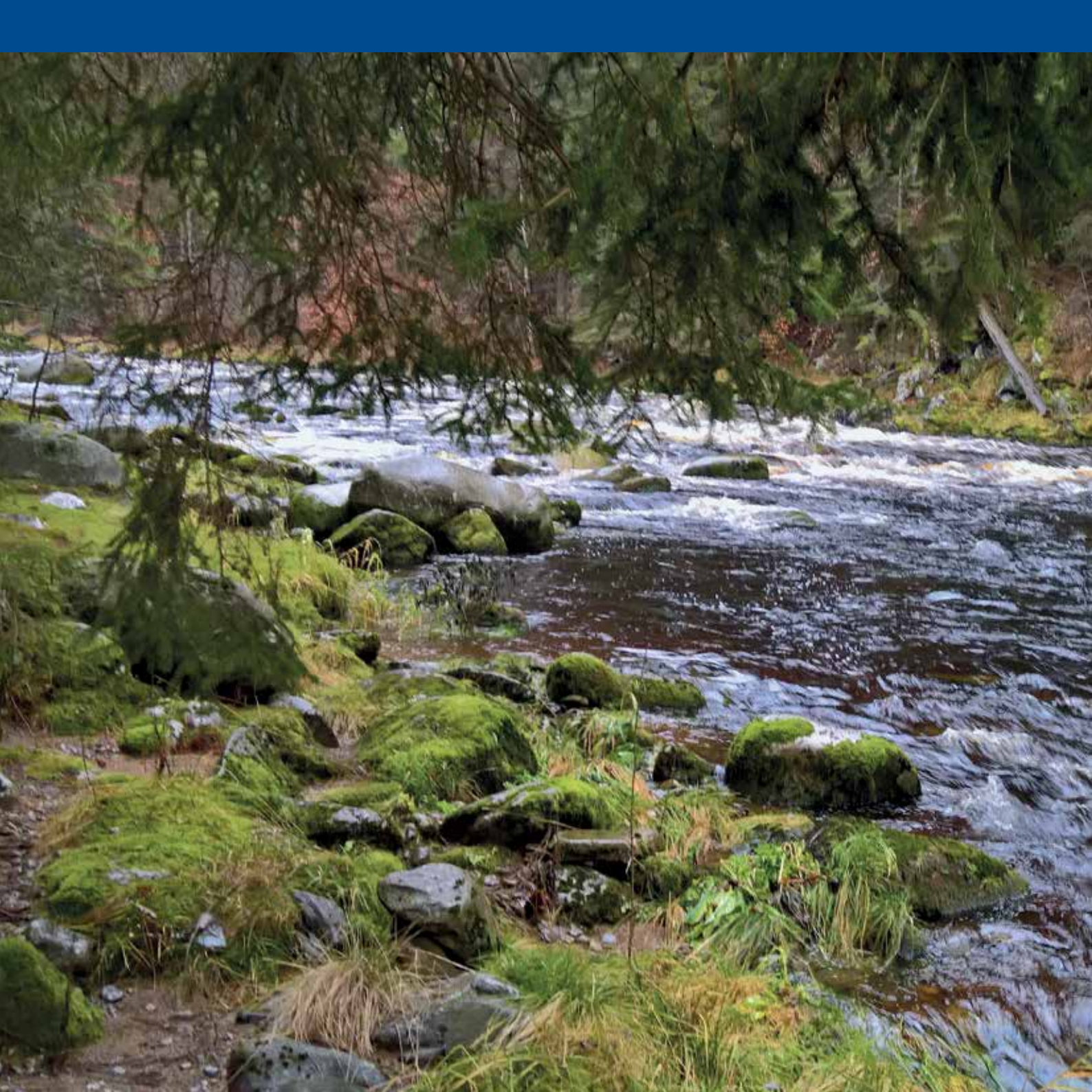
9.3 Total income assessment

Che CEI's total income in 2016 was
CZK 6,645,751.20.

Income analysis

| Budgetary income | SR | RU | Reality |
|------------------|---------------------|---------------------|---------------------|
| 2132 | 280 000,00 | 280 000,00 | 290 834,96 |
| 2133 | 3 000,00 | 3 000,00 | 3 600,00 |
| 2310 | 0,00 | 0,00 | 6 062,00 |
| 2322 | 50 000,00 | 50 000,00 | 929 781,00 |
| 2324 | 2 430 000,00 | 2 430 000,00 | 2 581 820,98 |
| 2329 | 20 000,00 | 20 000,00 | 0,00 |
| 3113 | 0,00 | 0,00 | 87 110,00 |
| 4118 | 0,00 | 0,00 | 2 699 087,96 |
| 4132 | 0,00 | 0,00 | 47 454,30 |
| Total | 2 783 000,00 | 2 783 000,00 | 6 645 751,20 |

| | | |
|------|--|---|
| 2132 | Income from rental of other real estate and parts there of | Item 2132 includes income from renting office spaces at Havlíčkův Brod and Liberec TI |
| 2133 | Income from rental of moveable assets | Item 2133 includes income from renting moveable assets at Havlíčkův Brod TI |
| 2310 | Income from sales of short-term and low-value assets | Item 2310 includes income from sales of PPE to employees at the end of employment |
| 2322 | Received insurance adjustments | Item 2322 includes insurance benefits from insurance companies |
| 2324 | Received non-capital contributions | Item 2324 includes proceeding costs and distraintment |
| 2329 | Other non-tax income | Item 2329 includes other non-tax income |
| 3113 | Income from sales of other long-term assets | Item 3113 includes income from sales of long-term tangible assets |
| 4118 | Non-investment transfers from the EU | Item 4118 includes EU projects |
| 4132 | Transfer from other own funds | Item 4132 includes transfer of unspent wage funds from 12/2015 |



10 | Overview of work of territorial inspectorates

Overview of work of territorial inspectorates in 2016

| Territorial Inspectorate/HW | No. of inspectors | No. of inspections | EIA statements | Other statements | Fines | | | Other decisions | | | | | Charge | | No. of accidents registered | No. of suggestions and petitions received | No. of suggestions submitted to public authorities | No. of crime reports |
|-----------------------------|-------------------|--------------------|----------------|------------------|---|--|--|--|---|--|---|---|---|--|-----------------------------|---|--|----------------------|
| | | | | | All decisions on fines issued in study period | All decisions on fines that entered into force in study period | Total amount of fines in legal force (CZK) | No. of decisions in force – halting or restriction of operation, facility or parts thereof | No. of decisions in force – seizing or confiscation | No. of decisions on remedial measures in force in study period | No. of decisions on remedial measures to meet emission limits | Seizing and halting of validity of certificates of hazardous waste properties | No. of decisions on charges and advances for wastewater discharge | No. of decisions on charges and advances for groundwater consumption | | | | |
| Prague | 57 | 2 169 | 230 | 1 525 | 299 | 281 | 19 792 500 | 0 | 1 | 40 | 0 | 0 | 373 | 798 | 106 | 580 | 21 | 2 |
| České Budějovice | 29 | 1 191 | 50 | 333 | 276 | 261 | 9 956 587 | 3 | 1 | 56 | 0 | 0 | 156 | 562 | 19 | 282 | 24 | 2 |
| Plzeň | 35 | 1 425 | 74 | 475 | 302 | 278 | 22 301 282 | 0 | 2 | 30 | 3 | 0 | 133 | 500 | 5 | 176 | 19 | 2 |
| Ústí nad Labem | 40 | 1 371 | 99 | 763 | 216 | 213 | 10 065 660 | 9 | 0 | 21 | 0 | 0 | 251 | 343 | 23 | 300 | 16 | 0 |
| Hradec Králové | 37 | 1 602 | 127 | 448 | 280 | 263 | 10 426 318 | 6 | 0 | 25 | 0 | 0 | 197 | 698 | 29 | 282 | 66 | 1 |
| Havlíčkův Brod | 27 | 1 468 | 63 | 520 | 326 | 325 | 11 320 455 | 1 | 0 | 24 | 0 | 0 | 141 | 556 | 5 | 236 | 58 | 3 |
| Brno | 45 | 2 237 | 174 | 1 088 | 364 | 351 | 19 449 312 | 3 | 4 | 33 | 0 | 0 | 386 | 687 | 25 | 336 | 25 | 1 |
| Olomouc | 28 | 1 324 | 52 | 378 | 226 | 206 | 8 385 865 | 0 | 0 | 47 | 1 | 0 | 126 | 363 | 16 | 133 | 35 | 0 |
| Ostrava | 37 | 1 630 | 107 | 1 055 | 315 | 308 | 10 114 149 | 1 | 2 | 20 | 0 | 0 | 222 | 195 | 18 | 283 | 41 | 1 |
| Liberec | 24 | 827 | 31 | 375 | 162 | 153 | 7 347 315 | 0 | 0 | 46 | 2 | 0 | 83 | 241 | 19 | 147 | 13 | 0 |
| HQ | 36 | 639 | 6 | 26 | 121 | 116 | 1 557 900 | 0 | 113 | 0 | 0 | 0 | 0 | 0 | 0 | 4 | 4 | 4 |
| Celkem | 395 | 15 883 | 1 013 | 6 986 | 2 887 | 2 755 | 130 717 343 | 23 | 123 | 342 | 6 | 0 | 2 068 | 4 943 | 265 | 2 759 | 322 | 16 |



11 | Financial statement as of 31 12. 2016

Balance sheet

| Item name | Synthetic account | Period | | | |
|--|-------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | | Current | | | Previous |
| | | Gross | Adjustment | Net | |
| | | 1 | 2 | 3 | |
| TOTAL ASSETS | | 792 116 215,82 | 323 237 646,92 | 468 878 568,90 | 483 611 025,25 |
| Fixed assets | | 761 753 636,93 | 323 237 646,92 | 438 515 990,01 | 447 885 852,50 |
| Long-term intangible assets | | 39 574 828,78 | 35 006 931,98 | 4 567 896,80 | 4 774 520,80 |
| Intangible research and development results | 012 | | | | |
| Software | 013 | 26 928 183,28 | 23 612 539,48 | 3 315 643,80 | 3 517 803,80 |
| Valuable rights | 014 | 183 000,00 | 164 947,00 | 18 053,00 | 22 517,00 |
| Emission permits and preference limits | 015 | | | | |
| Low-value long-term intangible assets | 018 | 11 229 445,50 | 11 229 445,50 | | |
| Other long-term intangible assets | 019 | | | | |
| Unfinished long-term intangible assets | 041 | 1 234 200,00 | | 1 234 200,00 | 1 234 200,00 |
| Advances granted for long-term intangible assets | 051 | | | | |
| Long-term intangible assets scheduled for sale | 035 | | | | |
| Long-term tangible assets | | 722 178 808,15 | 288 230 714,94 | 433 948 093,21 | 443 111 331,70 |
| Land | 031 | 12 526 284,00 | | 12 526 284,00 | 12 526 284,00 |
| Cultural items | 032 | 11 491,00 | | 11 491,00 | 11 491,00 |
| Buildings | 021 | 490 732 722,56 | 111 736 271,00 | 378 996 451,56 | 384 346 056,56 |
| Individual tangible moveable assets and sets of tangible moveable assets | 022 | 115 977 429,41 | 74 195 071,76 | 41 782 357,65 | 46 157 704,14 |
| Cultivation wholes of permanent stands | 025 | | | | |
| Low-value long-term tangible assets | 028 | 102 299 372,18 | 102 299 372,18 | | |
| Other low-value tangible assets | 029 | | | | |
| Unfinished long-term tangible assets | 042 | 181 709,00 | | 181 709,00 | 69 796,00 |
| Advances granted for long-term tangible assets | 052 | | | | |
| Long-term tangible assets scheduled for sale | 036 | 449 800,00 | | 449 800,00 | |

| Item name | Synthetic account | Period | | | |
|-----------|-------------------|---------|------------|-----|----------|
| | | Current | | | Previous |
| | | Gross | Adjustment | Net | |
| | | 1 | 2 | 3 | 4 |

Long-term financial assets

| | | | | | |
|---|-----|--|--|--|--|
| Property interests in entities with decisive influence | 061 | | | | |
| Property interests in entities with substantial influence | 062 | | | | |
| Debt securities held until payable | 063 | | | | |
| Long-term loans | 067 | | | | |
| Long-term time deposits | 068 | | | | |
| Other long-term financial assets | 069 | | | | |
| Acquired long-term financial assets | 043 | | | | |
| Advances granted for long-term financial assets | 053 | | | | |

Long-term receivables

| | | | | | |
|--|-----|--|--|--|--|
| Long-term returnable financial aid granted | 462 | | | | |
| Long-term receivables from ceded credits | 464 | | | | |
| Long-term advances granted | 465 | | | | |
| Long-term receivables from guarantees | 466 | | | | |
| Other long-term receivables | 469 | | | | |
| Long-term advances granted for transfers | 471 | | | | |
| Long-term mediation of transfers | 475 | | | | |

| | | | | | |
|-----------------------|--|----------------------|--|----------------------|----------------------|
| Current assets | | 30 362 578,89 | | 30 362 578,89 | 35 725 172,75 |
|-----------------------|--|----------------------|--|----------------------|----------------------|

Inventory

| | | | | | |
|----------------------------------|-----|--|--|--|--|
| Material acquisition | 111 | | | | |
| Material in store | 112 | | | | |
| Material on the way | 119 | | | | |
| Unfinished production | 121 | | | | |
| Self-made semi-finished products | 122 | | | | |
| Products | 123 | | | | |
| Goods acquisition | 131 | | | | |
| Goods in store | 132 | | | | |

| Item name | Synthetic account | Period | | |
|--|-------------------|--------------|------------|---------------------------|
| | | Current | | |
| | | Gross | Adjustment | Net |
| | | 1 | 2 | 3 |
| | | | | Previous 4 |
| Goods en route | 138 | | | |
| Other inventory | 139 | | | |
| Short-term receivables | | 2 503 204,74 | | 2 503 204,74 2 226 816,52 |
| Clients | 311 | 800,00 | | 800,00 |
| Bills for cashing | 312 | | | |
| Receivables for discounted securities | 313 | | | |
| Short-term advances granted | 314 | 2 489 449,74 | | 2 489 449,74 2 218 054,52 |
| Other receivables from main operation | 315 | 2 706,00 | | 2 706,00 |
| Short-term returnable financial aid granted | 316 | | | |
| Short-term receivables from ceded credits | 317 | | | |
| Receivables for employees | 335 | 10 249,00 | | 10 249,00 8 762,00 |
| Social security | 336 | | | |
| Health insurance | 337 | | | |
| Pension plans | 338 | | | |
| Income tax | 341 | | | |
| Other taxes, charges and other similar pecuniary performance | 342 | | | |
| Value added tax | 343 | | | |
| Receivables from entities except selected governmental | 344 | | | |
| Receivables from selected central governmental institutions | 346 | | | |
| Receivables from selected local governmental institutions | 348 | | | |
| Receivables from tax administration | 352 | | | |
| Clearance from tax redistribution | 355 | | | |
| Receivables from distraintment and other handling of foreign | 356 | | | |
| Other receivables from tax administration | 358 | | | |
| Short-term receivables from guarantees | 361 | | | |
| Fixed time operations and options | 363 | | | |
| Payables from unfinished financial operations | 369 | | | |

| Item name | Synthetic account | Period | | |
|--|-------------------|---------------|------------|-----------------------------|
| | | Current | | Previous |
| | | Gross | Adjustment | |
| | | 1 | 2 | 3 |
| | | | | 4 |
| Receivables from financial security | 365 | | | |
| Receivables from bonds issued | 367 | | | |
| Short-term advances granted for transfers | 373 | | | |
| Long-term mediation of transfers | 375 | | | |
| Costs of future periods | 381 | | | |
| Incomes from future periods | 385 | | | |
| Active estimate accounts | 388 | | | |
| Other short-term receivables | 377 | | | |
| Short-term financial assets | | 27 859 374,15 | | 27 859 374,15 33 498 356,23 |
| Asset securities for trading | 251 | | | |
| Credit securities for trading | 253 | | | |
| Other securities | 256 | | | |
| Short-term time deposits | 244 | | | |
| Other current accounts | 245 | 25 718 703,18 | | 25 718 703,18 32 334 503,96 |
| State financial asset accounts | 247 | | | |
| Treasury and state debt liquidity control accounts | 248 | | | |
| Accounts for tax sharing and split management | 249 | | | |
| Current account | 241 | | | |
| Current account CSNF | 243 | 2 138 847,97 | | 2 138 847,97 1 161 447,27 |
| Current accounts of state organisational component funds | 225 | | | |
| Postage stamps | 263 | 1 823,00 | | 1 823,00 2 405,00 |
| Money on the way | 262 | | | |
| Cash | 261 | | | |

| Item name | Synthetic account | Period | |
|--|-------------------|-----------------------|-----------------------|
| | | Current | Previous |
| | | 1 | 2 |
| TOTAL LIABILITIES | | 468 878 568,90 | 483 611 025,25 |
| Equity capital | | 442 941 677,48 | 450 971 587,05 |
| Accounting entity property and adjusting items | | 487 654 117,53 | 488 557 351,07 |
| Accounting entity property | 401 | 726 993 064,25 | 726 993 064,25 |
| Privatisation fund | 402 | | |
| Exchange rate differences | 405 | | |
| Pricing differences on initial use of method | 406 | -238 435 713,18 | -238 435 713,18 |
| Other pricing differences | 407 | -925 233,54 | |
| Adjustments to previous accounting periods | 408 | 22 000,00 | |
| Accounting entity funds | | 2 148 877,97 | 1 190 368,97 |
| Cultural and Social Needs Fund | 412 | 2 148 877,97 | 1 190 368,97 |
| Reserve fund made from improved economic result | 413 | | |
| Reserve fund from other means | 414 | | |
| Economic result | | -2 337 217 469,02 | -1 994 651 253,25 |
| Economic result for current accounting period | | -342 566 215,77 | -329 587 778,20 |
| Economic result in approval proceeding | 431 | -1 624 162 706,73 | -1 294 574 928,53 |
| Economic result in previous accounting periods | 432 | -370 488 546,52 | -370 488 546,52 |
| Income and expenditure account of budgetary activity | | 2 290 356 151,00 | 1 955 875 120,26 |
| Income account of state organisational components | 222 | -6 645 751,20 | -5 230 307,68 |
| Special expenditures account | 223 | 341 126 781,94 | 325 691 366,34 |
| State budget activity account | 227 | | |
| Aggregated incomes and expenditures of previous accounting periods | 404 | 1 955 875 120,26 | 1 635 414 061,60 |
| External resources | | 25 936 891,42 | 32 639 438,20 |
| Reserves | | | |
| Reserves | 441 | | |
| Long-term payables | | | |
| Long-term credits | 451 | | |
| Long-term returnable financial aid received | 452 | | |
| Long-term payables from bonds issued | 453 | | |
| Long-term advances received | 455 | | |
| Long-term payables from guarantees | 456 | | |

| Item name | Synthetic account | Period | |
|--|-------------------|---------------|---------------|
| | | Current | Previous |
| | | 1 | 2 |
| Long-term bills for payment | 457 | | |
| Other long-term payables | 459 | | |
| Long-term mediation of transfers | 475 | | |
| Short-term payables | | 25 936 891,42 | 32 639 438,20 |
| Short-term credits | 281 | | |
| Discounted short-term bonds (bills) | 282 | | |
| Short-term payables from bonds issued | 283 | | |
| Other short-term loans | 289 | | |
| Suppliers | 321 | | |
| Bills for payment | 322 | | |
| Short-term advances received | 324 | 282 844,24 | 348 044,24 |
| Payables from split management | 325 | | |
| Short-term returnable financial aid received | 326 | | |
| Employees | 331 | | |
| Other payables to employees | 333 | 12 036 502,00 | 14 894 081,00 |
| Social security | 336 | 4 838 796,00 | 6 136 379,00 |
| Health insurance | 337 | 2 073 887,00 | 2 630 460,00 |
| Pension plans | 338 | | |
| Income tax | 341 | | |
| Other taxes, fees and other similar pecuniary performance | 342 | 1 697 059,00 | 2 549 650,00 |
| Value added tax | 343 | | |
| Payables to entities except selected governmental institutions | 345 | | |
| Payables to selected central governmental institutions | 347 | | |
| Payables to selected local governmental institutions | 349 | | |
| Tax advances received | 351 | | |
| Tax overpayments | 353 | | |
| Payables from indirect tax returns | 354 | | |
| Clearance from tax redistribution | 355 | | |
| Payables from distraintment and other handling of foreign assets | 357 | | |
| Other payables from tax administration | 359 | | |

| Item name | Synthetic account | Period | |
|---|-------------------|--------------|--------------|
| | | Current | Previous |
| | | 1 | 2 |
| Short-term payables from guarantees | 362 | | |
| Fixed time operations and options | 363 | | |
| Payables from unfinished financial operations | 364 | | |
| Payables from financial securing | 366 | | |
| Payables from subscribed unpaid securities and shares | 368 | | |
| Short-term advances received for transfers | 374 | | |
| Short-term mediation of transfers | 375 | | |
| Payables from treasury and state debt liquidity control | 248 | | |
| Expenditures of future periods | 383 | | |
| Revenues from future periods | 384 | | |
| Passive estimate accounts | 389 | | |
| Other short-term payables | 378 | 5 007 803,18 | 6 080 823,96 |

Profit and loss statement

| Item name | Synthetic account | Current period | | Previous period | |
|--|-------------------|-----------------------|-------------------|-----------------------|-------------------|
| | | Main activity | Economic activity | Main activity | Economic activity |
| | | 1 | 2 | 3 | 4 |
| TOTAL COSTS | | 349 927 185,56 | | 335 910 186,47 | |
| Costs of operation | | 349 897 417,16 | | 334 055 649,74 | |
| Material consumption | 501 | 6 564 550,44 | | 3 575 702,43 | |
| Energy consumption | 502 | 5 492 646,51 | | 9 126 688,26 | |
| Consumption of other un-storable supplies | 503 | | | | |
| Goods sold | 504 | | | | |
| Capitalisation of long-term assets | 506 | | | | |
| Capitalisation of current assets | 507 | | | | |
| Change in own production inventory | 508 | | | | |
| Repairs and maintenance | 511 | 3 630 351,00 | | 3 187 226,64 | |
| Travel costs | 512 | 2 397 741,58 | | 2 236 066,47 | |
| Representation costs | 513 | 196 265,90 | | 123 843,10 | |
| Capitalisation of internal services | 516 | | | | |
| Other services | 518 | 32 076 155,18 | | 34 704 594,95 | |
| Wage expenditures | 521 | 199 087 172,00 | | 189 822 759,00 | |
| Mandatory social insurance | 524 | 67 372 494,00 | | 64 012 961,00 | |
| Other social insurance | 525 | | | | |
| Mandatory social expenditures | 527 | | | | |
| Other social expenditures | 528 | | | | |
| Road tax | 531 | | | | |
| Property tax | 532 | 1 970,00 | | 1 970,00 | |
| Other taxes and fees | 538 | 255 978,12 | | 211 194,65 | |
| Indirect tax returns | 539 | | | | |
| Contractual penalties and interest on late payment | 541 | | | | |
| Other fines and penalties | 542 | 98 771,00 | | 219 736,00 | |
| Donations and other gratuitous transfers | 543 | | | | |
| Material sold | 544 | | | | |

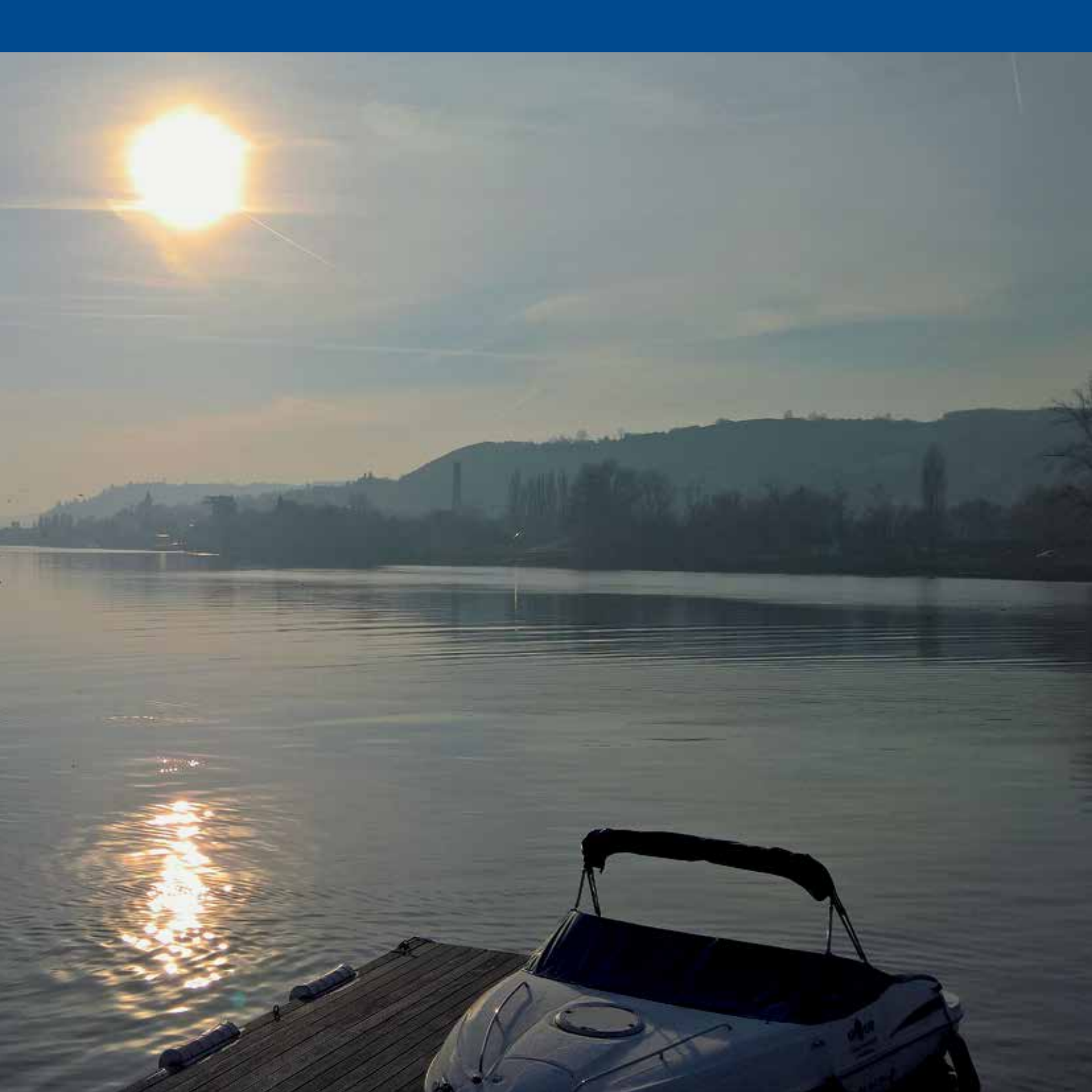
| Item name | Synthetic account | Current period | | Previous period | |
|--|-------------------|------------------|-------------------|---------------------|-------------------|
| | | Main activity | Economic activity | Main activity | Economic activity |
| | | 1 | 2 | 3 | 4 |
| Deficits and damages | 547 | | | | |
| Fund generation | 548 | 3 068 586,00 | | 1 894 513,00 | |
| Long-term asset depreciation | 551 | 20 381 520,55 | | 15 552 688,31 | |
| Long-term intangible assets sold | 552 | | | | |
| Long-term tangible assets sold | 553 | | | 560 378,00 | |
| Land sold | 554 | | | | |
| Reserve generation and clearance | 555 | | | | |
| Corrective item generation and clearance | 556 | | | | |
| Costs of excluded receivables | 557 | | | | |
| Costs of low-value long-term assets | 558 | 8 923 256,29 | | 8 775 585,65 | |
| Other costs of operation | 549 | 349 958,59 | | 49 742,28 | |
| Financial costs | | 29 768,40 | | 1 854 536,73 | |
| Securities and shares sold | 561 | | | | |
| Interest | 562 | | | | |
| Exchange rate loss | 563 | 29 768,40 | | 35 020,73 | |
| Costs of real-value repricing | 564 | | | 1 819 516,00 | |
| Other financial costs | 569 | | | | |
| Costs of transfers | | | | | |
| Costs of transfers of selected central governmental institutions | 571 | | | | |
| Costs of transfer pre-financing of selected centralgovernmental institutions | 575 | | | | |
| Costs of shared taxes and fees | | | | | |
| Costs of shared natural person income tax | 581 | | | | |
| Costs of shared legal entity income tax | 582 | | | | |
| Costs of shared value added tax | 584 | | | | |
| Costs of shared excise duties | 585 | | | | |
| Costs of other shared taxes and fees | 586 | | | | |

| Item name | Synthetic account | Current period | | Previous period | |
|-----------|-------------------|----------------|-------------------|-----------------|-------------------|
| | | Main activity | Economic activity | Main activity | Economic activity |
| | | 1 | 2 | 3 | 4 |

| | | | | | |
|------------------------------|-----|--|--|--|--|
| Income tax | | | | | |
| Income tax | 591 | | | | |
| Additional income tax levies | 595 | | | | |

| | | | |
|--|-----|---------------------|---------------------|
| TOTAL REVENUES | | 7 360 969,79 | 6 322 408,27 |
| Operating revenues | | 4 654 527,83 | 5 128 816,40 |
| Revenues from own product sales | 601 | | |
| Revenues from service sales | 602 | 966 531,97 | 1 175 933,90 |
| Revenues from rental | 603 | 294 834,96 | 294 650,68 |
| Revenues from goods sold | 604 | | |
| Revenues from administrative charges | 605 | | |
| Revenues from court charges | 607 | | |
| Other revenues from own activities | 609 | | |
| Contractual penalties and interest on late payment | 641 | | |
| Other fines and penalties | 642 | 2 342 319,00 | 2 324 407,72 |
| Revenues from excluded receivables | 643 | | |
| Revenues from material sales | 644 | | |
| Revenues from sales of long-term intangible assets | 645 | | |
| Revenues from sales of long-term tangible assets except land | 646 | 87 110,00 | 659 100,00 |
| Revenues from sales of land | 647 | | |
| Fund drawing | 648 | | |
| Other operating revenues | 649 | 963 731,90 | 674 724,10 |
| Financial revenues | | 2 706 441,96 | 1 193 591,87 |
| Revenues from sales of securities and shares | 661 | | |
| Interest | 662 | | |
| Exchange rate revenues | 663 | | |
| Revenues from real-value repricing | 664 | | |

| Item name | Synthetic account | Current period | | Previous period | |
|--|-------------------|-----------------|-------------------|-----------------|-------------------|
| | | Main activity | Economic activity | Main activity | Economic activity |
| | | 1 | 2 | 3 | 4 |
| Revenues from long-term financial assets | 665 | | | | |
| Other financial revenues | 669 | 2 706 441,96 | | 1 193 591,87 | |
| Revenues from taxes and fees | | | | | |
| Revenues from natural person income tax | 631 | | | | |
| Revenues from legal entity income tax | 632 | | | | |
| Revenues from social insurance | 633 | | | | |
| Revenues from value added tax | 634 | | | | |
| Revenues from excise duties | 635 | | | | |
| Revenues from property taxes | 636 | | | | |
| Revenues from energy taxes | 637 | | | | |
| Revenues from road tax | 638 | | | | |
| Revenues from other taxes and fees | 639 | | | | |
| Revenues from transfers | | | | | |
| Revenues of selected central governmental institutions from transfers | 671 | | | | |
| Revenues from pre-financing of transfers of selected central governmental institutions | 675 | | | | |
| Revenues from shared taxes and fees | | | | | |
| Revenues from shared natural person income tax | 681 | | | | |
| Revenues from shared legal entity tax | 682 | | | | |
| Revenues from shared value added tax | 684 | | | | |
| Revenues from shared excise duties | 685 | | | | |
| Revenues from shared property taxes | 686 | | | | |
| Revenues from other shared taxes and fees | 688 | | | | |
| ECONOMIC RESULT | | | | | |
| Economic result before taxation | - | -342 566 215,77 | | -329 587 778,20 | |
| Economic result for current accounting period | - | -342 566 215,77 | | -329 587 778,20 | |



Contact

Headquarters:

Czech Env. Inspectorate

Na Břehu 267/1a 190 00 Praha 9
Tel.: 222,860,111
public_rdt@cizp.cz

Territorial inspectorates

PRAHA

Wolkerova 40/11
160 00 Praha 6
Tel.: 233 066 111, fax: 233 066 103
public_ph@cizp.cz
Accidents: 731 405 313

PLZEŇ

Klatovskátr. 48
301 22 Plzeň
Tel.: 377 993 411, fax: 377 993 419
public_pl@cizp.cz
Accidents: 731 405 350

HRADEC KRÁLOVÉ

Resslova 1229
500 02 Hradec Králové
Tel.: 495 773 111
public_hk@cizp.cz
Accidents: 731 405 205

ČESKÉ BUDĚJOVICE

U Výstaviště 16, P. O. BOX 32
370 21 České Budějovice
Tel.: 386 109 111
public_cb@cizp.cz
Accidents: 731 405 133

ÚSTÍ NAD LABEM

Výstupní 1644
400 07 Ústí nad Labem
Tel.: 475 246 011
public_ul@cizp.cz
Accidents: 475 246 076,
731 405 388

KARLOVY VARY branch office

Závodní 152
360 18 Karlovy Vary-Tašovice
Tel.: 353 237 330, fax: 353 221 140
public_kv@cizp.cz
Accidents: 731 405 378

HAVLÍČKŮV BROD

Bělohradská 3304
580 01 Havlíčkův Brod
Tel.: 569 496 111, fax: 569 429 822
public_hb@cizp.cz
Accidents: 731 405 166

BRNO

Lieberzeitova 14
614 00 Brno
Tel.: 545 545 111
fax: 545 545 100
public_bn@cizp.cz
Accidents: 731 405 100

ZLÍN branch office

Tř. Tomáše Bati 3792
760 01 Zlín
Accidents: 731 405 100

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List of Abbreviations

| | | | |
|----------|--|--------------|---|
| ALF | Agricultural land fund | ENV | Environment |
| APD | Air Protection Department | EnviCrimeNet | Informal network of mostly police authorities dealing with environmental crime |
| BAT | Best available techniques | E-PRTR | European Pollutant Release and Transfer Register |
| BWD | Basic waste description | EU | European Union |
| BWWTP | Biological wastewater treatment plant | EUFJE | EU Forum of Judges for the Environment |
| CC | Cross Compliance | FFS | Fuel filling station |
| CEI | Czech Environmental Inspectorate | FMG | Forestry management guidelines |
| CHMI | Czech Hydrometeorological Institute | FMP | Forestry management plan |
| CIA | Coordinator of integrated agendas | FMR | Forestry management records |
| CIS | Central information system | FPD | Forest Protection Department |
| CITES | Convention on International Trade in Endangered Species of Wild Fauna and Flora, Washington Convention | FRS | Fire Rescue Service |
| CLP | Regulation of the European Parliament and the Council (EC) no. 1272/2008 of 16 December 2008 on classification, labelling and packaging of substances and mixtures | GMO | Genetically modified organisms |
| COD | Chemical oxygen demand | GMVP | Genetically modified vascular plants |
| ČRS | Czech Fishing Union | HEB | Historic environmental burdens |
| CSNF | Cultural and Social Needs Fund | IA | Integrated agendas |
| CSO | Czech Society for Ornithology | IAD | Integrated Agendas Department |
| DPB | Soil block section | IMPEL | Network of environmental inspection authorities of EU states |
| EC | Emission ceiling | IP | Integrated permit |
| ECHA | European Chemicals Agency | IPPC | Integrated Pollution Prevention and Control |
| EDS/SMVS | Records and subsidy system and management of state-owned assets | IRI | Impel Review Initiative (voluntary evaluation of organisations integrated in the international network of inspectorates and agencies in environmental protection) |
| EEA | European Economic Area | IPR | Integrated Pollution Register |
| EFTA | European Free Trade Association | IS IPPC | IPPC information system |
| EH | Environmental harm | ISOP | Integrated system for reporting obligations |
| EI | Equivalent inhabitants | IRS | Integrated Rescue System |
| EIA | Environmental Impact Assessment | LIFFF | Land intended for the fulfilment of forest functions |
| EL | Emission limit | LF | Legal force |
| EMAS | Environmental Management and Audit System | MA ISOH | Car wreck module of the Waste Management-Information System (car wreck database) |
| EMS | Environmental Management System | MMW | Mixed municipal waste |
| ENPE | Network of the European Prosecutors for the Environment | | |

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|--------|---|--|--|
| MoF | Ministry of Finance of the Czech Republic | RPLF | Registered prominent landscape feature |
| MoE | Ministry of the Environment | RS | Regulated substances |
| NCA | Nature Conservation Agency | SCI | Site of Community Importance |
| NLPA | Nature and Landscape Protection Act | SEA | Strategic Environmental Assessment |
| NM | Nature Monument | SEF | State Environmental Fund |
| NNM | National Nature Monument | SEI | Slovakian Environmental Inspectorate |
| NNR | National Nature Reserve | SHPP | Small hydropower plant |
| NP | National Park | SMW | Solid municipal waste |
| NPD | Nature Protection Department | SOR | Summary operating records |
| NR | Nature Reserve | TI | Territorial Inspectorate |
| ODOIMZ | Species Protection and International Commitment Implementation Department | TIC | Toxicology Information Centre |
| OERES | Environmental Risk and Damage Department | TZS | Technical landfill security |
| OLH | Professional forestry manager | UEC | Unspent expenditures claim |
| OR | Operating records | ÚSP | Social care institute |
| ORP | Municipality with extended powers | SPS | Specially protected species |
| OVSS | Public Administration Execution Department | SPA | Specially protected areas |
| PCB | Polychlorinated biphenyls | WMD | Waste Management Department |
| PČR | Czech Police | WPD | Water Protection Department |
| PLA | Protected Landscape Area | WWTP | Wastewater treatment plant |
| PLF | Prominent landscape feature | | |
| PHO | Public health protection zone | | |
| PM | Particulate matter | | |
| PPH | Statutory management requirements | | |
| RA | Regional authority | | |
| RAPEX | Rapid Alert System of Non Food Products (EU rapid warning information system on dan- gerous non-food consumer products) | | |
| REACH | Regulation of the European Parliament and the Council(EC) no. 1907/2006 of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and establishing a European Chemi- cals Agency | | |
| RIA | Railway Infrastructure Administration | | |
| RPHA | Regional Public Health Authority | | |
| | | Photographs courtesy of: Jana Jandová, Erik Geuss, CEI archives | |

