

Country report, European Presidents' Conference 2014

Czech Bar Association

GENERAL

8th Annual Lawyer Awards

The Annual Lawyer Awards is the Czech Republic's most prestigious Lawyer Award organized under the auspices of the Czech Bar Association and the Ministry of Justice of the Czech Republic with the co-operation of epravo.cz. The Award is based on votes from Czech business community and colleagues from the legal profession. It is a celebration of an excellence in the legal profession. The Lawyer Awards ceremony took place in Prague in January 2013.

6th General Assembly of the Czech Bar Association

For the Czech Bar Association, year 2013 was the year of elections. In October 2013, the Assembly was held in Prague and a new Board of Directors, a Supervisory Council and a Disciplinary Commission of the Czech Bar Association were elected. The new Board of Directors elected the President of the Czech Bar Association from among its members on October 15. JUDr. Martin Vychopeň has been re-elected as President of the Czech Bar Association. There are four Vice-presidents in total at the Czech Bar Association: JUDr. David Uhlíř, responsible for the regional policy of the Czech Bar Association, JUDr. Antonín Mokrý, responsible for international affairs, JUDr. Vladimír Papež, responsible for legislation and JUDr. Petr Poledník who is in charge of the branch-office in Brno.

Recodification of the private law

Three new laws re-codifying Czech private law are set to change the country's current legal order entirely.

Czech private law recodification is based on several regulations:

- Act no. 89/2012 Coll., the Civil Code;
- Act no. 90/2012 Coll., on Business Corporations; and
- Act no. 91/2012 Coll., on Private International Law.

All of these regulations were promulgated in the Collection of Laws on March 22, 2012 and came into effect on January 1, 2014.

LEGISLATION

Legal regulations

Amendment of the Act on the Legal Profession No. 85/1996 Coll., as amended

The amendment of the Act responds to the adoption of the new Civil Code and further legal regulations of the private law. The changes that the new re-codification of Czech private substantive law brings to the sphere of practice of the Czech legal profession are mostly terminological. The amendment of the Act on the Legal Profession did not bring any principal changes to the legal profession in the Czech Republic.

Cancellation of the Legal Costs Decree

The Constitutional Court of the Czech Republic has cancelled the Decree of the Ministry of Justice No. 484/2000 Coll., on flat fees for the representation by a lawyer or notary of a participant when determining the amount of costs of proceedings in civil cases (hereafter "Legal Costs Decree"). The Legal Costs Decree has stipulated the amount of the lawyer's fee in order to calculate the compensation of lawyer's costs for representing a participant who has been successful in the matter within civil procedure. Based on a constitutional complaint the Legal Costs Decree has been cancelled by the Czech Constitutional Court on the grounds that the lawyer's fee, especially in case of small claims (up to 10.000 CZK), are inadequate with regard to the amount of collected claim.

Amendment of Decree No. 177/1996 Coll., the Lawyers' Tariff, as amended.

The amendment of the Decree responds to the adoption of the new Civil Code. It has been induced by the unification of the terminology. The Czech Bar Association endeavoured to enforce the adjustment of the Lawyers' fee tariff but did not succeed.

Professional regulations

Amendment of the Code of Conduct

The Czech Bar Association liberalized creation of commercial names of law companies and consortiums' common names in a way, that it will be possible to use a fictional name (instead of or together with the names of the partners).

Further, it has been explicitly enabled for lawyers to unilaterally set off receivables ensuing from the lawyer's remuneration for representing a party to the proceedings before a court or another authority only against client's claim or payment of the awarded compensation of costs of proceedings.

Likewise, it was stipulated, that the lawyer shall refuse to provide legal services in case that he would have to commit himself to pay, even partially, client's costs without entitlement to their reimbursement. The aim of this rule is to prevent lawyers from breaking the rules of business competition, especially in cases of public procurements regarding legal services i.e. to undercut to client that they will partially share the client's costs (e.g. payment of judicial fees).

Lawyer's custody of the client's money and other assets

During the last year 2013, a united evidence of deposits of financial means was launched. This so called "electronic book of deposits", serves to control the clients' financial means delivered to the lawyer's deposit. The objective of this measure is to prevent lawyers from disposing of the clients' financial means in conflict with the treaty of deposit.