

URDICO

Urban Dimension of Cohesion Policy and other EU programmes

CITY OF PRAGUE

City Description

Prague is the capital and the largest city of the Czech Republic, with a population of 1,397,880 (2024). It is the country’s economic, educational, cultural, and touristic centre. Beyond its status as a municipality, Prague is also an administrative region (NUTS 3) and a cohesion region (NUTS 2).

The Prague Metropolitan Area (PMA), with a population of about 2.3 million, consists of the City of Prague and the outer functional urban area (FUA), comprising 490 municipalities within the Central Bohemian Region. The City of Prague itself is divided into 57 city boroughs, each operating as a local government with its own elected council and mayor.

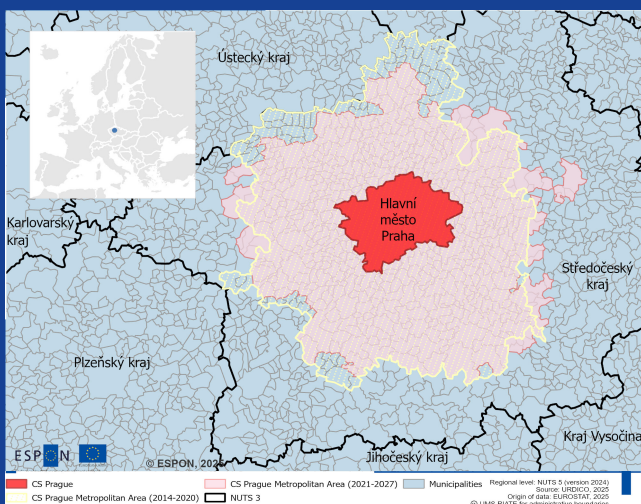
Role in Cohesion Policy delivering

During the 2014–2020 programming period, the City of Prague acted as the managing authority for its own Operational Programme Prague – Growth Pole of the Czech Republic. This specific OP reflected Prague’s specific eligibility conditions for EU Cohesion Policy funds due to its status as a more developed region, in contrast with other Czech regions classified as less developed. The OP was administered by the Department of European Funds at Prague City Hall.

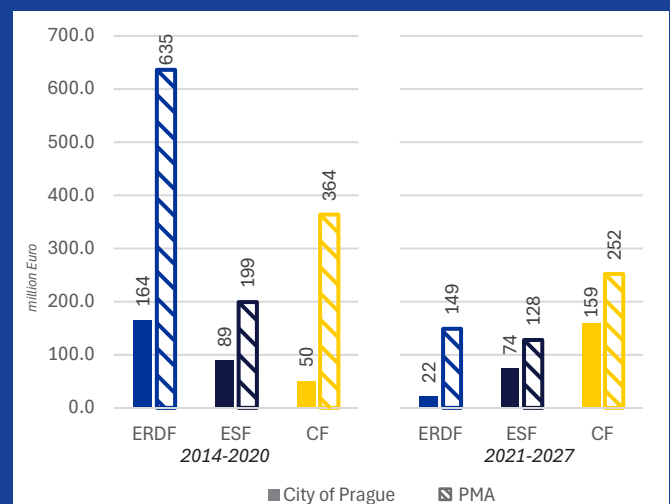
In addition to this OP, the City of Prague, Prague City Hall departments, city boroughs, and municipal organisations could also access other national Operational Programmes, albeit with certain restrictions. A significant change in the 2021–2027 period is that Prague no longer has its own OP and thus no longer serves as a managing authority.

In 2014–2020, an Integrated Territorial Investment (ITI) was introduced for the Prague Metropolitan Area. Prague acts as the ITI holder and coordinator of its implementation. Like other ITI cities, Prague also performed the role of an Intermediate Body (IB) with delegated competences from the managing authorities of national OPs, being responsible for evaluating projects under the ITI Strategy. However, IB roles for cities are no longer applied in the 2021–2027 period.

Spatial Organisation



EU Funds 2014-2020 and 2021-2027



Note: Support from all OPs for projects with beneficiaries from regional governments, city and municipal governments, local borough governments and contributory organizations established and funded by local and regional authorities



Local

Low level of EU co-financing - The City of Prague receives a lower co-financing rate, making EU Cohesion Policy funds relatively unattractive when combined with high transaction costs, administrative barriers, and obligations—especially given the city’s strong capacity to finance investments from its own resources.

Fragmentation of the local governance system - The Czech Republic has an extremely fragmented municipal structure, with more than 6,000 municipalities nationwide, 491 of which are part of the Prague Metropolitan Area and the ITI territory. There are significant differences in population size, capacity, and competences across municipalities. Fragmentation is also present within Prague itself, with its 57 boroughs acting as separate local governments.

Weak links between the strategic development priorities and EU CP - The Strategic Plan for the Development of the Capital City of Prague 2030 was prepared at a time when Prague had its own OP and acted as a managing authority. In the current period, the municipality, its organisations, and boroughs can apply to various OPs, but coordination, monitoring, and evaluation remain limited. The metropolitan area spans two regions with different development levels, funding eligibility, and their own strategic priorities and plans.

National

Discrepancies in understanding national coordination of EU Cohesion Policy - Dialogue between national and city-level stakeholders is insufficient. The national level negotiates arrangements intended to benefit beneficiaries and seeks compromises with the EU. However, these efforts are not always fully recognised or appreciated by city authorities.

National policies and OP-s do not sufficiently reflect the role of cities and metropolitan areas - Cities argue that national-level strategies and OPs do not adequately consider the specific needs of urban areas, despite their importance for national development and their capacity to generate wider benefits.

During 2014–2020, Prague managed its own OP and served as an Intermediate Body for the ITI, roles that were discontinued in 2021–2027. Nevertheless, the expertise and administrative capacity gained through managing EU funds are now used to support Prague-based beneficiaries in accessing available funding.

The implementation of the ITI has been a positive experience, strengthening metropolitan cooperation and providing a functional organisational structure for integrated planning. The ITI has enabled the financing of integrated projects in the Prague Metropolitan Area, contributing to coordinated development across the functional urban area.

