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**TARGETED ANALYSIS //**

## **URDICO**

Urban Dimension of Cohesion Policy  
and other EU Programmes

Annex 4.4\_Prague Study Report // January 2026



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This document is a final report.

The information contained herein is subject to change and does not commit the ESPON EGTC and the countries participating in the ESPON 2030 Cooperation Programme.

The final version of the report will be published as soon as approved.



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# Abbreviations

CLLD	Community-led Local Development
CF	Cohesion Fund
CP	Cohesion Policy
EAFRD	European Agricultural Fund for Rural Development
EC	European Commission
EMFF	European Maritime and Fisheries Fund
EMFAF	European Maritime, Fisheries and Aquaculture Fund
ERDF	European Regional Development Fund
ESF	European Social Fund
ESF+	European Social Fund+
EU	European Union
FUA	Functional Urban Area
IPR	Prague Institute for Planning and Development
IROP	Integrated Regional Operational Programme
ITI	Integrated Territorial Investments
JTF	Just Transition Fund
MA	Managing Authority
MAS	Místní akční skupina (Local Action Group)
MEP	Municipalities with extended powers administrative districts (SO ORP)
MRD	Ministry for Regional Development
NPO	National Recovery Plan (Národní plán obnovy - NPO)
OP	Operational Programme
PMA	Prague Metropolitan Area
ROP	Regional Operational Programme
RDS 2021+	Regional Development Strategy of the Czech Republic
RRF	Recovery and Resilience Facility
SRR21+	Regional Development Strategy of the Czech Republic
SUD	Sustainable Urban Development

# 1 Summary

The URDICO case study of the city of Prague and Prague Metropolitan Area explores the urban and metropolitan dimensions of Cohesion Policy and the EU programmes. Prague is the capital and largest city in the Czech Republic. Its metropolitan area represents 21 % of national population.

The urban and metropolitan dimension of the EU and Czech regional policy has been marked by the shift from more regionally decentralized system with specific regional operational programmes to centralization of the national organizational framework. At the same time there has been increasing the role of integrated instruments, namely of the Integrated Territorial Investments (ITIs) for metropolitan areas and urban agglomerations since their establishment and use in 2014-2020 programming period and further proliferation in 2021-2027 period. Metropolitan Areas and Agglomerations that are subject to the implementation of the ITI are defined in the Strategy for Regional Development of the Czech Republic SRR2021+, which is the key government strategic document for the implementation of spatial and urban dimension in national policies.

Currently, nine thematic national Operational Programmes are accompanied with one Integrated Regional OP. In 2021-2027, five national OPs support integrated project of ITI: IROP Integrated Regional Operational Programme; OP Transport; OP Environment; OP TAC (Technologies & Applications for Competitiveness); OP JAK (Johannes Amos Comenius – R&D & Education). In 2014-2020, one additional OP Prague – the Growth Pole of the Czech Republic (OP PGP) with the city of Prague as managing authority was specifically dedicated to Prague and its territory. The urban and metropolitan development goals are mostly supported from ERDF (infrastructure, innovation, digitalization), ESF/ESF+ (support for human capital and social inclusion) and Cohesion Fund (transport and environment - climate mitigation and adaptation measures). While the National Plan for Recovery and Resilience provide funding to beneficiaries in cities and city regions, it does not have explicit urban focus. Just Transition Fund (JTF) provides support to coal regions in transition and thus is not relevant for Prague and its metropolitan area.

The Czech Republic has three-tier system of elected governments: central state administration, 14 self-governing regions and over 6 thousand of municipalities. The city of Prague has the status of both municipality and region and is further subdivided into 57 boroughs. Prague Metropolitan Area was purposefully delineated for the implementation of the ITI Integrated Territorial Investments. In Czechia, the metropolitan cooperation is not currently anchored by any institutionalised metropolitan government. Unfortunately, the recent national reform intended to institutionalize metropolitan cooperation as voluntary union of municipal and regional governments has not succeeded. In this context, the ITI instruments provide a vital stimulus for metropolitan cooperation through the requirement of integrated planning for ITI territory and providing funds for integrated projects.

Prague Metropolitan Area consists of the core city of Prague and further 490 cities, towns and smaller municipalities in Central Bohemia region. With the involvements of two regional governments of Prague and Central Bohemia and large number of municipalities it presents a challenge for metropolitan cooperation. The city of Prague has the status of a more developed region while Central Bohemian part of Prague Metropolitan Area has transitory status thus facing different rules for the implementation of Cohesion Policy and financial support from ERDF and ESF. Consequently, integrated metropolitan planning and integrated projects of the ITI of Prague Metropolitan Area must consider and reconcile these differing top-down declared conditions.

The city of Prague institutional and administrative capacity in support of the EU Cohesion Policy implementation is derived from its experience in managing European funds as the managing authority through own operational programmes in periods until 2020 including OP Prague – the Growth Pole of the Czech Republic in 2014-2020. Currently, the Department of European Funds at the City Hall uses the acquired skills and competences for support to beneficiaries from Prague in drawing funds from national operational programmes.

In 2014–2020 and 2021-2027, the city of Prague has acted as the holder of the ITI (Integrated Territorial Investment) for Prague Metropolitan Area. It has established functional organizational structure for integrated metropolitan planning and for the financing of integrated projects in Prague Metropolitan Area. It has to be, however, noted, that the integrated planning for the ITI is not an integral

part of city and regional strategic and urban planning. It is used only as a specific vehicle for the effective use of the EU funds.

In the city of Prague and Central Bohemian region, the EU Cohesion Policy does not have major effects on the thematic priorities of general strategic policy documents of the city and regional governments. The Strategic Plan of the City of Prague (2016) and the Development Strategy of the Central Bohemian Region (SRK) for the period 2019-2024 with a view to 2030 (2019) do not explicitly reflect the EU Cohesion Policy objectives. There is, nevertheless, alignment between specific thematic strategies, namely Climate Plan and Climate Adaptation Strategy with the EU priorities and funding. The Integrated Strategy for ITI of Prague Metropolitan Area for 2014-2020 as well as for 2021-2027, and OP Prague – the Growth Pole of the Czech Republic in general refer to strategic policy environment at the European level and to national and city level strategies. The Prague Metropolitan Area integrated strategy does not explicitly address the relation between the individual integrated strategy thematic fields and strategic goals and the objectives of city and regional strategic plans.

The shared management funds and specifically EU Cohesion Policy is attractive as it offers subsidies with the high level of the EU contribution (not in Prague). The direct funding is additional, less important in financial terms and thus less attractive for political representations as well as for urban development professionals. However, networking and mutual learning is seen as beneficiary among strategic policy leaders. Cities also draw resources from the Modernization Fund administered by the State Environmental Fund with financial resources from emission allowances. In the city of Prague, there is currently no systematic planning, monitoring and assessment of the use of various funding resources in the city and metropolitan area. The use of RRF is from cities seen as a missed opportunity for using key territorial partners for not only economic recovery but also for building future resilience as the National Recovery and Resilience Plan abstracted from using urban and metropolitan dimension.

Vast number of EU Cohesion Policy funded projects have been implemented at the territories of the Capital City of Prague and Prague Metropolitan Area. Majority of these projects have been funded from national operation programmes fulfilling national policy and thematic priorities without explicit relation to key objectives of urban and/or metropolitan strategic planning priorities. They have been realized in the direct interaction between the national level and end beneficiaries, bypassing regional, city and local governments. Smaller proportion of the projects have been accomplished by beneficiaries from regional, city and local governments and by them established organizations. In Prague, many of them without explicit relation to city development strategies. The exception is integrated metropolitan projects funded through the ITI instrument and anchored in Integrated Strategy of the ITI for Prague Metropolitan Area. While not using the opportunity in using the EU resources for more thematically and territorially targeted efforts in urban development by regional, city and local governments, this practice has provided widespread opportunities for many beneficiaries.

At present, Czechia has well-functioning and effective structure of organization for EU CP. Its main backbone is functional division of roles and responsibilities between National Coordination Authority, structure of operational programmes, established patterns of bodies that represent territorial partners involved in programming and developed capacities and competences on the level of beneficiaries. The experience with integrated tools fostering urban and metropolitan dimension, specifically with Integrated Territorial Investments (ITI) for cities and functional urban areas (FUA) as well as CLLD (Local Action Groups) micro-regions involved also in metropolitan areas and city regions provides a vital stimulus for metropolitan cooperation and development. Prague uses skills and competences that it acquired in managing European funds (MA for OP Prague – the Growth Pole of the Czech Republic in 2014–2020) to support beneficiaries from Prague in drawing funds from national operational programmes. Thanks to the ITI (Integrated Territorial Investment) instrument a functional organizational structure supports integrated planning and integrated projects in Prague Metropolitan Area.

The key challenges for the EU Cohesion Policy implementation for the support of urban and metropolitan development include:

- A low level of EU co-financing in Prague (more developed region) coupled with high transaction costs related to limitations, barriers and obligations makes the use of EU CP funds less attractive than own financing from city resources.

- Different financing conditions in city x suburban parts of Prague Metropolitan Area – more developed Prague x transitory Central Bohemia.
- Missing significant EU support (for urban development in more developed region of Prague) in needed areas of housing, education, services and demography (ageing and elderly population).
- Missing legal framework for metropolitan cooperation, governance and planning, specifically needed in the situation of extremely fragmented structure of Czech local government.
- A very weak relation between city and regional strategic planning and the use of EU Cohesion Policy resources.
- The integrated metropolitan planning for the ITI purposefully serving the use of the EU funds without being reflected as the integral part of national-regional-local planning system.
- At the level of Prague Metropolitan Area, the strategic development priorities of both regions are designed independently, considering region specific development priorities for own rather than jointly shared metropolitan interests.
- Missing data provision and analysis for the evidence/data-based, data-driven, data-informed policy-making and decision-making.

## 2 Introduction

This report has been elaborated as part of the ESPON URDICO research project. It analyses, discusses and evaluates the implementation of Cohesion Policy of the European Union in the City of Prague and its metropolitan area. It pays particular attention to the mechanisms of multi-level governance, territorial coordination, and the institutional capacity of actors involved in delivering Cohesion Policy in relation to the territorial distribution of the EU funds at the city and metropolitan levels.

The report presents a case study of the city of Prague and Prague Metropolitan Area. Prague is the capital of the Czech Republic and with population of 1.4 million it is the country's largest city. Prague has the status of both municipality and region. It is the core of the Prague Metropolitan Area that includes further 490 municipalities in Central Bohemia region and has population 2.3 million. The metropolitan territory consisting of 491 municipalities with elected governments and further 57 boroughs with local elected governments in the city of Prague and encompassing two regions of Prague and Central Bohemia being under the jurisdictions of their regional governments presents a complex local and regional government structure. It is a major challenge for the territorial coordination on the metropolitan level, including the effective and coordinated utilisation of the EU funds in support of sustainable urban and metropolitan development.

Prague Metropolitan Area has been delineated in 2014 (with a change in area from 2021) as a territory that is subject of European and national regional and urban policies with the instrument of Integrated Territorial Investments (ITI). There is no formal metropolitan administration. Prague and its metropolitan area form the major economic hub and growth pole in Czechia. Since 2014, the population of both the city of Prague and Prague Metropolitan Area increased from 1.2 to 1.4 respectively from 1.9 to 2.3 million. Thanks to Prague socio-economic status and development, the city (as it has a status of a cohesion region) is categorised as a more developed region. The Central Bohemian part of Prague Metropolitan Area is, however, a cohesion region with transitory status. The difference in the rules for the more developed and transition regions present important challenge for the implementation of Cohesion Policy specifically for integrated planning and integrated projects with the aid of the ITI instrument in Prague Metropolitan Area.

The report is based on a combination of qualitative and quantitative methodologies. It is framed in an analysis of strategic documents on the EU, national, city and metropolitan levels. The in-depth knowledge of practices has been obtained in interviews with representatives of key stakeholders at the city, metropolitan and national government levels. The quantitative analysis of EU funded projects and socio-economic data enabled to provide insights into the scale and scope as well as thematic and territorial distribution of the EU support. A city-lab focus group with stakeholders aimed at the formulation of a shared understanding of key challenges and formulation of policy recommendations. Finally, the interpretation attempted to capture the complex multilevel and territorial governance and planning in Prague and Prague Metropolitan Area in relation to the use of the EU funds in support of urban and metropolitan development objectives. The analysis benefited from support provided from the project stakeholder, the City of Prague city-hall and its Department of European Funds and from data consultations and provision from the Ministry of Regional Development of the Czech Republic and the Prague Institute for Planning and Development.

The structure of this city report is organised in several chapters. Chapter 3 provides a national overview of Cohesion Policy in the Czech Republic, focusing on the dynamics in the governance of the EU funding in programming periods of 2014-2020 and 2021-2027. Chapter 4 focuses on the complexities of the urban and metropolitan governance of Cohesion Policy in Prague and Prague Metropolitan Area. Chapter 5 examines administrative capacity and institutional innovations in the city's governance system. Chapter 6 explores the interrelation between the city long term strategic development objectives and goals of metropolitan integrated strategy and the use of the Cohesion Policy to fulfil these agendas. Chapter 7 analyses the funding schemes and synergies with a specific focus on the use of the ESIF funds. Chapter 8 comments on the use of the National Recovery and Resilience Plan for urban and metropolitan development. Final chapter 9 presents the main challenges and policy recommendations at local, regional, national, and EU levels.

### 3 National Overview on Cohesion Policy

The evolution of national framework for the implementation of the EU Cohesion Policy has been marked by the shift from more regionally decentralized system with specific regional operational programmes to centralization of the national organizational framework. At the same time there has been increasing the role of integrated instruments in terms of their establishment, proliferation, planning and financing, specifically of the integrated territorial investments (ITIs) for metropolitan areas and urban agglomerations and community-led local development (CLLD) for microregions of which many are located in metropolitan areas and agglomerations.

In 2007–2013 Programming Period, there were 7 national OPs with managing authorities at government ministries and 8 separate Regional Operational Programmes (ROPs), each managed by a Regional Council of a Cohesion Region (NUTS 2). These ROPs focused on regional infrastructure, services, and urban development under highly decentralized management. Each ROP had its own managing authority and specific regional priorities. While the decentralised model with 8 ROPs led to strong regional affiliation it was also characterized with high fragmentation and thematic/sectoral, rather than territorially integrated focus within the regions.

In 2014–2020 Programming Period, significant reform came to ensure coherence, avoid fragmentation, and align better with national policies. The 8 ROPs merged into a single national IROP – Integrated Regional Operational Programme, managed centrally by the Ministry of Regional Development (MMR). However, IROP did not include the City of Prague that managed its own OP Prague – the Growth Pole of the Czech Republic (with relatively small financial allocation). Consequently, there has been major distinction in financing between two parts of Prague Metropolitan Area: the City of Prague and Central Bohemian Region. In the IROP, territorial dimension and regional targeting was included through specific priorities, such as regions with higher levels of social exclusion, specifically targeted calls for former coal-mining regions and through the implementation frameworks of newly introduced integrated tools of ITIs and CLLDs. However, the evaluation of this period shows that resources were distributed across the entire national territory to support beneficiaries across all regions without effective territorial targeting. This is partly because the economically and socially threatened regions and structurally affected regions had lower knowledge and institutional capacity of actors to draw the support. Nevertheless, the implementation of integrated instruments (ITIs and CLLDs) proved to stimulate integrated strategic planning and territorial cooperation in regions with otherwise fragmented local government, such as metropolitan areas and urban agglomerations.

In 2021–2027 Programming Period, all 9 national OPs have managing authorities at respective thematically affiliated ministries of the national Government of the Czech Republic. IROP continues as a single national programme but reflecting the Policy Objective 5 – Europe Closer to Citizens it strengthens its focus on place-based approaches, uses integrated tools like ITI and CLLD, simplifies administration and supports digitalization. According to policy design, Czech Republic fulfils the EU regulation of at least 8 % of ERDF funding. This is embraced through IROP and other OPs with a strong share of ERDF supporting urban and functional area strategies, such as low-carbon mobility. It is estimated that around 27.6 % of Czechia’s EU funding for 2021–2027 is allocated to integrated territorial development tools, sustainable urban development, ITI and CLLD. Several OPs support integrated urban and sustainable development within FUAs through ITI instrument: IROP – public services, mobility, housing, OP Transport – sustainable urban transport, OP TAC – smart city and digitalization projects, OP Employment+ – social inclusion, community services, and employment support, OP Environment – green infrastructure, flood protection. However, the actual financial allocation with the decentralized planning and involvement of local, urban and metropolitan actors under integrated instrument of ITI and in instances of FUAs also supported via CLLD is smaller.

The support from ERDF and ESF+ is differentiated according to the GDP (level of development) relative to the EU average. In Czechia in 2021–2027 Programming Period, the City of Prague that is one of 8 cohesion regions is classified as more developed, 3 as transition regions and 4 as less developed regions. Prague Metropolitan Area is territorially divided between the two categories of more developed Prague and transition region of Central Bohemia. The Cohesion Fund is not region-specific but nation-specific and supports the development of key infrastructure in mainly thematic fields of transport and environment across the whole country.

The structure of OPs in Czechia evolved from highly decentralized, region-specific ROPs in 2007-2013 to national centralization of IROP under the Ministry of Regional Development (MMR) in 2014-2020 with retaining centralized management but with strengthened urban and territorial focus including ITIs for metropolitan areas and urban agglomerations and digitalization and climate thematic priorities in 2021-2027 period.

In Czechia, regional OPs merged into a single national IROP – Integrated Regional Operational Programme already in 2014-2020 and Prague as the last region maintained its own OP only until 2020. The territorial dimension of Cohesion Policy is now exercised through integrated instruments (ITIs and CLLDs) and specific territorial conditions related to structurally weak and structurally affected regions in specific calls of national OPs.

**Table 3.1**

**A comparative overview of the EU Cohesion Policy implementation in the Czech Republic between the 2014–2020 and 2021–2027 programming periods.**

	2014-2020	2021-2027
Total EU funding allocation	~€24 billion	~€23 billion
Funds	ERDF, ESF, CF, EAFRD, EMFF	ERDF, ESF+, CF, EAFRD, EMFAF + JTF
Main Themes	Infrastructure, environment, R&D, employment	Green transition, digitalisation, innovation, social inclusion
Policy Objectives	11 Thematic Objectives	5 Policy Objectives
Operational Programmes	10 national + 1 integrated regional (IROP)	9 national + 1 integrated regional (IROP)

Source: author's own elaboration.

**Table 3.2**

**Fund allocation in billion EUR and Percentage Share**

Fund / Period	2014-2020		2021-2027	
	Euro Billion	%	Euro Billion	%
ERDF	11,8	49,5	10,3	44,7
ESF / ESF+	3,4	14,3	2,4	10,4
Cohesion Fund (CF)	6,3	26,4	6,6	28,7
EAFRD	2,3	9,7	2,1	9,1
EMFF/EMFAF	0,03	0,1	0,03	0,1
Just Transition Fund	X	0,0	1,6	6,9
Total	23,8	100	23,0	100,0

Source: author's own elaboration

### Key changes in 2021–2027

Introduction of Just Transition Fund (JTF) supporting coal regions in transition. Climate-related investment obligations (30% minimum). Stronger urban dimension with increased role for integrated territorial investments (ITIs) and community-led local development (CLLD).

ERDF with focus on infrastructure and innovation in regional development slightly shifted priorities towards digitalization and urban development. Cohesion Fund focuses on transport and environment with slightly shifted priorities to climate mitigation and adaptation. ESF/ESF+ remained stable, showing consistent support for human capital and social inclusion. The JTF is new, marking a shift to climate transition and specifically targeting coal (structurally affected) regions. EAFRD support rural development and rural policies. EMFF/EMFAF is marginal in Czechia, relevant only for a small group of stakeholders in aquaculture.

### Key Strategic Objectives by Period

In 2014–2020, 11 Thematic Objectives (TOs) were aligned with the Europe 2020 strategy (smart, sustainable, inclusive growth). The Czech Republic mainly focused on:

- TO1 – R&D & Innovation: research infrastructure
- TO2 – ICT: broadband, digital access
- TO3 – SMEs: support for entrepreneurship
- TO4 – Low-carbon economy: energy efficiency, renewables
- TO6 – Environment & resource efficiency: waste, water, air quality
- TO7 – Sustainable transport: rail, roads, TEN-T
- TO8 – Employment: active labor market policies
- TO9 – Social inclusion: Roma integration, social services
- TO10 – Education & training: lifelong learning, schools infrastructure
- TO11 – Institutional capacity: public administration reform

In 2021–2027, a simplified, integrated structure of 5 Policy Objectives (POs) aligned with the European Green Deal, Digital Agenda, and Just Transition priorities:

- PO1 – Smarter Europe: innovation, digitalisation, smart specialisation
- PO2 – Greener Europe: climate adaptation, circular economy, energy efficiency
- PO3 – More Connected Europe: transport, mobility, digital networks
- PO4 – More Social Europe: employment, education, healthcare, inclusion
- PO5 – Europe Closer to Citizens: integrated territorial and local development

PO5 is particularly important for cities and regions, supporting Integrated Territorial Investments (ITIs) and CLLD. However, the financial allocation to PO5 is only 0,3 billion EUR that is negligible share from the total of 21 billion EUR.

Key shifts in objectives from 2014–2020 to 2021–2027:

- Simplification from 11 to more broadly defined 5 objectives allowing for higher coherence as well as flexibility.
- Shift in strategic focus from infrastructure to green, digital and social priorities with stronger emphasis on climate targets and use of new JTF to address restructuring in coal-regions.
- The territorial dimension is more pronounced with shift from sectoral to integrated, place-based approaches (ITI and CLLD) including stronger emphasis on urban policy and role for cities in implementation of the EU CP.

**Table 3.3**  
**National Operational Programmes**

2014-2020	2021-2027
<ul style="list-style-type: none"> <li>• IROP Integrated Regional Operational Programme</li> <li>• OP Transport</li> <li>• OP Environment</li> <li>• OP EIC (Enterprise &amp; Innovation for Competitiveness)</li> <li>• OP RDE (Research, Development &amp; Education)</li> <li>• OP Employment</li> <li>• OP Prague – the Growth Pole of the Czech Republic</li> <li>• OP Technical Assistance</li> <li>• OP Fisheries</li> <li>• Rural Development Programme</li> </ul>	<ul style="list-style-type: none"> <li>• IROP Integrated Regional Operational Programme</li> <li>• OP Transport</li> <li>• OP Environment</li> <li>• OP TAC (Technologies &amp; Applications for Competitiveness)</li> <li>• OP JAK (Johannes Amos Comenius – R&amp;D &amp; Education)</li> <li>• OP Employment+</li> <li>• OP Technical Assistance</li> <li>• OP Fisheries (EMFAF)</li> <li>• OP Just Transition Fund</li> </ul>

Source: author's own elaboration

The urban dimension of Cohesion Policy for metropolitan areas and agglomerations has been realized through the minimum allocation of 5 % of ERDF in 2014-2020 and 8 % of ERDF in 2021-2027 periods for Sustainable Urban Development through the ITI Integrated Territorial Investments instrument.

Based on approved integrated strategies, the integrated project of ITI can be, in the current programming period of 2021-2027, supported by 5 national OPs:

- IROP Integrated Regional Operational Programme
- OP Transport
- OP Environment
- OP TAC (Technologies & Applications for Competitiveness)
- OP JAK (Johannes Amos Comenius – R&D & Education)

The ITI can also draw support for integrated projects in the field of transportation from Cohesion fund fulfilling the EU policy objectives of A greener, low-carbon Europe (PO2) and A more connected Europe – mobility and regional ICT connectivity rom (PO3) through OP Transport for railway infrastructure and telematics.

**Table 3.4****Fund allocation in billion EUR and percentage share of National Operational Programmes**

OP / Period	2014-2020		2021-2027	
	Euro Billion	%	Euro Billion	%
IROP	4,8	20,0	4,8	23,0
OP Transport	4,5	18,7	4,8	23,0
OP Environment	2,8	11,6	2,4	11,5
OP EIC / OP TAC	4,1	17,0	3,1	14,9
OP RDE / OP JAK	2,8	11,6	2,5	12,0
OP Employment / OP Employment+	2,1	8,7	1,4	6,7
OP Technical Assis- tance	0,21	0,9	0,24	1,1
Rural Development Programme	2,3	9,6	x	0,0
OP Fisheries	0,03	0,1	0,03	0,1
OP Prague – the Growth Pole of the Czech Republic	0,42	1,7	x	0,0
OP Just Transition Fund	x	0,0	1,6	7,7
<b>Summary</b>	<b>24,1</b>	<b>100,0</b>	<b>20,9</b>	<b>100,0</b>

Source: author's own elaboration

## 4 Urban structure and governance of Cohesion Policy

### 4.1 Local and regional government and state administration in Czechia

This section provides a comprehensive understanding of the administrative configuration that is essential for the understanding of urban governance and planning, specifically in relation to the implementation of Cohesion Policy in the City of Prague and Prague Metropolitan Area.

The administrative configuration, government structure and territorial delimitation in Prague and Prague Metropolitan Area is conditioned by the structure of regional and local government in the country and the organization of state administration.

The backbone of public territorial administration in the Czech Republic is a three-tier system of elected governments:

- Central government (state administration)
- Regional self-government (kraje)
- Local self-government (obce)

These are elected policy-making and decision-making bodies with respective territories. However, there are further hierarchical and territorial divisions in operation for the delivery of state administration and in respect to internal second-tier local government level in large cities.

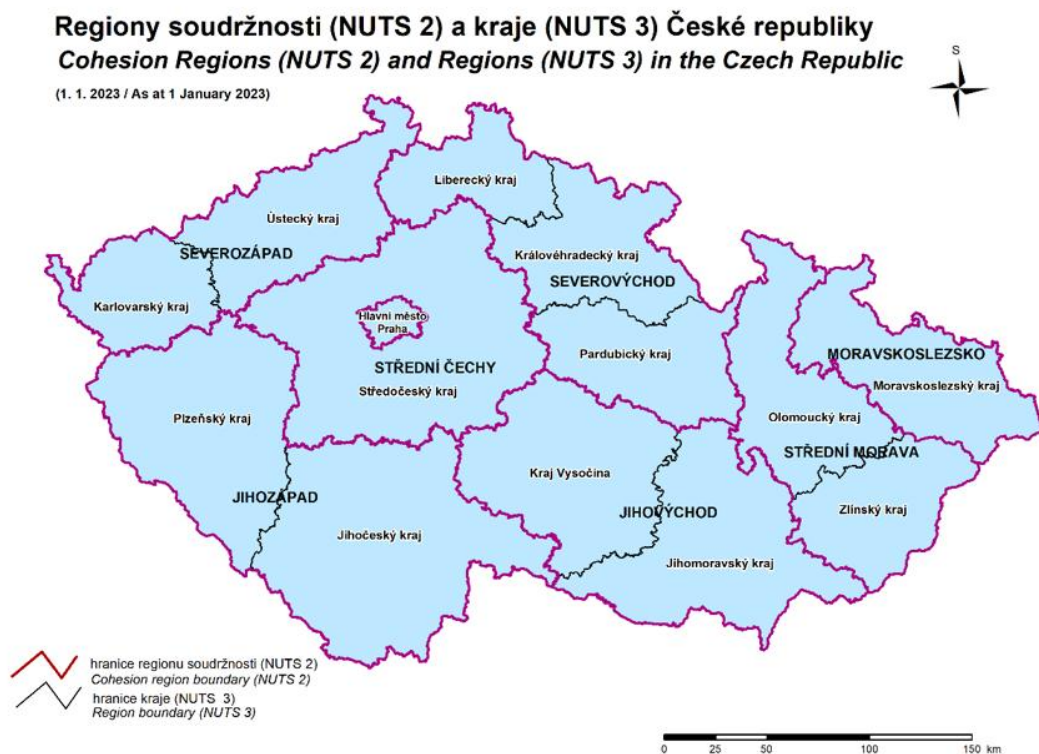
The regional and local government in the Czech Republic consists of 14 self-governing regions (kraje; NUTS 3) and 6,254 municipalities (obce; LAU 2) (there are also four military areas at the level of municipalities, however, without elected representation). Regional government consists of Regional Assembly (zastupitelstvo kraje), Regional Council (rada kraje), and a Governor (hejtman). Regions are responsible for secondary education, regional transport, hospitals, and EU cohesion projects implementation at the regional level. Municipal government consists of an elected municipal council (zastupitelstvo obce), mayor (starosta), and optionally a municipal board (rada obce), usually in case of large municipalities, towns and cities. Municipalities are responsible for local development, primary education, local roads, housing, public space, and basic infrastructure. Larger cities (26 of so called statutory cities and Prague) may be further divided into city districts (městské části) or city parts with their own councils and competencies delegated by the city government and thus have two-tier local government structure. This is currently the case of 5 cities: Prague, Ostrava, Plzeň, Ústí nad Labem and Pardubice.

For European statistical purposes and the administration of European Funds, the regions are grouped into eight cohesion regions. Some cohesion regions are identical with administrative regions, while in other cases they are composed of two to three administrative regions. The City of Prague has status of municipality (LAU 2), region (NUTS 3) and cohesion region (NUTS 2). Prague Metropolitan Area consist of the City of Prague and the outer part of functional urban area (FUA) that consists of ca 500 municipalities and is part of Central Bohemian Region (NUTS 3) and Central Czechia cohesion region (NUTS 2).

The capital city of Prague has special status as it is both, municipality and region. Consequently, the assembly, council and mayor of the Capital City of Prague as well as the Prague City Hall play the role of both municipal and regional government and administration. As the local and regional elections do not coincide in time, Prague assembly is elected at the time of municipal elections. Therefore, the period of elected government in Prague does not correspond to the electoral term or term of office in Central Bohemian region. This is important for the policy making in Prague Metropolitan Area, as every two years the composition of one of the two governments can change. In the past decades there has been very substantial changes in party compositions of both governments which significantly effects the possibilities for inter-regional and metropolitan cooperation in the functional urban area of Prague including the implementation of the ITI Integrated Territorial Investment instrument.

The local government on the municipal level is extremely fragmented. While countries of similar population size, such as the Netherlands or Denmark consists of few hundreds of municipalities that act as local government with elected bodies, Czechia is divided into over 6.250 municipal governments. Municipalities significantly differ in their population size and therefore also in their administrative capacities. While Prague population reaches nearly 1.4 million, and population in 4 other cities exceeds 100 thousand, 386 municipalities have less than 100 citizens. The administration of small municipalities is not capable to deliver state administration services. Therefore, out of the total number of municipalities, there are 393 municipalities with delegated municipal authority (so-called Level 2 municipalities) and 205 municipalities with extended competences (so-called Level 3 municipalities), abbreviated as ORP (MEP: municipalities with extended powers); they, like the regions, exercise delegated state administration task for population and other municipalities in their administrative districts. The MEP and administrative districts of MEP (SO ORP) play role in the delimitation as well as management of metropolitan areas and agglomerations that are subject to the implementation of the ITI Integrated Territorial Investments. In our case, they are important for the Prague Metropolitan Region spatial delimitation and governance.

#### Map 4.1 Regions and cohesion regions in Czechia



Source: Czech Statistical Office, <https://csu.gov.cz/regiony-soudržnosti-nuts-2-a-kraje-nuts-3-ceske-republiky>

The national territory outside of Prague is also divided into 76 districts. The capital city of Prague is not de jure a district, but has similar roles, therefore, sometimes it is counted as 77 districts. These districts, even after the abolition of district offices on 1 January 2003 and the transfer of their powers to municipalities with extended powers, are still used for statistical purposes and for the territorial division of some state administration offices.

The territory of municipalities is further divided into cadastral areas for property registry purposes and into basic settlement units for statistical and planning purposes.

**Table 4.1**  
**Administrative configuration and responsibilities in Czechia**

Level	NUTS	Responsibility
Czech Republic	NUTS 1	National government
Cohesion Region	NUTS 2	EU (planning, support and statistics)
Region (kraj)	NUTS 3	Regional government (elected)
District (okres)	LAU 1	Statistic and selected state administration
AD MEP (SO ORP) – Administrative District of Municipality with Extended Powers	-	Municipalities with extended competences/powers and districts of these municipalities. Delivery of state administration tasks.
Municipality (obec)	LAU 2	Local (municipal) government (elected)

Source: author's own elaboration.

The Capital City of Prague is further divided into 57 city boroughs (local government districts; městské části), each with its own elected council and mayor. The city boroughs handle local tasks such as maintenance of public spaces and schools, local planning, some social and cultural services. However, they are subordinated to the city-wide government in strategic policies and developments, e.g. transport, housing policy, large-scale urban projects.

Local government in Prague is seen as fragmented. This is not only due to large number of boroughs, but also due to large variability in their population size with 4 borough population over 100 thousand inhabitants and 5 boroughs with population below 1000. Many tasks of state administration, such as issuing IDs, driving licenses, building permits, etc., that require government closer to citizens, the small boroughs do not have sufficient capacities and thus for these purposes is Prague divided into 22 administrative districts. These are not self-governing units but units for delegated state administration. Administrative district is led by one of the larger city borough administrations, which usually serves also smaller surrounding boroughs. For instance, Prague 6 borough is the seat of Administrative District Prague 6, which serves population from multiple other boroughs. Central city districts of Prague 1, 2 and 3 and two inner city districts of Prague 9 and 10 and outer district Prague 20 operate as administrative district for single boroughs of Prague 1, 2, 3, 9, 10 and 20. Historically, Prague was divided into 10 large municipal districts (Praha 1 to Praha 10) in the 1960s–90s. These are still widely used for postal addresses, transport zones, and public services, but they have no governing bodies today. This structure creates a complex governance environment with differing responsibilities and capacities between the central city authority and borough authorities.

## Map 4.2

### Second tier of local government in Prague: boroughs and district spatial boundaries

Správní členění hl. m. Prahy podle vyhlášky č. 55/2000 Sb. hl. m. Prahy  
Administrative districts according to Decree of the Capital City of Prague No 55/2000



Source: Czech Statistical Office, <https://csu.gov.cz/pha/spravni-obvody>

## 4.2 Spatial boundaries and administrative configuration in the case study area: Prague and Prague Metropolitan Area

The Prague case study focuses on the implementation of Cohesion Policy in the Capital City of Prague and in Prague Metropolitan Area.

The capital city of Prague is municipality (LAU 2), region (NUTS 3) as well as cohesion region (NUTS 2) with an identical territory. The territory has not change during and between 2014-2020 and 2021-2027 periods.

The Prague Metropolitan Area has is relatively new territorial entity in the Czech Republic. It has been specifically established in 2013 for the purpose of the implementation of Integrated Territorial Investment (ITI) instrument of the EU Cohesion Policy (EUCP) in 2014-2020 and it continue to be used in 2021-2027. However, its spatial delimitation has changed between 2014-2020 and 2021-2027 periods.

Prague ITI extends its area outside Prague, across large parts of surrounding Central Bohemia Region. The current period of 2021-2027 PMA includes Prague and 490 municipalities in Central Bohemian region, area of 4627 km<sup>2</sup> and population of about 2,2 million. In 2014-2020, PMA consisted of 515 municipalities, including Prague.

For 2014-2020, each holder of ITI in the Czech Republic organised the delimitation independently. While all cities/holders of ITI reflected the principle of functional urban areas, the methods for delimitation and results of delimitation differed. The territorial delimitation of PMA for 2014-2020 was accomplished by the Capital City of Prague as the holder of ITI, respectively by the Prague Institute for Planning and Development which administered the ITI.

For 2021-2027 period, the Ministry for Regional Development organized the delimitation of territories for the implementation of ITI using unitary methodology. The delimitation thus was imposed top-down by the national government.

In both periods, the delimitation in general followed the principle of FUA functional urban area integrated namely by daily commuting and it was respected that PMA will not extend beyond the Central Bohemian region boundary. However, the 2014-2020 delimitation kept territorial integrity of the administrative districts MEP (SO ORP), while the delimitation for 2021-2027 was accomplished on the level of individual municipalities. In the spatial delimitation for 2021+, municipalities in more peripheral parts of administrative districts of MEP were not included. On the other hand side, this new delimitation involves towns and local centres from administrative districts of MEP that (actually playing the role of MEP) were not involved in the previous period.

**Table 4.2**  
**Spatial boundary of Prague's case study: The City of Prague**

	2014-2020		2021-2027	
	Level	LAU(s)	Level	LAU(s)
NUTS 2 Cohesion Region		CZ01	NUTS 2 Cohesion Region	CZ01
NUTS 3 Region		CZ010	NUTS 3 Region	CZ010
LAU 1 District		CZ0100	LAU 1 District	CZ0100
LAU 2 Municipality		554782	LAU 2 Municipality	554782

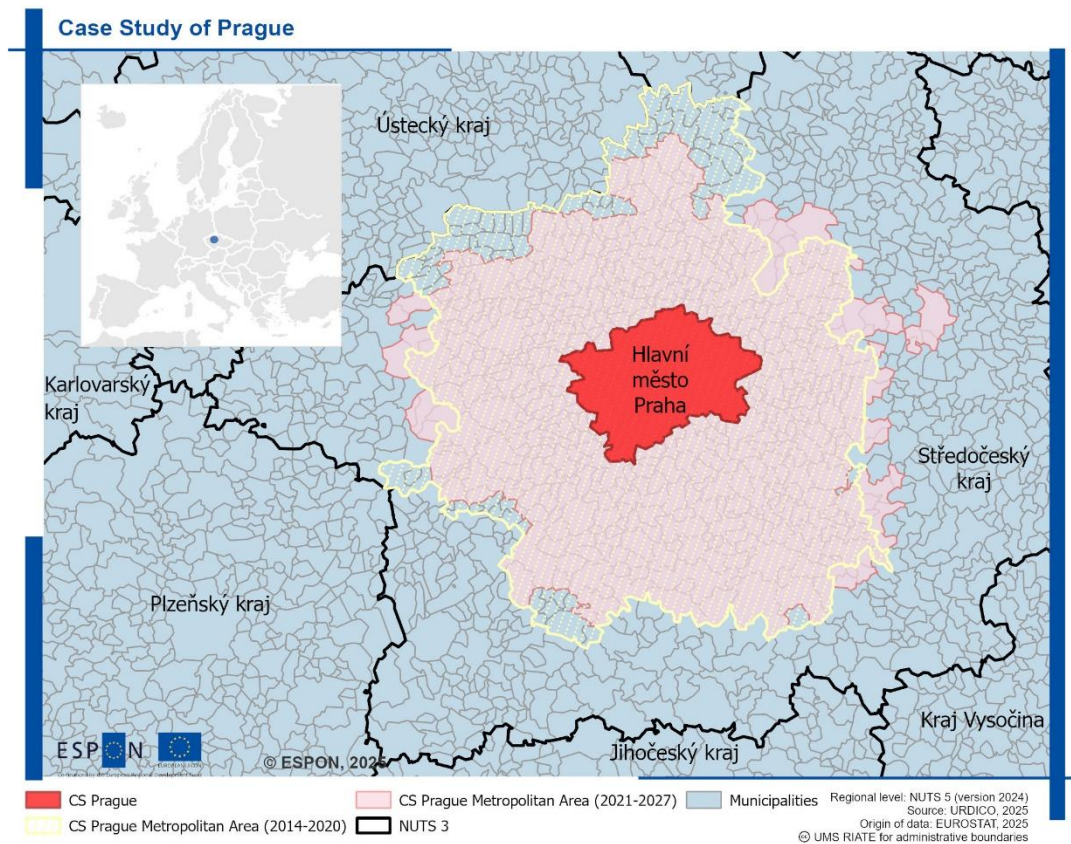
Source: author's own elaboration

**Table 4.3**  
**Spatial boundary of Prague's case study: Prague Metropolitan Area**

	2014-2020		2021-2027	
	Level	LAU(s)	Level	LAU(s)
NUTS 2 Cohesion R. Prague		CZ01	NUTS 2 Cohesion R. Prague	CZ01
NUTS 2 Cohesion R. Central Czechia - part		CZ02	NUTS 2 Cohesion R. Central Czechia - part	CZ02
NUTS 3 Prague		CZ010	NUTS 3 Prague	CZ010
NUTS 3 Central Bohemia Region - part		CZ020	NUTS 3 Central Bohemia Region - part	CZ020
Municipalities		515	Municipalities	491

Source: author's own elaboration

### Map 4.3 Spatial Boundaries of Prague, Czech Republic



Source: authors' own elaboration.

## 4.3 Governance of Cohesion Policy in Prague

Concerning the governance related to the EU Cohesion Policy it is necessary to distinguish between Prague and Prague Metropolitan Area, between planning periods and reflect the specific position of Prague as more developed region in the context of other Czech regions that are classified either transitory or less developed.

The City of Prague is in the Czech context seen as a specific case as it belongs to the category of more developed regions with substantially lower level of contributions from the ERDF and higher level of local co-financing. The Central Bohemian part of Prague Metropolitan Area is, however, a cohesion region with transitory status and can draw substantially higher EU financial contributions. The substantial difference in the rules for developed and transition regions has, nevertheless, important implications for the implementation of Cohesion Policy specifically for functionalities of the ITI instrument in Prague Metropolitan Area.

### 4.3.1 2014-2020 programming period

In 2014-2020, the City of Prague acted as managing authority for OP Prague – the Growth Pole of the Czech Republic (in the following text an abbreviated title Prague – Growth Pole may be used). This approach of having city specific OP for the capital city of Prague replicated the pattern from 2007-2013 period, when Prague enjoyed their Regional OP as well as two specific Prague's OPs OP Competitiveness and OP Adaptability. The using of specific OPs for Prague has been a reflection of Prague

having different forms and levels of eligibility for EU CP funds due to the status of more developed region, in comparison with other regions in the country classified as less developed. The country thus could be seen as using two-track territorial delivery of cohesion policy with the cleavage between Prague and the rest of the country.

The OP Prague – Growth Pole was administered at the Department of European Funds at the Prague City Hall. Beneficiaries of this OP were from the Capital City of Prague and departments of Prague City Hall, Prague’s Boroughs (second-tier local governments), so called contributory organizations established by the city (transportation, health, social, planning), as well as universities, research institutes, NGOs and private establishments. The Operational Programme Prague – Growth Pole in its priorities reflected a wide spectrum of strategic documents at national and city level, including Strategic Plan of the City of Prague. This way the OP PGP assured its strategic alignment with the long-term priorities of city development.

The Capital City of Prague and departments of Prague City Hall, Prague’s Boroughs and organizations established by the city as well as other subjects with activities could also benefit from other national Operational Programmes, however, with some substantial restrictions in the case of projects realized within the territory of capital city<sup>1</sup>. For instance, Prague itself could not directly benefit from Integrated Regional Operational Programme. However, integrated projects approved through the ITI instrument for the Prague Metropolitan Area could be funded, however, only outside Prague’s territory. Other OPs such directly targeted beneficiaries such as small and medium-sized enterprises (SMEs) or social inclusion projects in other regions (OP Employment and OP Enterprise and Innovation for Competitiveness) or in their calls made restrictions for Prague (OP Environment). In general, due to low proportion of EU contribution and high share of co-financing in Prague. OP Transport and OP Research, Development and Education applied no specific restrictions on projects carried out in Prague territory. The stakeholders from Prague commented that the managing authorities of national OPs (ministries) has not always been willing to reflect specific circumstances in Prague, for instance in the field of environment or social affairs.

In comparison with pre 2014 periods, the 2014–2020 period brought very important innovation in terms of the application of ITI Integrated Territorial Investments instrument applied in the Czech Republic on the level of metropolitan areas and agglomerations. The Ministry for Regional Development (MRD) in the Strategy of Regional Development of the Czech Republic for 2014–2020 decided to address regional development through the territorial frame of functional areas (MRD, 2013). The implementation of ITI was declared in the Partnership Agreement for the Programming Period 2014–2020 with an aim to seek ‘greater territorial integration of the core areas of the most important metropolitan areas and agglomerations with their wider hinterland in order to efficiently use their economic and human potential’ (MRD, 2014a: 211). The cities implementing ITI had to elaborate their integrated strategies in wide collaboration with key actors in their metropolitan territory, thus forming a regional stakeholder community, and negotiating with them key regional concerns. Allowing for a bottom-up initiative, the national government stimulated the development of metropolitan cooperation (ESPON METRO, Brno case study).

The City of Prague acted as the holder of the ITI instrument and the coordinator of its implementation. In this period, the administration of the instrument of ITI for Prague Metropolitan Area was entrusted to the IPR Prague Institute for Planning and Development, which a contributory (i.e. financed by the city) organization of the city of Prague responsible for strategic and spatial planning and related agendas (IPR is not part of the administration and of the City Hall). Through this organizational structure the relation between the Integrated Strategy for the ITI of Prague Metropolitan Area and the Strategic Plan of the City of Prague and spatial plan called Metropolitan Plan (under preparation since 2011 and not yet approved) was formally assured.

All the key decisions, namely the approval of the Integrated Strategy for the ITI of Prague Metropolitan Area and the associated budget, have to be taken by the statutory bodies of the ITI holder, i.e. by

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<sup>1</sup> Beneficiaries with the seat in Prague, such as government ministries, for instance, could also realize projects elsewhere in the country, but without the restriction applied only to Prague territory.

the City Council and the City Assembly. As the Prague Metropolitan Area territory also includes Central Bohemia, the ITI Strategy had to be also approved by the regional assembly of the Central Bohemian Region.

The Prague Institute for Planning and Development (IPR) hosted the ITI manager office that played the executive role (and to a certain extent also the representative role) for metropolitan cooperation and implementation of ITI. The implementation of ITI is coordinated by the Steering Committee, which is the main strategic and decision-making body. It also plays the advisory political role and provides recommendations to the ITI holder, the City of Prague, to the regional government of Central Bohemian Region, as well as to local authorities and statutory bodies of partners involved in the implementation of integrated strategy of metropolitan development. The Steering Committee discusses the integrated strategy of metropolitan development and its updates and recommends it for approval by the holder, ensures coordination between the City of Prague, Central Bohemian Region, and other stakeholders, evaluates and approves strategic ITI projects, approves the ITI calls, organizes monitoring of the ITI implementation. It also acts as a platform for negotiation with managing authorities of relevant operational programmes that fund the ITI projects. It consists of representatives of the City of Prague (incl. IPR Praha), Central Bohemian Region, key municipalities in the PMA, transport and utility providers, and other organizations including NGOs and academic subjects.

The work of Steering Committee and ITI Manager Office is supported through Thematic Working Groups that are expert and consultative bodies that primarily support the preparation, refinement, and monitoring of thematic parts of the ITI strategy. They serve as a platform for collaboration among stakeholders in specific policy areas, provide expert input into the design of project selection criteria and priorities and ensure coordination and complementarity of projects with the integrated strategy.

In 2014-2020, the City of Prague, as well as other cities that were ITI holders also performed the role of an intermediary body with the delegated competence from the Managing Authorities of operational programmes, thus having the responsibility for the evaluation of projects implemented through the ITI Strategy. In relation to the Prague ITI, this role of intermediary body with the Managing Authority of the IROP Integrated Regional Operational Programme was entrusted to the Department of the European Funds at the City Hall of the Capital City of Prague. However, it is important to note that the IROP projects were funded from ERDF and support could be provided only to investments outside Prague territory.

#### 4.3.2 2021-2027 programming period

The major difference of 2021-2027 period from the previous decades is that Prague no longer has its own operational programme. However, the City of Prague lost its role of managing authority for an operational programme and in relation to national OPs can act only as beneficiary. The staff from the Department of European Funds at the Prague City Hall that as the managing authority administered OP Prague – Growth Pole reoriented its knowledge and capacity on supporting the potential beneficiaries from the City of Prague, namely from the City Hall departments, from Prague borough governments, city organizations as well as other subjects. Furthermore, the management and administration of the ITI instrument for Prague Metropolitan Area was to the Department of European Funds at the Prague City Hall transferred from IPR Institute for Planning and Development that played this role in the previous planning period. This institutional change however also means that the more direct relation between strategic and spatial planning in the IPR Institute for Planning and Development and the ITI as Cohesion Policy instruments has been lost.

Building on the experience with the implementation of ITI during 2014-2020 period and with the continuing EU and national support for the metropolitan dimension in the new Strategy of Regional Development 2021+, the ITI plays important role also in 2021-2027, expanding the number of ITIs from 7 to 13. The metropolitan cooperation within the ITI for Prague Metropolitan Area has been anchored by the corresponding composition of political parties in Prague, Central Bohemian and national governments. In November 2021, the Governor of the Central Bohemian Region and the Mayor of the Capital City of Prague signed a Memorandum of Mutual Cooperation of the Central Bohemian Region and the Capital City of Prague in which they expressed their willingness to continue to cooperate, among others, on the implementation of the ITI. This political constellation continues up to present as the political representation in Central Bohemian Region has not substantially changed in 2024 regional elections.

**Table 4.4**  
**Governance of Cohesion Policy in Prague (and Prague Metropolitan Area)**

Name of the actor	Level	Responsibility	
		Cohesion Policy	Spatial Planning
<b>The Capital City of Prague</b>	Regional/Municipal/Metropolitan/Local	Beneficiary Holder and coordinator of ITI  In 2014-2020 also managing authority for OP PGP  In 2014-2020 intermediary body for IROP in relation to ITI	Strategic and spatial Planning at the level of the City  Integrated planning of PMA
<b>Prague's Boroughs (57)</b>	Local/Sub-City	Beneficiary	Strategic planning at borough level, administration of building permits processes
<b>Central Bohemian Region</b>	Regional	Beneficiary Co-coordinator of ITI	Strategic and spatial planning at the level of the Central Bohemian Region, i.e. outer part of the FUA of Prague Metropolitan Area and of the ITI  Integrated planning of PMA
<b>City contributory organization</b>	Regional/Municipal/Metropolitan/Local	Beneficiary  Some involved in ITI Steering Committee and Thematic Working Groups	
<b>Other subjects</b>	Regional/Municipal/Metropolitan/Local	Beneficiary  Some involved in ITI Steering Committee and Thematic Working Groups	

Source: author's own elaboration

The Integrated Strategy for the ITI of Prague Metropolitan Area 2021-2027 reflects priorities of the Strategic Plan of the City of Prague (2016), the Development Strategy of the Central Bohemian Region for the period 2019-2024, with a view to 2030 (2019) and a large number of other strategic documents on the national, city (Prague) and regional (central Bohemia) levels. The integrated strategy can thus be seen as aligned on the strategic level with urban strategic planning.

## 4.4 Prague involvement in Cohesion Policy

In 2014-2020, the City of Prague was the managing authority for specific Prague operational programme OP Prague – the Growth Pole of the Czech Republic. At the same time, the City of Prague was the holder of ITI, administered ITI and acted as the intermediary body for the IROP Integrated Regional Operational Programme that has provided funding for the ITI for Prague Metropolitan Area (important to say, that only projects outside Prague itself could draw support from IROP projects funded from ERDF).

In 2021-2027, the City of Prague does not have any city specific Operational Programme anymore. Prague's applicants can draw subsidies from some other OPs, for instance from the Operational Programmes Transportation and Environment (from CF, not ERDF), OP JAK Jan Amos Komenský (Johannes Amos Comenius - R&D & Education) (ERDF, ESF+) and rather marginally from OP Employment + (ESF+) and IROP Integrated Regional Operational Programme (ERDF). They can also draw funds from the National Recovery Plan and from the Modernization Fund. The OP Just Transition and Just Transition Fund is used only in former coal mining regions and does not apply in Prague and Prague Metropolitan Area. The City of Prague continues as the holder and coordinator of ITI. The intermediary bodies at the city levels for the ITI projects are not anymore utilized during this period, streamlining the organization.

### 4.4.1 2014-2020 programming period

In 2014-2020, the City of Prague pursued primarily its own Operational Programme Prague – the Growth Pole of the Czech Republic (OP PGP). Supported from the European Structural and Investment Funds (ESIF), the main goal of the Operational Programme was to ensure the effective implementation of the investments in Prague that would enhance Prague's competitiveness as a development hub within the Czech Republic, Prague's role of the country's primary innovation centre and to ensure a high quality of life for its inhabitants.

The allocation of financial resources for the OP PGP was relatively low with EUR 0.20 bil., or CZK 5.539 billion accounting for approximately 1% of the total budget for operational programmes funded through ESIF in the Czech Republic. Therefore, with such funding the ESIF contribution to achieving the ambitious general goals could be only rather marginal. As the City of Prague is classified as a more developed region, the regional priority on the national level was given to all the other less developed regions with the higher percentage level of the EU contribution. The Operational Programme Prague – Growth Pole has been thematically very wide and complex and at the same time fragmented. It could not replicate thematic goals from national OPs applied in the rest of the country. Therefore, it had to focus on specific issues, such as the use of innovative solutions in smart building projects rather than support much needed housing construction. It also enabled piloting new approaches in the social sector and in education. Nevertheless, the overall impact of the operational programme was rather limited, benefiting individual recipients or the development of specific niche areas in Prague more than the city as a whole.

The support from the OP PPR was funded by ERDF and ESF. The European Social Fund (ESF) support focuses on improving employment and education opportunities for people who are physically, mentally, or socially disadvantaged. The European Regional Development Fund (ERDF) aimed at mitigating economic and social development by investing in production, transportation, education, the construction of social and health centres, research and development, and environmental initiatives. Four thematic priority axes were directed towards education and skills and employment support (1047 projects and 37% of total funding), social work and social services (229), sustainable mobility and energy savings (58) and research, development, and innovation (29 projects).

The OP PPR was primarily successful in supporting education projects in Prague, including support for the integration of students with different native languages. In the social sector, pilot projects for community centres and social housing were implemented. The piloting of smart buildings projects and the enhancement of energy efficiency in Prague's public transport is considered as a successful implementation of the EU funds. In the area of research, development, and innovation, several incubators were established, Proof of Concept projects were implemented, and Financial Instruments

were tested to help small and medium-sized enterprises cope with the impacts of the pandemic on their activities (Ernst & Young 2024).

Finally, succeeding with the implementation, it should be also remarked that in 2018, the Operational Programme Prague - Growth Pole of the Czech Republic was assessed as a high-risk programme (MMR and NOK 2018, Report on trends in selected risks in the implementation of 2014-2020 programmes in 2018). The risks were related to the low rate of implementation of the absorption limit and the low absorption status in funds cleared in payment requests. The most significant risks were found for priority axis Sustainable mobility and energy savings, where the achievement of all milestones was zero and significant threats to the achievement were also recorded on priority axis Strengthening research, technological development and innovation. A number of extraordinary steps, including reallocations, have finally contributed to the stabilization.

**Table 4.5**  
**Prague's engagement in delivering cohesion policy 2014-2020**

Document	Level	Pro-gram-ming	Phase			Managing Authority	Interme-diate Body	Role Benefi-ciary
			Managing	Implementing	Implementing			
<b>OP Prague - the Growth Pole of the Czech Republic</b>	Regional	X	X	X	X	X	X	
<b>IROP Integrated Regional Operational Programme</b>	National			X		X (for ITI projects)	X (for ITI and areas outside Prague)	
<b>Other National OPs</b>	National			X			X (in some cases with limitation and restriction)	
<b>ITI (Integrated Strategy for Prague Metropolitan Area)</b>	Metropoli-tan	X	X	X			X	

Source: author's own elaboration

#### 4.4.2 2021-2027 programming period

In 2021-2027 period, Prague can not address their urban development priorities directly through its own operational programme. It relies on the drawing support from national OPs. However, as Prague is categorised as more developed region, the EU contribution from ERDF and ESF+ can reach a maximum of 40 % from the project total eligible costs. Considering the transaction costs related to the project preparation, management, monitoring, follow up as well as limitations that often generate substantial non-eligible costs, the EU subsidy can finally be below 20 %. Consequently, the support from ESIF is not attractive enough for most of the potential beneficiaries. Usually, small beneficiaries, such as small Prague's boroughs and some city established organizations individually apply for EU CP funded projects.

Importantly, the City of Prague urban development is impacted through the instrument of the ITI Integrated Territorial Investments for Prague Metropolitan Area. Within the ITI, the City of Prague itself can specifically draw support for transport and environmental infrastructure from the Cohesion fund through the national OP Transportation and Environment that provides 80 % contribution

from the EU sources (and total of 85 % including state budget support) towards the total of the project eligible costs. The territories of Prague Metropolitan Areas outside of Prague utilize a support from ERDF and ESF+ that together with the state budget subsidies covers usually 85 % of the eligible costs. Importantly, the allocation of Cohesion Fund resources from OP Transport for Prague Metropolitan Area accounts for 40 % of the national volume for all the ITIs and it is specifically intended for railway infrastructure projects in Prague.

The Integrated strategy for the ITI of Prague Metropolitan Area 2021-2027 is elaborated in four thematic areas of (1) Transport, (2) Environment, (3) Education and Social and Health and (4) Tourism, Cultural and Natural Heritage.

Strategic objectives defined for the thematic areas:

- **Transport:** A well-connected metropolitan area with a reliable, comfortable and multimodal transport system that is environmentally friendly and friendly to public finances;
- **Environment:** Enhance the quality of the environment and strengthen resilience to the impacts of climate change in the PMO;
- **Education and Social and Health:** Ensure a strong infrastructure and quality of education, social and health services that are responsive to demographic changes and accessible to all PMO residents;
- **Tourism, cultural and natural heritage:** Balanced use of the tourism potential of the Prague Metropolitan Area for the development of sustainable tourism.

Some Czech cities and holders of ITI attempts to move in their effort for metropolitan development, cooperation, governance and planning beyond the sole administration of ITI, most prominently Brno. Prague is clearly pushing pragmatic approach to utilize ITI for drawing and using EU resources. Interestingly, the difference in the approaches is discursively expressed in the vocabulary of integrated strategies and even their titles. While Prague has Integrated strategy for the ITI of Prague Metropolitan Area, Brno is pursuing Integrated Strategy for Brno Metropolitan Area, with ITI as most important, but not only support and financial mechanism for metropolitan development.

**Table 4.6**  
**Prague’s engagement in delivering Cohesion Policy 2021-2027**

Document	Level	Phase			Role		
		Programming	Managing	Implementing	Managing Authority	Intermediate Body	Beneficiary
National OPs	National			X			X (in some cases with limitation and restriction)
ITI (Integrated Strategy for Prague Metropolitan Area)	Metropolitan	X	X	X			X

Source: author’s own elaboration

### 4.4.3 Main differences

The changes in the national framework between 2014-2020 and 2021-2027 resulted in the smaller number of national OPs including IROP Integrated Regional Operational Programme. The specific OPs that existed before for the Capital City of Prague are not in use anymore. The City of Prague can,

however, draw EU CP support through national Operational Programmes. While this can be interpreted as the loss of opportunity for the direct management of the EU CP at the city level, the experience with the implementation of the own OPs has shown that, due to the restrictions on drawing support from ESIF for more advanced regions, the city development priorities were not in significant way funded by the EU resources.

In terms of organizational structures important shifts happened in the implementation of the ITI. The territorial delimitation was amended with inclusion of some smaller towns – local urban centres at the metropolitan area edges, while leaving out remote peripheral urban areas that were part of ITI in 2014-2020. The office of ITI manager and thus the administrative organization of the ITI has shifted from the IPR Institute for Planning and development to the administration at the City Hall and its Department of European Funds. This way the streamlining within the city administration was strengthened while more explicit relation with strategic and spatial planning weakens. EU funds including ITI instruments are more used as tools for drawing EU resources as additional funds for beneficiaries within the city rather than a key resource for the overall urban development in Prague and metropolitan development in Prague Metropolitan Area.

In 2021-2027, the key issue is how sensitive are the Managing Authorities of nation OPs, i.e. individual ministries, in reflecting the specific circumstances and specific needs of large metropolis. The experience is differentiated, with more favourable approach from the OP Transportation for investments in Prague and IROP for investments in the Prague Metropolitan Area.

The major challenge for the implementation of EU CP in Prague Metropolitan Area is given by the splitting of its territory between two regional governments. These two governments often do not have corresponding political representations and their political priorities; thematic policies and decision-making practices were driven by competition rather than cooperation. This impacted especially 2014-2020 period. Since 2021, there has been an exceptionally favorable period when political representations of the two regions and national government correspond.

## 4.5 Networking and lobbying activity

At national level negotiation concerning the setup of EU CP, Prague interests are represented through the National standing conference (NSC) that is since 2014-2020 period the essential element in the coordination system of the territorial dimension of national and EU regional policy. However, it has been repeatedly expressed by Prague stakeholders that the capital city should be, due to its significance, be invited and incorporated into the negotiations of national framework as individual entity.

The City of Prague participates in national associations of local and regional government, namely the Association of Regions and the Union of Towns and Municipalities and its chamber of Statutory Cities and Towns.

At the international level, Prague participates in international initiatives, Lord Mayor of Prague in Eurocities. The city shows its affiliation to the EU through Prague House in Brussels (<https://www.prague-house.eu/>).

The representatives of IPR Prague Institute for Planning and Development participate in Eurocities and are active in the thematic fields on urban governance, cohesion policy and metropolitan areas.

**Table 4.6**  
**Networking and lobbying activity of Prague, Czech Republic**

Name of the network	Level	Topic	Role	Additional comment
Eurocities	EU	urban governance, cohesion policy and metropolitan areas	Member	Mayor and representative of IPR Prague Institute for Planning and Development
National standing conference	National		Member	
Association of Regions	National		Member	
Union of Towns and Municipalities	National		Member	

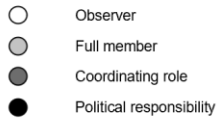
Source: author's own elaboration

**Figure 4.1**  
**Networking mapping of Prague, Czech Republic**

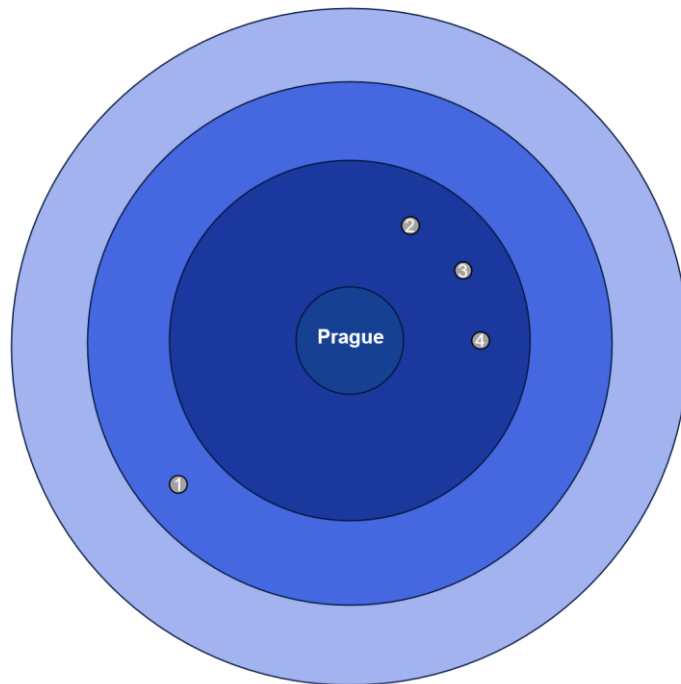
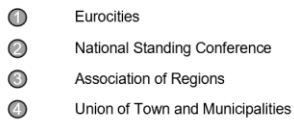
**Networks Levels**



**Role within the Network**



**Name of Network**



Source: authors' own elaboration

## 5 Administrative capacity and Institutional innovations

### 5.1 Administrative capacity and management gaps

In earlier programming periods, until 2021, the City of Prague has gained experience in managing European funds as the managing authority for its own operational programmes. In 2014-2020, it acted as the managing authority for its own territorially specific Operational Programme Prague – the Growth Pole of the Czech Republic. Although Prague is not performing the role of managing authority in the current period of 2021–2027, it is using the acquired skills and competences to support beneficiaries from Prague in drawing funds from national operational programmes.

Since 2014–2020, Prague and its partners from the Central Bohemian Region, namely regional government of Central Bohemia) have been using the ITI (Integrated Territorial Investment) instrument. They have formed a functional organizational structure for integrated planning in the Prague Metropolitan Area and support for the financing of Prague's integrated ITI projects with the aim of supporting sustainable urban and metropolitan development in the Prague Metropolitan Area.

The agenda for providing support in Cohesion Policy projects applications is settled within the Department of European Funds at the City Hall administration. It is the voluntary decision of the potential beneficiary whether it will use the support from the department. The actual use of the support from the EU Cohesion Policy and other programmes sources is decentralised without any overall coordination, monitoring and evaluation at the city level.

In the City of Prague, there is currently no system for the monitoring of the projects applications and projects realization funded from the EU Cohesion Policy. There are no systematic management and overview of using the EU funding for the achieving city strategic planning and development objectives. The Strategic Plan of the City of Prague (last update from 2016) does not have its implementation part. The plan serves only as a general background document that is not used in actual decision making. Unfortunately, there has been no political will to approve and use action plans for the implementation of the strategic plan and relate it with the use of various financial resources to fulfil its objectives. Consequently, there is no mechanism that would relate broad strategic objectives of the plan and actual projects funded from the EU Cohesion policy or other resources, in terms of the project preparation, selection, realization, monitoring.

While the use of the ITI instrument brought a novel pathway for integrated planning in Prague Metropolitan Area, the integrated planning for the ITI of Prague Metropolitan Area has not become an integral part of city and regional strategic and urban planning tools and mechanisms. It has been up to now used only as a specific vehicle for drawing the EU funds for the set of projects that can be supported from the national Operational Programmes that provide their specific financial allocation for the ITI. The integrated planning for the ITI thus is not a tool for wholistic strategic planning at the metropolitan planning. In Czechia, there are cities and metropolitan areas or agglomerations, that have explicitly related the ITI integrated planning and ITI integrated projects with the overall strategic planning in the city. This namely concerns the City of Brno, that is publicly pursuing such strategy and articulated it also within the ESPON METRO project.

In summary, while Prague Town Hall has competent staff with skills and competences that provide support to potential beneficiaries from Prague Town Hall, borough Town Halls, city organizations and other subjects to apply funds from the EU Cohesion Policy through national operational programmes, there is no systematic use of EU Cohesion Policy funding for the realization of the key strategic urban development objectives. This is partly due to the very small proportion (1-2%) of the EU funds in the overall city budget and more importantly is the consequence of not having functional and operational system of strategic urban development planning that would accompany the approved strategic plan with action plans and implementation mechanisms, accompanied with a monitoring system of fulfilling the goals of the plan.

## 5.2 Multilevel governance

The multilevel governance for the implementation of the EU Cohesion Policy on the national level developed over years from more regionally decentralized system with specific regional operational programmes to centralization of the national organizational framework with national OPs including centrally managed Integrated Regional Programme. At the same time there has been decentralization of decision-making to metropolitan areas and agglomerations using the instrument of integrated territorial investments (ITIs) for the minimum allocation of 5 % of ERDF in 2014-2020 and 8 % of ERDF in 2021-2027 periods for Sustainable Urban Development, and to community-led local development (CLLD) anchored by Local Action Groups (Místní akční skupiny - MAS) in microregions centered around small and medium sized towns. As many MAS using CLLD are located in metropolitan areas and agglomerations, they also participate in the ITI in terms of planning and as beneficiaries, thus forming a specific multilevel governance for the delivery of EU policies.

In Czechia, regional OPs merged into a single national IROP – Integrated Regional Operational Programme already in 2014-2020. Only the City of Prague, that has also status of region, maintained its own territorially specific OP Prague Growth Pole until 2020. The territorial dimension of Cohesion Policy is now, since 2021, exercised through integrated instruments (ITIs and CLLDs) and specific territorial conditions related to structurally weak and structurally affected regions, as defined in the national regional policy (Regional Development Strategy of the Czech Republic 2021+) in specific calls of national OPs.

While the multilevel governance is in operation, there are differing opinions and interpretations of the role and possibilities of national coordination of EU CP in relation to territorial partners, in our case cities and local governments in metropolitan areas. Partners from cities (not only Prague, this has been also articulated by the national stakeholders and an expert from another city/metropolitan area) refer to not sufficient dialog between national level and city level stakeholders in the preparation of programming periods, its priorities and organizational framework. The interpretation from national level stakeholders is that the national level attempts to negotiate best possible arrangements for the benefits of local actors (cities, municipalities, regions) from the EU CP trying to achieve compromises in uneasy negotiations with the EU and that their role and achievements are not appreciated by local, municipal, urban and regional governments and other stakeholders.

The other key strongly articulated challenge for well functional and from all sides appreciated multilevel governance cooperation is that national policies and national Operational Programmes do not reflect the specificities stemming from the role of cities, metropolitan areas and agglomerations (FUAs) in national socio-economic development. The key objection is that national level does not sufficiently consider the specific needs of cities so they could fulfil their important role in the national development that can bring spill-over benefits to all.

This situation has been, by some communication partners (stakeholders), partly related to a rather weak role of national Strategy for Regional Development (SRR; currently SRR 2021+). While the strategy defines territorial dimensions, including metropolitan, these territorial dimensions are not generally reflected and respected by specific resort policies (references were given namely to environment and social affairs, while most positive experience with the implementation of territorial dimension is in the resort of transportation).

Specific attention has been given to the RRF and National Plan for Reconstruction and Resilience as it bypassed the urban and metropolitan partners and thus territorial dimension. Secondly, conflicts of interest between EU CP and RRF were mentioned in terms of overlaps that lead to switching project prepared for EU CP to RRF thus resulting in, as was boldly expressed, “mutual cannibalization”.

## 5.3 Financial constraints and technical complexity

The key challenge for the implementation of EU funds for urban development in the City of Prague is related to the low level of EU co-financing. The City of Prague is in the category of more developed regions with 40% cofinancing from the ERDF and ESF. The substantially lower level of co-financing in comparison with the rest of the country (70% in transition regions and 85% in less developed

regions) makes the use of EU CP fund unattractive, especially if high transaction costs related to limitations, barriers and obligations are considered.

In the city of Prague, certain reservation also concerns the dominant dedication of ERDF to specific policy objectives that disqualifies some of the thematic areas, such as housing, that are of high strategic importance in urban development. In the City of Prague, there has been missing significant EU support in the thematic areas of housing, education, services and demography (ageing and elderly population), where there is major need of development for advancing the level of socio-economic development, well-being of population and competitiveness.

The City of Prague can draw only very limited financial resources that could help to major achievements and impact on city development. Prague as more developed region has high level of co-financing and thus less stimulating conditions to draw European funds and resources for urban development. A large proportion of ineligible expenditures (that do not meet programme guidelines) could in some cases decrease the actual support to a level of 20-25% and in very specific instances even down to 7,5%, which in combination with high transaction and operation costs of EU funding makes EU resources as unattractive.

Importantly, the potential beneficiaries from the city and boroughs governments and administration, and from city organizations consider the easier access to own financing from city resources in comparison with the EU funds. It also should be admitted that beneficiaries in Czechia have a culture of seeking for subsidies with the expectation of rather marginal or additional own cofinancing.

The situation with the low-level of cofinancing is specific for the City of Prague and does not apply to the suburban areas of Prague Metropolitan Area that lay outside the city of Prague, in the Central Bohemian Region. Central Bohemia is another cohesion region in the category of transition regions with 75% EU co-financing.

The different levels of co-financing impact the functionalities within the ITI of Prague Metropolitan Area. Prague Metropolitan Area is under the territorial jurisdiction of two regional governments of Prague and Central Bohemian Region. While Prague is the holder of ITI and responsible for its organization and management, the major financial benefits from ITI are driven by territories outside the City of Prague.

In Prague as well as in the suburban part of metropolitan area the efficient use of the EU funds is also limited by the capacity of local governments with very small population size (substantial part of outer Prague boroughs and municipalities in suburban zone) to prepare, apply, administer and realize European projects. In Prague, they can use the assistance of the Department of European Funds at the City of Prague Town Hall.

## 5.4 Innovations and good practices

In the actual programming period, Czechia has well-functioning and effective structure of organization for EU CP. Its main backbone is functional division of roles and responsibilities between National Coordination Authority, structure of Operational Programmes, established patterns of bodies that represent territorial partners involved in programming and developed capacities and competences on the level of beneficiaries.

The City of Prague has gained experience in managing European funds thanks to its role as the managing authority for its own operational programme, Prague – Growth Pole, in 2014–2020, as well as for territorially specific Prague OPs in previous programming periods. Although Prague is not currently performing the role of managing authority, it is now using the skills and competences the city administration, and particularly the Department of European Funds, has acquired to support beneficiaries from Prague in drawing funds from national operational programmes.

Another key achievement in the area of urban and metropolitan development on the national-wide scale is the establishment, use and positive experience with integrated tools, specifically with Integrated Territorial Investments (ITI) applied in functional urban areas (FUA) of major cities and their metropolitan areas or agglomerations. The functional territories on local scale also benefit from the CLLD (Community Led Local development) represented in Czechia by MAS (Místní akční skupiny – MASs, Local Action Groups). While MAS are usually associated with rural development and peripheral areas, many of them are established in highly urbanised regions around secondary and tertiary metropolitan centres. These MAS are involved in designing and operationalization of integrated strategies for metropolitan areas and city regions respectively their regions for the implementation of ITIs.

Since 2014–2020, Prague and its partners from the Central Bohemian Region have used the instrument of the ITI (Integrated Territorial Investment) and created a functional organizational structure for integrated planning and support for the financing of Prague's integrated ITI projects with the aim of contributing to the development in the Prague metropolitan region.

Prague Metropolitan Area is divided between two regional governments. These two governments often do not have corresponding political representations and their political priorities, thematic policies and decision-making practices are more driven by their own challenges and interests than common metropolitan issues. The implementation of EU CP support for sustainable urban development at the level of functional urban area of a metropolitan region using the incentives provided by the ITI instrument stimulated metropolitan cooperation that otherwise would not likely happen.

The utilization of the ITI (Integrated Territorial Investment) instrument, that is in use since 2014–2020 and continues in 2021–2027 relates together key stakeholders in Prague Metropolitan Area to define and support common metropolitan goals. Both Prague (as the ITI holder) and the Central Bohemian Region participate in setting the priorities and objectives of the Integrated Strategy for the ITI of Prague Metropolitan Area. While the implementation of development priorities is limited by the support offered by managing authorities of operational programmes associated with the ITI and that the implementation of joint projects (development activities) depends on the political leadership of both regional entities and involved local governments and faces administrative and legal barriers, it paves the way for enhancement of metropolitan cooperation and development in Czechia.

**Table 5.1**  
**Main innovations implemented at local level**

Name of innovation	Objective (barriers to overcome)	Innovative actions	Results
From OP management to support for beneficiaries	Support beneficiaries in Prague to draw European funds	Complex support for beneficiaries in Prague	Increased capacity and efficiency of local actors
ITI for Prague Metropolitan Area	Cooperation and coordination in functional urban area that is extremely fragmented in terms of large number of local governments and split between two regional governments and administrations	Metropolitan cooperation Integrated metropolitan planning	Metropolitan coordination in drawing EU support for sustainable urban / metropolitan development

Source: author's own elaboration

## 5.5 Added value of negative experiences

The self-articulated negative experience is related to the institutional and nation setup of the EU Cohesion Policy. First, it is related to the conditions in more developed regions related to low level of EU co-financing and thematic restriction through funding priorities in selected thematic objectives. The second issue refers to the perceived not sufficient dialog between national level and city level stakeholders in the preparation phase for the new programming period and weak consideration of national policies and national Operational Programmes for the role of cities, metropolitan areas and agglomerations (FUAs) in national socio-economic development. The lessons are to better utilize joint approach of cities and metropolitan regions towards the government of the Czech Republic and the European Commission.

From the expert point of view, the negative experience is non existing functional strategic planning in the city of Prague where the strategic plan does not have its implementation part. Consequently, there is no coordinated planning, realization and monitoring of the projects funded from the EU funds and their effects on urban development. Unfortunately, the city of Prague is silent about this issue and currently there is not existing political will and support to change this situation.

## 6 Cohesion Policy contributions to city long-term agendas

### 6.1 Czech system of strategic and spatial planning with relations to cohesion policy implementation

The spatial, territorial, regional and urban development in the Czech Republic is influenced by strategic documents and regulatory framework organized in two key pillars of spatial planning and strategic planning. The policy and regulatory framework for spatial development in the Czech Republic including its urban and metropolitan dimensions is very complex. A scheme of relations between regional and urban policies and spatial planning and in relation to the EU Cohesion Policy is presented in Figure 6.1.

Despite attempts for the closer integration of these two fields at national as well as local and regional levels, both are very distinct. They are based on different professions and educational systems (spatial planning in the schools of architecture; strategic planning in business administration, social geography and regional development, etc.). They also differ in used narratives, including key terms and categories of urban and regional development. Their integration is one of the key imperatives for policy making in urban and regional development as its success could lead to better efficiency in generating agglomeration benefits.

Both strategic planning and spatial planning documents on national, regional and local (municipal) scales are legitimized by the approval by respective government levels with elected political representations. These documents are legally valid for the respective territorial jurisdictions of these governments. While there are instruments for the voluntary inter-municipal cooperation, it does not cover all the aspects of local development and does not replace or displace the responsibilities and powers on the municipal level.

On the national level, the two key documents representing the two pillars are the Regional Development Strategy of the Czech Republic 2021+ (2019) and Spatial Development Policy of the Czech Republic (9th update) (2025) and Spatial Development Plan (2014 – this is the first SDP in Czechia).

On the regional level of the City of Prague and central Bohemian Region the key strategic documents are The Strategic Plan of the City of Prague (2016) and the Development Strategy of the Central Bohemian Region (SRK) for the period 2019-2024 with a view to 2030 (2019), both with reference to the national Strategy of Regional Development. However, the Strategic Plan of the City of Prague fulfils the role of the regional strategy as well as of the development programme (strategic plan) on the municipal level. The key tools of spatial planning on regional level are Spatial Development Principles of the Capital City of Prague and Spatial Development Principles of Central Bohemian Region, both developing in detail the spatial regulations from the national Spatial Development Policy.

On the municipal level, the key priorities of socio-economic development shall be defined in the development programme that is usually elaborated in cities, towns and larger municipalities as strategic plan. In Prague, it is the Strategic Plan of the City of Prague (2016).

Detail land use plans are elaborated on municipal level. In the City of Prague, the current legally binding document is Zoning plan of the settlement unit of the capital city Prague (1999). In Central Bohemian part of the ITI / Prague Metropolitan Area, these are zoning plans on the level of individual municipalities.

The spatial planning system is a regulatory framework for spatial-functional elements on national, regional and local scales. It provides a spatial frame for the localization of socio-economic development and thus for the spatial dimension of implementation of strategic thematic objectives of strategic planning through individual development projects. Strategic planning itself addresses wide thematic area of national, regional and local (municipal) priorities of which many are related with the EU priorities and development objectives. The EU policies serve as thematic guide for national and correspondingly for regional and local priorities. Strategic plans reflect upon the thematic fields prioritised at international and the EU levels. Specifically, this is important in thematic areas that can

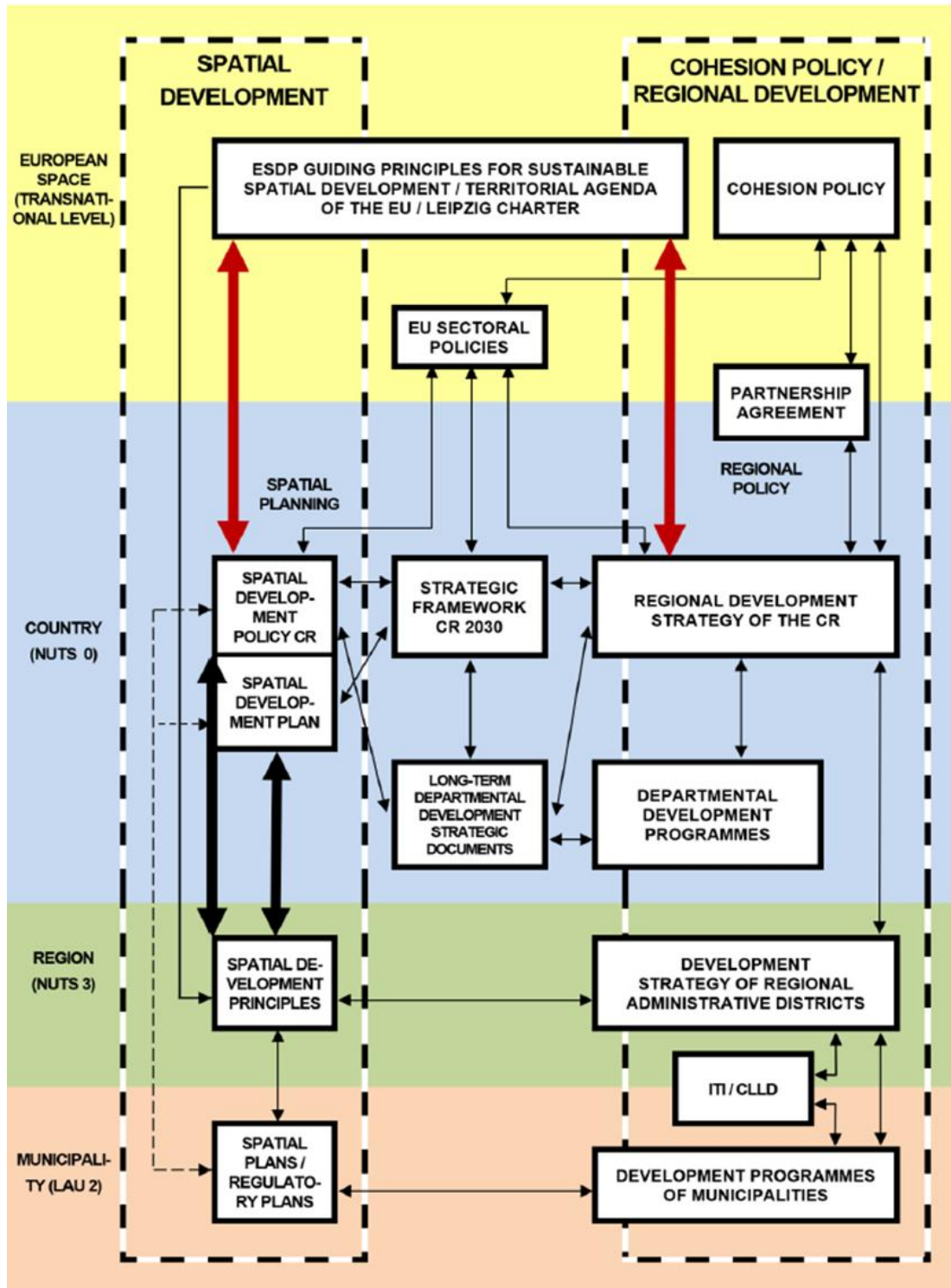
benefit from the EU financial assistance. Strategic planning documents thus usually are in full or major conformity with the EU priorities and programming periods.

While the Regional Development Strategy of the Czech Republic as the key strategic instrument of national regional policy is directly linked to the EU programming periods, Spatial Development Policy of the Czech Republic is not, similarly as strategic and spatial planning documents at regional and municipal (city) levels of government.

The implementation of the EU priorities and the Cohesion Policy in the EU programming periods is defined on the national level in the National Concept for the Implementation of Cohesion Policy and fixed in the Partnership Agreement for respective programming period. These documents elaborate the fulfilment of the key EU-national objectives through operational programmes supported by the EU funds. The so-called territorial partners, i.e. local and regional government bodies, can comment and to some extent influence the national priorities. However, they act namely as beneficiaries of the nationally provided EU aid. As beneficiaries, they use their local and regional instruments in the fields of strategic and spatial planning to prepare projects and draw EU funds from national Operational Programmes or from the EU direct funding. While some cities now align their strategic planning more closely with the EU priorities, it is not a common practice.

Importantly, the EU Cohesion Policy from 2014 pursues the voluntary use of integrated instruments of ITI and CLLD to stimulate and strengthen territorial cooperation in areas that are not governed by standard elected governments. In Czechia, ITI is used for supporting cooperation, planning and development in metropolitan areas and agglomerations, and CLLD for local development, usually centred around small towns and not including large cities. The implementation of the EU support through the ITI and CLLD requires the preparation and approval of integrated strategies for the development of territories that are defined for the implementation of integrated tools. These strategies are discussed and recommended within specific governance schemes that include selected actors and then approved, in the case of the ITI, by the holder of the instrument that is the central city, and usually also by the regional government, but not by all the municipalities in the respective territories, where the ITI is applied. The integrated strategy thus for most municipalities as well as regional governments serves as an offer of certain strategic development fields in which they can draw the EU funds to support their individual initiative provided they affiliate with the general strategy. This is important for understanding of metropolitan and or sub-regional planning that has been since 2014 associated with the implementation of the integrated tools of the EU Cohesion Policy of ITI and CLLD. This planning is only complementary and additional to city, town, municipal and regional plans of strategic development as it is not anchored by legal approval by the local and regional governments in the ITI territory. The national government and cities initiative attempted to form a legal framework for the institutionalization of formal governance in metropolitan areas and agglomerations that would allow to pursue this scale of governance, development and planning beyond the instrumental use of the EU scheme of integrated tools, however, they have not succeeded with their effort.

**Figure 6.1**  
**Policy and regulatory framework for spatial development in the Czech Republic: Spatial planning and regional (and urban) policies**



Source: Spatial Development Policy of the Czech Republic, 2023, p. 11.

## 6.2 Main development instruments in the field of strategic and spatial planning with relation to the EU Cohesion Policy

The Czech Republic is a country of strategic documents. The portal of strategic documents currently registers 22 key “umbrella” strategic documents on the national level and 179 strategic documents for specific thematic areas (this does not include action plans or implementation plans).

From the territorial development and urban and metropolitan dimension point of view, the key strategic documents at the national level are in the responsibility of the Ministry for Regional Development. The urban dimension is particularly addressed in strategic documents related to national regional policy and to territorial planning agenda (Table 6.1).

The key document in the area of regional policy is Regional Development Strategy of the Czech Republic (RDS). This strategy is prepared and implemented in accordance with EU programming periods. Therefore, we consider Regional Development Strategy of the Czech Republic 2014-2020 (2013) and Regional Development Strategy of the Czech Republic 2021+ (2019). National regional policy is closely linked to the European Union's regional (cohesion) policy with support from ESIF. The implementation of RDS is governed by the Action Plans for the Realization of RDS, and it is financed mainly from national Operational Programmes, supplemented by national subsidy programmes.

Related strategic documents, which priorities are implemented together with RDS through the Action Plans are Principles of Urban Policy (2010, update 2017, update 2023) and A Development Concept for Rural Areas 2021-2027 (2020). A Concept of Smart Cities (2021) is related to the Innovation Strategy of the Czech Republic 2019-2030 and has its own implementation plan.

In the field of spatial planning, the Ministry for Regional Development is responsible for the Building Act and two strategic policies: Spatial Development Policy of the Czech Republic, that is key strategic document for national spatial planning, and Architecture and Building Culture Policy of the Czech Republic. The Spatial Development Policy of the Czech Republic (2009, updates 2015, 2019, 2019, 2020, 2021, 2023, 2024, 2025) defines spatial planning priorities, concept for the country's settlement structure and namely development areas and axes (Figure 6.2).

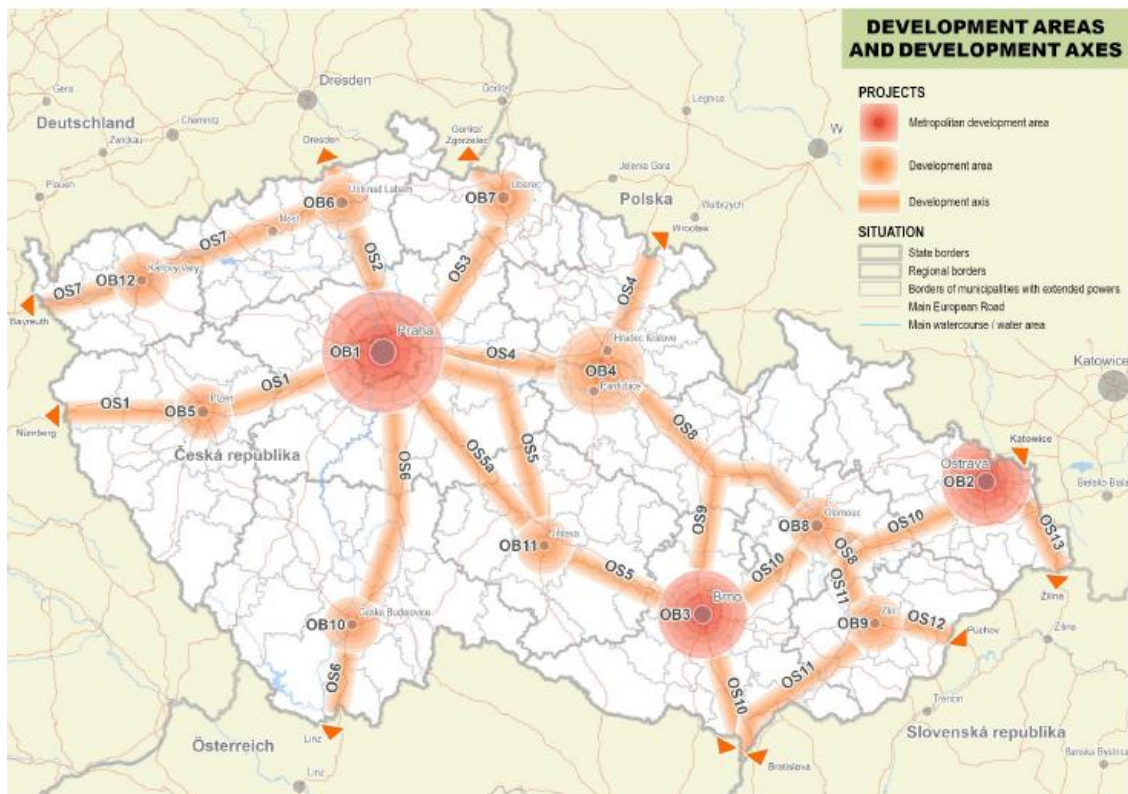
Ministry for Regional Development also anchors national housing policy, Housing Conception of the Czech Republic 2021+ (2021) and Tourism Development Strategy of the Czech Republic 2021-2030 (2021) that have specific territorial elements.

In the field of the EU Cohesion Policy, the Ministry for Regional Development is responsible for the National Concept for the Implementation of Cohesion Policy in the Czech Republic after 2020 (2019) and the Partnership Agreement for the 2014-2020 / 2021-2027 Programming Period (2014/2022).

The key strategic document for Prague is Strategic Plan for the City of Prague (2000, updates 2008, 2016). According to the portal of strategic documents, Prague has further 40 strategic documents in large number of thematic fields. From them, Capital City of Prague Climate Change Adaptation Strategy (2020), Prague Climate Plan 2030 (2021) and the Sustainable Mobility Plan for Prague and its Suburbs (2019, update 2024) are thematically aligned with the EU CP objectives.

In the area of spatial planning the key Prague document is Zoning plan of the settlement unit of the capital city Prague (1999). Its new version ready for approval was refused in 2012, the office for Metropolitan Plan was established at the IPR Prague Institute for Planning and Development and since 2013 a new Metropolitan Plan is under preparation. As a consensual agreement on the Metropolitan Plan has not been achieved among key stakeholders the actual construction is still governed by the plan from 1999.

**Figure 6.2**  
**Spatial Development Policy of the Czech Republic: Development areas and axes**



Source: Spatial Development Policy of the Czech Republic 2025, p. 30

The suburban part of Prague Metropolitan Area is under jurisdiction of the government of Central Bohemian Region. The key document of the region is the Development Strategy of the Central Bohemian Region (SRK) for the period 2019-2024 with a view to 2030 (2019) and in the field of spatial planning it is the Development Principles of the Central Bohemian Region (2011, 16 updates with the last in 2025).

At the metropolitan level, there are integrated strategies specifically developed for the implementation of the CP instrument of the ITI Integrated Territorial Investment. While these strategies reflect the development strategies of regions and cities (strategic development plans), they are complementary instruments specifically focused on the areas purposefully delimited for the ITI.

The Integrated strategy for the ITI of Prague Metropolitan Area 2014-2020 and The Integrated strategy for the ITI of Prague Metropolitan Area 2021-2027 (Table 6.1) provide a framework for the use of Integrated Territorial Investments to implement large integrated projects with a significant impact on the metropolitan area supported through multi-source funding mainly through European funds. It addresses shared challenges and development issues of Prague and municipalities in the city hinterland within Prague metropolitan area (defined as FUA). It is neither a comprehensive development strategy for nor can substitute local (municipal) and regional development strategies.

In 2014-2020 the integrated strategy focused on three priority areas: (1) Intelligent Transport, (2) Protection from Natural Hazards and (3) Accessible and Quality Education. In 2021-2027 at addresses four thematic areas of (1) Transport, (2) Environment, (3) Education and Social and Health and (4) Tourism, Cultural and Natural Heritage.

**Table 6.1**  
**Main instruments at national, regional and local level**

Instrument	Level	Type (1) <sup>2</sup>	Type (2) <sup>3</sup>	Type (3) <sup>4</sup>	Main Goals	Actors Involved
Regional Development Strategy of the Czech Republic 2014-2020 (2013)	National	Strategy	Statutory but non-mandatory	Non-binding	Territorial dimensions, 4 priority fields and 9 priorities	Ministry for Regional Development
Regional Development Strategy of the Czech Republic RDS 2021+ (2019)	National	Strategy	Statutory but non-mandatory	Non-binding	Territorial dimensions, 6 strategic and 58 specific objectives	Ministry for Regional Development
Principles of Urban Policy: Update (2017)	National	Strategy	Statutory but non-mandatory	Non-binding	5 thematic principles	Ministry for Regional Development
Principles of Urban Policy: Update (2023)	National	Strategy	Statutory but non-mandatory	Non-binding	Territorial dimensions, key principles and 10 thematic priorities	Ministry for Regional Development
Spatial Development Policy of the Czech Republic (SDP CR) (2009, updates 2015, 2019, 2020, 2021, 2023, 2024, 2025)	National	Strategy	Mandatory	Binding	Spatial planning priorities, concept for the country's settlement structure, development areas and axes	
Strategic Plan of the City of Prague (2000, updates 2008, 2016)	City	Strategy	Statutory but non-mandatory	Non-binding	3 strategic directions for development, 12 objectives	The Capital City of Prague, Prague Institute for Planning and Development

<sup>2</sup> Strategy, programme, zoning, vision, sectoral (specify what sector) etc.

<sup>3</sup> Statutory and mandatory Vs statutory but non mandatory Vs non statutory

<sup>4</sup> Non-binding, binding for public authorities, binding for all subjects

Instrument	Level	Type (1) <sup>2</sup>	Type (2) <sup>3</sup>	Type (3) <sup>4</sup>	Main Goals	Actors Involved
Development Strategy of the Central Bohemian Region (SRK) for the period 2019-2024 with a view to 2030 (2019, update 2023)	Region	Strategy	Statutory but non-mandatory	Non-binding	5 strategic directions for development, 10 priority areas related to national RDS	Central Bohemian Region
Zoning plan of the settlement unit of the capital city Prague (1999)	City	Spatial Plan	Statutory and mandatory	Binding	Outdated land use plan	The Capital City of Prague, Prague Institute for Planning and Development
Metropolitan Plan (under preparation)	City	Spatial Plan	Statutory and mandatory	(Binding)	Under preparation since 2011	The Capital City of Prague, Prague Institute for Planning and Development
Integrated Strategy for ITI of Prague Metropolitan Area (2014-2020) (2014)	Metropolitan	Strategy	Statutory but non-mandatory	Non-binding	3 priority areas (smart transport; protection against natural hazards; accessible and high-quality education)	The Capital City of Prague in coordination with Central Bohemian Region
Integrated Strategy for ITI of Prague Metropolitan Area 2021-2027 (2023)	Metropolitan	Strategy	Statutory but non-mandatory	Non-binding	4 priority areas (transport; environment; education, social and health services; tourism, cultural and natural heritage)	The Capital City of Prague in coordination with Central Bohemian Region

Source: author's own elaboration.

### 6.3 Localisation of Cohesion Policy

On the national level, the key strategic document for the implementation of spatial and urban/metropolitan dimension in national policies is the Regional Development Strategy of the Czech Republic

RDS 2021+ (2019). RDS21+ is based on the Strategic Framework of the Czech Republic 2030, which is the overarching development document of the Czech Republic aligned with the EU priorities. The basic document that defines the priorities of the Czech Republic in relation to the new programming period is the National Concept for the Implementation of Cohesion Policy after 2020.

The key role of the RDS21+ is primarily in defining territorial priorities, i.e. the territorial dimension of public policies and specifically in relation to the EU Cohesion Policy in Czechia. The RDS21+ on general level defines thematic priorities for the specific territories: metropolitan areas, agglomerations, regional centres, structurally disadvantaged regions and economically and socially disadvantaged areas. While the thematic priorities defined in RDS21+ are not explicitly linked to the thematic and policy objectives of the EU CP, their broad thematic coverage well resonates with most of them.

The territorial dimensions defined in the RDS21+ should be reflected in the thematic strategies of other ministries. The regional development strategies should address in detail the RDS21+ territorial dimensions with regard to the specifics of the region. RDS21+ (and previous version of as a key strategic document reflected in the Integrated Strategy for ITI of Prague Metropolitan Area 2021-2027 as well as referred to (the earlier version of RDS) in the Strategic Plan of the City of Prague.

National Principles of Urban Policy overview and refer to the international and EU policies. While this policy document does not explicitly align with the cohesion policy thematic objectives (update 2017) and policy objectives (update 2023), its thematic coverage well aligns with them.

The EU CP thematic objectives are reflected in the National Concept for the Implementation of Cohesion Policy and fixed in the Partnership Agreement. The Prague specific Operation Programme Prague – Growth Pole of the Czech Republic (2014-2020) declared its relation to anchoring EU document EUROPE 2020 strategy and to the thematic objectives of the European Union. However, the explicit relation between the concrete thematic objectives of EU CP and the OP PGP objectives has not been declared.

The Integrated Strategy for ITI of Prague Metropolitan Area for 2014-2020 as well as for 2021-2027 in general refers to strategic policy environment at the European level and in some instances to specific documents and regulations and then to national and city level strategies. It does not explicitly address the relation between the integrated strategy thematic fields and strategic goals and the EU CP objectives. However, there are strong affiliations in particular themes (Table 6.2 and Table 6.3).

The Strategic Plan of the City of Prague (2016) and the Metropolitan Plan and the Development Strategy of the Central Bohemian Region (SRK) for the period 2019-2024 with a view to 2030 (2019) do not explicitly work with the EU CP objectives, yet in both instances there is broad thematic overlap with the EU CP objectives.

The EU CP objectives do not have major direct effect on the thematic guidance of the national policies in the field of regional and urban policies and on strategic policy documents on city and metropolitan levels in the case of the city of Prague and Central Bohemian Region. However, due to close embeddedness of local and national policies within the EU (and international) policy narratives, there is, unsurprisingly, large overlap and association between thematic priorities and policy objectives at local, metropolitan, regional, national and EU policy documents and strategies (Table 6.2 and Table 6.3).

The policy and regulatory framework for spatial development in the Czech Republic has two essential pillars of spatial planning and strategic planning. The system of spatial planning explicitly presents/positions itself as one essential pillar of territorial development (including urban and metropolitan) in country, with the second being strategic planning including regional policy and cohesion policy through the OPs. Spatial plans are essential for the localization of any type of investments, including projects supported from the EU CP. They provide basic spatial planning framework for these investments, but without direct reflection of EU CP thematic/policy objectives.

**Table 6.2**  
**Coherence with the Cohesion Thematic Objectives 2014-2020**

Tool	Cohesion Thematic Objectives 2014-2020 <sup>5</sup>										
	T01	T02	T03	T04	T05	T06	T07	T08	T09	T010	T011
RDS2014-2020	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
PUP2017	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
SDP2015/2019	N	N	N	P	P	Y	Y	P	P	N	N
SP Prague 2016	Y	P	P	P	P	P	Y	P	Y	Y	Y
DS Central Bohemia 2019	Y	Y	P	P	Y	Y	P	P	P	Y	P
IS ITI PMA 2014	N	N	N	N	Y	P	Y	N	N	Y	N

Source: author's own elaboration.

Notes: Y – yes, N – no, P - partial

**Table 6.3**  
**Coherence with the Cohesion Policy Objectives 2021-2027**

Tool	Cohesion Policy Objectives 2021-2027 <sup>6</sup>				
	PO 1	PO 2	PO 3	PO 4	PO 5
RDS21+	Y	Y	Y	Y	Y
PUP2023	Y	Y	Y	Y	Y
SDP2021-2025	P	Y	Y	P	Y
SP Prague 2016	P	Y	P	P	Y
DS Central Bohemia 2023	P	Y	Y	P	P
IS ITI PMA 2023	N	Y	Y	P	N

Source: author's own elaboration.

Notes: Y – yes, N – no, P - partial

Therefore, the assessment of the coherence with the Cohesion Policy objectives has been done for strategic planning in the field of regional and urban policies and strategies of urban, regional and

<sup>5</sup> In the period 2014-2020, the cohesion policy had identified 11 Thematic Objectives: 1. Strengthening research, technological development and innovation; 2. Enhancing access to, and use and quality of, information and communication technologies; 3. Enhancing the competitiveness of SMEs; 4. Supporting the shift towards a low-carbon economy; 5. Promoting climate change adaptation, risk prevention and management; 6. Preserving and protecting the environment and promoting resource efficiency; 7. Promoting sustainable transport and improving network infrastructures; 8. Promoting sustainable and quality employment and supporting labour mobility; 9. Promoting social inclusion, combating poverty and any discrimination; 10. Investing in education, training and lifelong learning and 11. Improving the efficiency of public administration.

<sup>6</sup> In the period 2021-2027, the cohesion policy has five policy objectives (POs) for the ERDF, the European Social Fund+ and the Cohesion Fund: (i) A smarter Europe – innovative and smart economic transformation (PO1); (ii) A greener, low-carbon Europe (PO2); (iii) A more connected Europe – mobility and regional ICT connectivity (PO3); (iv) A more social Europe – implementing the European Pillar of Social Rights (PO4) and (v) A Europe closer to citizens – sustainable and integrated development of urban, rural and coastal areas through local initiatives (PO5).

metropolitan development. Spatial planning instruments have been omitted, except the Spatial Development Policy of the Czech Republic, which is by its character a more strategic than strictly spatial planning document. As none of the evaluated documents explicitly referred to Cohesion Policy thematic objectives 2014-2020 or policy objectives 2021-2027, the assessment of coherence reflected thematic overlaps and associations.

## 6.4 Key investment areas

In this paragraph, only projects explicitly controlled by the city of Prague through their own OP Prague – Growth Pole and through the Integrated strategy for the ITI of Prague Metropolitan Area are summarized.

In 2014-2020, when Prague acted as a managing authority of own OP Prague – the Growth Pole of the Czech Republic, it was primarily successful in supporting education projects in Prague, specifically in the area of support for the integration of students with different native languages. In the social sector, pilot projects focused on innovative solutions were developed for community centres and social housing.

The integrated strategy for the ITI of Prague Metropolitan Area has been in its implementation successful in its investments support for enhancing accessible and quality education. With the growing suburban population, it addressed major gap in the accessibility of schools. However, as this support was not available in Prague itself, the city is lagging in the development of educational infrastructure. The integrated strategy also partly successfully intervened in the area of transport both in the region and partly also in Prague. However, majority of projects aimed at road, parking, P+R, cycling paths construction can not be fully associated with the means for intelligent transportation. The implementation of the integrated strategy has not fulfilled plans in the environmental field with the focus on the protection from natural hazards.

In 2021-2027, the use of Cohesion Fund within the OP Transportation in the implementation of the Integrated strategy for the ITI of Prague Metropolitan Area allows Prague to realise projects in the field of transport infrastructure. However, it has to be noted that the main investments into transportation projects in Prague, such as underground (Metro) extension, city ring-road and regional ring-road or railways is not financed from the EU resources but from the city and national budgets.

In the Central Bohemian (suburban) part of Prague metropolitan area, the up to now approved projects deals with transport infrastructure as in the previous period and with reconstructions of public spaces and cultural heritage infrastructure aimed at tourism support.

## 7 Funding schemes and synergies

### 7.1 Funding schemes

#### 7.1.1 Nationally or regionally distributed EU funds

In Czechia, and specifically in urban and regional development, the shared management funds and specifically Cohesion Policy is the mainstream. The stakeholder as well as other respondents nearly exclusively emphasized the role of the funding from Cohesion Policy. The EU CP funding is attractive in Czechia as it offers subsidies with the high level of the EU contribution (not in the city of Prague). The Czech beneficiaries are seeking for subsidies rather than using other resources such as revolving funding.

In 2014-2020, the City of Prague pursued its own Operational Programme Prague – the Growth Pole of the Czech Republic (OP PPR). This OP has been on a general level related to the Strategic Plan of the City of Prague and projects supported by this OP can be seen as directly related to the city strategic development objectives. The OP PPR supported wider spectrum of beneficiaries. In this assessment we primarily focus on projects where the beneficiaries were directly related to the government and administration of the City of Prague, i.e. Prague City Hall, Prague local (borough) governments and so called contributory organizations established and financed by the city and its boroughs (organizations such as Institute for Planning and Development, ROPID – Regional Organizer of Prague Integrated Transport, museums and selected cultural establishments (City of Prague Library, City of Prague Museum, Prague Zoo Garden), public secondary schools, public elementary schools and kindergartens, social services establishments (social services centres, children's and youth centres, caregiving services), city health services (the City of Prague emergency medical service, City Hospital Na Františku), plus specific case of Prague Transportation Company, that is shareholding company with one owner, that is the City of Prague).

Since 2014, the City of Prague acted as the holder of the ITI instrument and the coordinator of its implementation. In this role it has been fulfilling the objectives of the Integrated Strategy for the ITI of Prague Metropolitan Area. Consequently, all projects funded with the aid of the ITI instrument can also be considered as directly related to city and metropolitan strategic development goals. The ITI supported wider spectrum of beneficiaries. In this assessment, we focus only on projects where the beneficiaries were the regional government of Central Bohemian Region, local governments (cities, towns, municipalities and voluntary municipal organizations) and contributory organizations established and financed by the local and regional authorities (self-government bodies) (Central Bohemian Regional Road Administration and Maintenance, city/town technical services, cultural establishments (city/town museums, libraries), public secondary schools, public elementary schools and kindergartens, social services establishments (social services centres, children's homes, retirement homes, caregiving services), city health services (Emergency Medical Service of Central Bohemia, city hospitals).

The information about the ESIF projects in 2014-2020 programming period has been originally provided by the ESPON URDICO research coordinators. The dataset was received from the Kohesio website (<https://kohesio.ec.europa.eu/en/data/projects>) and included all the projects funded with ERDF, ESF and CF. Unfortunately, the dataset for projects in the current programming period of 2021-2027 was not publicly available. Another weakness of this dataset is that the geolocation is based on the seat of the beneficiary and not on the actual location of the supported activity or accomplished investments. Thus, the data for instance includes projects realized by national ministries with their seat in Prague, however, with place of realization elsewhere in the country.

With the Prague City stakeholder, we agreed that it would be very useful to know the total eligible expenditure for all projects realized in the city and then assess the proportion of projects realized by the city beneficiaries, as defined in the project methodology. Furthermore, we needed to receive also data for 2021-2027 period. Therefore, we attempted to receive data from national monitoring system managed at the Ministry for Regional Development of the Czech Republic. Despite the structure of needed dataset was defined at meetings in March and April 2025, the administrative and organizational requirements and obstacles (approval by managing authority of each national OP) postponed

the delivery of data to October 2025, when the draft of Prague case study with analyses was already submitted. Fortunately, the flexibility and understanding of ESPON and project coordinators allowed to include the analysis based on the obtained national data.

The data were provided by the Ministry for Regional Development of the Czech Republic (MRD) from ESIF Monitoring System for both programming periods. For 2021+, the status of projects was given by 30.9.2025. The data delivery required approval from management authorities of all concerned OPs. Data contained all projects financed from Operational Programmes with the exception of OP Technical Assistance (the City of Prague stakeholder did not consider these projects as essential for urban and metropolitan development), that have been at least partially realized in regions CZ010 Prague and CZ020 Central Bohemia.

The analysis of 2014-2020 included all projects that were completed, with territorial affiliation based on place of realization (not the seat of beneficiary) and with finances paid for realization according to the places of realization (in the case of multiple places the finances were distributed between them). For 2021-2027 period, the analysis included projects that have legal status of being approved and in realization, territorial affiliation was based on place of realization and for completed projects it reflected finance paid for realization, while for projects in realization finances were taken from the legal act of project approval.

From the multiple datasets received from MRD, two essential datasets we compiled. First contains information about each project. The second dataset is a list of places of projects realization (altogether there are about 140 000 of project/place records.). There are important issues that concern places of realization and hence spatial distribution of EU Cohesion Policy projects. First, there are cases, and are not rare, when places of realization are in different areas than is the seat of project beneficiary. Second, most projects have more and some many places of realization. Third, the place of realization can be declared on different scales: intra-municipal, municipal, district or regional. The coding at the municipal and more detailed level allowed to localize projects, respective project places of realization within (or outside) Prague Metropolitan Area. In the case of projects, typically ESF, with localization in more regions of Czechia, a proportional part of finance was allocated to Prague and Central Bohemia. The Central Bohemian finances were divided between Prague Metropolitan Area and the rest of Central Bohemia by the population share of both parts. In the case of districts which part lies within PMA, the proportional distribution of population between the two parts was used for splitting the project finances. This procedure allowed to relate project sites with financial allocation to the territory of Prague CZ010 (core of PMA) and suburban (Central Bohemian) part of PMA. In 2014-2020, 851 projects with the City of Prague government beneficiaries were funded from Operational Programme Prague – the Growth Pole of the Czech Republic (OP PPR) with a total funding of 333 million EUR. In 2021-2027 programming period, Prague does not manage any city specific operational programme.

In 2014-2020, 118 such projects were funded through the instrument of the ITI with a total funding of 254 million EUR. 5 of these projects were realized in the city of Prague and 113 in the suburban (out of Prague) part of Prague Metropolitan Area in Central Bohemian Region. 4 of the projects realized in Prague were funded by OP Prague Growth Pole and one by OP Environment. 113 projects in the Central Bohemian Region were financed by Integrated Regional OP.

From the beginning of the programming period 2021-2027 up to September 2025, 22 projects were funded, under realization or realized through the instrument of the ITI with a total funding of 203 million EUR. 5 of these projects are realized in the city of Prague and 17 in the suburban (out of Prague) part of metropolitan area in Central Bohemian Region. Five projects realized in Prague are funded from Cohesion Fund by OP Transport and account for 174 million EUR. The projects in the Central Bohemian Region are financed by Integrated Regional OP but one financed from OP Environment.

In 2014-2020, the beneficiaries from Prague City Hall, government of Central Bohemian Region, local governments of Prague boroughs and cities and municipalities in Central Bohemian part of the Prague Metropolitan Area and from city established organizations also benefited from other national Operational Programmes and outside the ITI scheme. These included:

- Integrated Regional Programme – ERDF;
- Employment, Human Capital and Social Cohesion - ESF;

- Transport - ERDF/CF;
- Research Development and Education - ESF/ERDF;
- Environment - ERDF/CF;
- Technical Assistance – CF.

In 2014-2020, there were altogether 6035 projects (including ITI and OP PGP) supported by these OPs (except OP Technical Assistance) in Prague Metropolitan Area, altogether accounting for 1 661 million EUR. From this, 2 315 projects with the total eligible expenditures amounting to 550 million EUR were realized on the City of Prague territory and 3 718 projects for 1 112 million EUR in the suburban Central Bohemian part of metropolitan area.

While some of the 1 460 projects of the City of Prague government beneficiaries, financed from other OPs than OP Prague Growth Pole, can be related to city or borough development strategies, most of them rather reflect individual development objectives of the beneficiaries.

In the suburban (out of Prague) part of metropolitan area that is in Central Bohemian Region, the 3 606 projects realised outside of the ITI instrument could be related to fulfilling strategic development goals of the region or individual cities and municipalities, or to individual goals of beneficiaries. However, these projects do not explicitly relate to the strategic development of the metropolitan area, such as is the case of integrated projects funded from the ITI and embedded in the Integrated Strategy for the ITI of Prague Metropolitan Area.

The projects realised on the territory of Prague by the City of Prague government beneficiaries accounted for 12.4 % of total eligible expenditures and 9.2 % of the EU contribution. The total of 5 199 projects realized at the Prague territory accounted for a total eligible expenditure of 4 430 million EUR and 3 293 million EUR of the EU contribution. Correspondingly, in the Central Bohemian part of the Prague Metropolitan Area, the government beneficiaries accounted for 22.2 % of total eligible expenditures and 22.9 % of the EU contribution. The total of 8 080 projects realized at the outer territory of PMA accounted for a total eligible expenditure of 5 009 million EUR and 3 899 million EUR of the EU contribution. Altogether, in the whole Prague Metropolitan Area 13 279 projects were funded from the EU Cohesion Policy with a total eligible expenditure of 9 438 million EUR and 7 192 million EUR of the EU contribution.

In 2021-2027, the beneficiaries from Prague City Hall, government of Central Bohemian Region, local governments of Prague boroughs and cities and municipalities in Central Bohemian part of the Prague Metropolitan Area and from city established organizations draw support from several national Operational Programmes that include:

- Integrated Regional Programme – ERDF;
- Employment + - ESF;
- Transport - ERDF/CF;
- OP JAK (Johannes Amos Comenius – R&D & Education) (2021+) - ESF/ERDF;
- Environment - ERDF/CF;
- Technical Assistance – CF.

In 2021-2027, until September 2025, 3 319 projects (including ITI) realised by the city, regional and municipal government beneficiaries were supported from the EU Cohesion Policy (except OP Technical Assistance) in Prague Metropolitan Area. Together, they account for 734 million EUR. Out of this metropolitan whole, 994 projects with the total eligible expenditures amounting to 336 million EUR were realized on the City of Prague territory and 2 225 projects for 398 million EUR in the suburban Central Bohemian part of metropolitan area.

Many of the 994 projects of the City of Prague government beneficiaries can be related to city or borough development strategies, for instance in respect of adaptation to climate change or in support of sustainable mobility, most of them are outcomes of individual development objectives of the beneficiaries.

In the suburban (out of Prague) part of metropolitan area that is in Central Bohemian Region, the majority of projects (2 208) are realised as individual, as compared to 17 so called integrated projects supported with the ITI instrument. They can be related to strategic development objectives of the region or individual cities and municipalities, or just to individual goals of beneficiaries. However, they are not embedded in the Integrated Strategy for the ITI of Prague Metropolitan Area, and their realization cannot be seen as explicitly supporting strategic development of the metropolitan area.

The projects realised on the territory of Prague by the City of Prague government beneficiaries accounted for 20.0 % of total eligible expenditures and 21.4 % of the EU contribution. The total of 2 695 projects realized at the Prague territory account for a total eligible expenditure of 1 678 million EUR and 1 192 million EUR of the EU contribution. Correspondingly, in the Central Bohemian part of the Prague Metropolitan Area, the government beneficiaries account for 38.7 % of total eligible expenditures and 38.9 % of the EU contribution. The total of 3 999 projects realized at the suburban territory of PMA in Central Bohemia accounting for a total eligible expenditure of 1 029 million EUR and 705 million EUR of the EU contribution. Altogether, in the whole Prague Metropolitan Area 6 694 projects have been, in the current period until September 2025, funded from the EU Cohesion Policy with a total eligible expenditure of 2 708 million EUR and the EU contribution of 1 897 million EUR. In 2014-2020, in the city of Prague, 7,5% of funding was provided by the OP Prague Growth Pole, and 1,3% of all funding was managed through the ITI. In the whole Prague Metropolitan Area, the ITI integrated projects accounted for 3,1% and ITI city, regional and local government-projects for mere 2,7% of funds. In 2021+ period until September 2025, ITI projects accounted for 8,4 % of all funds and 7,5 % for city, regional and local government projects. In 2014-2020, ERDF share on the total eligible expenditure was 40,4% in the City of Prague and 45,7% in the Prague Metropolitan Areas, the proportion of ESF was 44,2% respectively 33,3% and of the Cohesion Fund 15,4% in Prague and 21% in PMA. Government projects were, however, dominantly funded from ERDF, with 56.4% share in Prague, 53,1% in the suburban part of PMA and 54,2% in the whole Prague Metropolitan Area, followed by ESF (31% in Prague and 18.1% in PMA) and CF (12.6% in Prague and 27.7% in PMA).

In 2021-2027 period, ERDF up to now (September 2025) dominates with 60,9% in Prague and 56.8% in PMA, ESF+ with 22,7% in Prague and 19,1% in PMA and CF with 16,4% in the city and 24,1% in the whole metropolitan area. However, 55.7% of the government-projects finances in Prague come from CF for transportation investments and 45,2% in the whole PMA for environmental and transportation projects.

In 2014-2020 period, the City of Prague accounted for 47% of the total funding in metropolitan area, while funds for ITI integrated projects were channelled from 80% to the suburban part of metropolitan area. In 2021-2027 period, the share of the City of Prague is 62% on all projects and 77% on the ITI projects in Prague Metropolitan Area.

**Table 7.1**  
**Number of all / city and regional government projects funded from ESIF in 2014-2020**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	207 / 13	868 / 639	1075 / 652
Transport - ERDF/CF	45 / 4	47 / 0	92 / 4
Enterprise & Innovation for Competitiveness - ERDF	1 / 0	1241 / 1	1242 / 1
Prague – the Growth Pole of the Czech Republic - ERDF/ESF	1591 / 851	0 / 0	1591 / 851
Research Development and Education - ESF/ERDF	2179 / 1286	2779 / 2220	4958 / 3506
Employment, Human Capital and Social Cohesion - ESF	904 / 62	2220 / 192	3124 / 254
Environment - ERDF/CF	272 / 100	925 / 667	1197 / 767
<b>Total</b>	<b>5199 / 2316</b>	<b>8080 / 3719</b>	<b>13279 / 6035</b>

Source: author's own elaboration.

**Table 7.2**  
**ESIF funds 2014-2020 in million EUR for all / city and regional government projects**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	560 / 20	979 / 533	1 539 / 553
Transport - ERDF/CF	227 / 37	915 / 0	1 141 / 37
Enterprise & Innovation for Competitiveness - ERDF	0 / 0	793 / 5	793 / 5
Prague – the Growth Pole of the Czech Republic - ERDF/ESF	524 / 333	0 / 0	524 / 333
Research Development and Education - ESF/ERDF	1 236 / 88	645 / 96	1 881 / 184
Employment, Human Capital and Social Cohesion - ESF	1 425 / 39	941 / 34	2 367 / 73
Environment - ERDF/CF	457 / 32	736 / 443	1 193 / 475
<b>Total</b>	<b>4 430 / 550</b>	<b>5 009 / 1112</b>	<b>9 438 / 1661</b>

Source: author's own elaboration.

**Table 7.3****Proportion of ESIF funds 2014-2020 by OP and territory for all / city and regional government projects**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	12,6 / 3.6 %	19,5 / 48.0 %	16,3 / 33.3 %
Transport - ERDF/CF	5,1 / 6.8 %	18,3 / 0.0 %	12,1 / 2.3 %
Enterprise & Innovation for Competitiveness - ERDF	0,0 / 0.0 %	15,8 / 0.5 %	8,4 / 0.3 %
Prague – the Growth Pole of the Czech Republic - ERDF/ESF	11,8 / 60.6 %	0,0 / 0.0 %	5,6 / 20.0 %
Research Development and Education - ESF/ERDF	27,9 / 16.1 %	12,9 / 8.6 %	19,9 / 11.1 %
Employment, Human Capital and Social Cohesion - ESF	32,2 / 7.2 %	18,8 / 3.0 %	25,1 / 4.4 %
Environment - ERDF/CF	10,3 / 5.8 %	14,7 / 39.9 %	12,6 / 28.6 %
<b>Total</b>	<b>100,0 %</b>	<b>100,0 %</b>	<b>100,0 %</b>

Source: author's own elaboration.

**Table 7.4****Number of all / city and regional government projects funded from ESIF in 2021+**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	68 / 29	320 / 271	388 / 300
Transport - CF	45 / 7	23 / 2	68 / 9
Johannes Amos Comenius – R&D & Education - ERDF/ESF+	1587 / 926	2046 / 1669	3633 / 2595
Technologies & Applications for Competitiveness - ERDF	23 / 0	443 / 0	466 / 0
Employment - ESF+	937 / 20	847 / 17	1784 / 37
Environment - ERDF/CF	35 / 12	320 / 266	355 / 278
<b>Total</b>	<b>2695 / 994</b>	<b>3999 / 2225</b>	<b>6694 / 3219</b>

Source: author's own elaboration.

**Table 7.5**  
**ESIF funds 2021+ in million EUR for all / city and regional government projects**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	380 / 49	201 / 143	581 / 191
Transport - CF	252 / 185	182 / 0	434 / 185
Johannes Amos Comenius – R&D & Education - ERDF/ESF+	742 / 68	149 / 54	890 / 122
Technologies & Applications for Competitiveness - ERDF	67 / 0	193 / 0	259 / 0
Employment - ESF+	215 / 32	67 / 18	283 / 50
Environment - ERDF/CF	23 / 3	237 / 183	261 / 186
<b>Total</b>	<b>1 678 / 336</b>	<b>1 029 / 398</b>	<b>2 708 / 734</b>

Source: author's own elaboration.

**Table 7.6**  
**Proportion of ESIF funds 2021+ by OP and territory for all / city and regional government projects**

OP	Prague City	Suburban Metro	Prague Metro Area
Integrated Regional Programme - ERDF	22,6 / 14.5 %	19,5 / 35.8 %	21,4 / 26 %
Transport - CF	15,0 / 55.0 %	17,7 / 0.1 %	16,0 / 25.2 %
Johannes Amos Comenius – R&D & Education - ERDF/ESF+	44,2 / 20.3 %	14,4 / 13.5 %	32,9 / 16.6 %
Technologies & Applications for Competitiveness - ERDF	4,0 / 0.0 %	18,7 / 0.0 %	9,6 / 0.0 %
Employment - ESF+	12,8 / 9.4 %	6,5 / 4.6 %	10,4 / 6.8 %
Environment - ERDF/CF	1,4 / 0.8 %	23,1 / 46.0 %	9,6 / 25.3 %
<b>Total</b>	<b>100,0 %</b>	<b>100,0 %</b>	<b>100,0 %</b>

Source: author's own elaboration.

**Table 7.7**

**Total eligible expenditure and EU contribution for EU CP supported projects (all, government, ITI, OP PGP) in Prague in 2014-2020 programming period**

Territory/Projects	Total Eligible Expenditure	EU Contribution	Total Eligible Expenditure (%)	EU Contribution (%)
CZ010 Prague all	4 430	3 293	100,0%	100,0%
CZ010 Prague government	550	304	12,4%	9,2%
CZ010 Prague city (regional) government	189	102	4,3%	3,1%
CZ010 Prague borough (local) government	86	44	1,9%	1,3%
CZ010 Prague government organizations	275	158	6,2%	4,8%
ITI in Prague all	59	30	1,3%	0,9%
ITI in Prague government	59	30	1,3%	0,9%
OP PGP Prague all	333	167	7,5%	5,1%
OP PGP Prague government	333	167	7,5%	5,1%

Source: author's own elaboration.

**Table 7.8**

**Total eligible expenditure and EU contribution for EU CP supported projects (all, government, ITI, OP PGP) in suburban part of Prague Metropolitan Area in 2014-2020 programming period**

Territory/Projects	Total Eligible Expenditure	EU Contribution	Total Eligible Expenditure (%)	EU Contribution (%)
PMA in CZ020 Central Bohemia all	5 009	3 899	100,0%	100,0%
PMA in CZ020 Central Bohemia government	1 112	894	22,2%	22,9%
PMA in CZ020 Central Bohemia regional government	409	352	8,2%	9,0%
PMA in CZ020 Central Bohemia local governments	479	360	9,6%	9,2%
PMA in CZ020 Central Bohemia government organizations	224	181	4,5%	4,6%
ITI in PMA in CZ020 Central Bohemia all	238	202	4,8%	5,2%
ITI in PMA in CZ020 Central Bohemia government	196	166	3,9%	4,3%

Source: author's own elaboration.

**Table 7.9**

**Total eligible expenditure and EU contribution for EU CP supported projects (all, government, ITI, OP PGP) in Prague in 2021-2027 programming period**

Territory/Projects	Total Eligible Expenditure	EU Contribution	Total Eligible Expenditure (%)	EU Contribution (%)
CZ010 Prague all	1 678	1 192	100,0%	100,0%
CZ010 Prague government	336	255	20,0%	21,4%
CZ010 Prague city (regional) government	58	41	3,5%	3,4%
CZ010 Prague borough (local) government	28	13	1,7%	1,1%
CZ010 Prague government organizations	250	200	14,9%	16,8%
ITI in Prague all	174	148	10,4%	12,4%
ITI in Prague government	174	148	10,4%	12,4%

Source: author's own elaboration.

**Table 7.10**

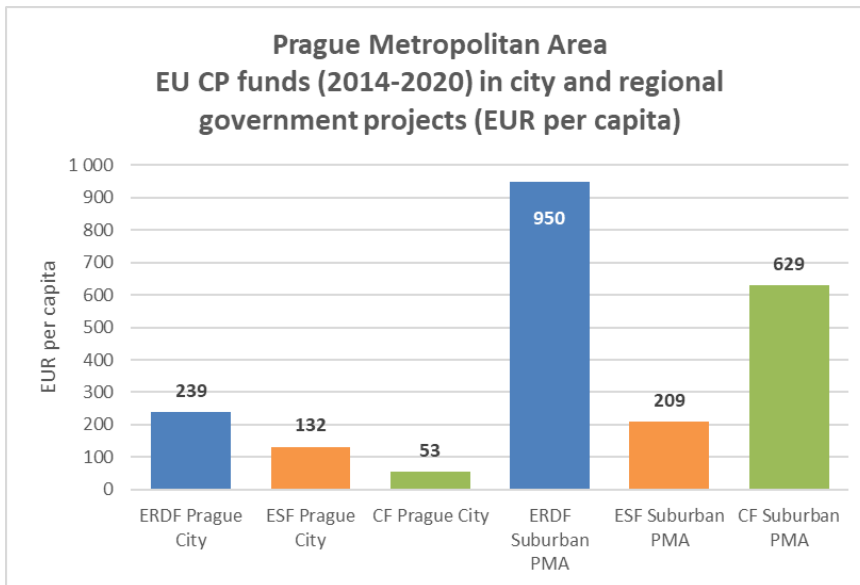
**Total eligible expenditure and EU contribution for EU CP supported projects (all, government, ITI, OP PGP) in suburban part of Prague Metropolitan Area in 2021-2027 programming period**

Territory/Projects	Total Eligible Expenditure	EU Contribution	Total Eligible Expenditure (%)	EU Contribution (%)
PMA in CZ020 Central Bohemia all	1 029	705	100,0%	100,0%
PMA in CZ020 Central Bohemia government	398	274	38,7%	38,9%
PMA in CZ020 Central Bohemia regional government	52	41	5,1%	5,9%
PMA in CZ020 Central Bohemia local governments	253	165	24,5%	23,4%
PMA in CZ020 Central Bohemia government organizations	94	68	9,1%	9,7%
ITI in PMA in CZ020 Central Bohemia all	52	36	5,1%	5,1%
ITI in PMA in CZ020 Central Bohemia government	29	20	2,8%	2,8%

Source: author's own elaboration.

**Figure 7.1**

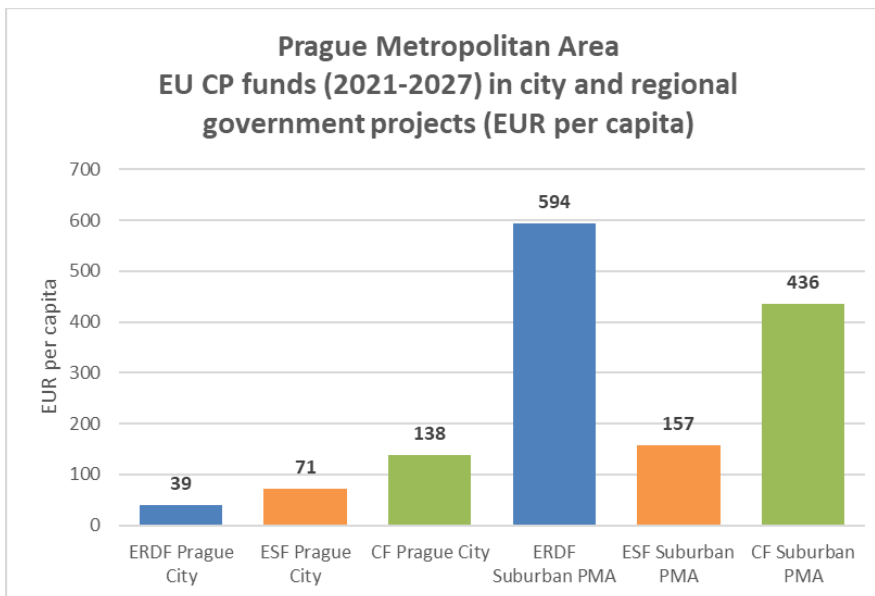
**Total eligible expenditures per capita for city and regional government projects supported from EU CP funds in core and suburban parts of Prague Metropolitan Area in 2014-2020 programming period**



Source: author's own elaboration.

**Figure 7.2**

**Total eligible expenditures per capita for city and regional government projects supported from EU CP funds in core and suburban parts of Prague Metropolitan Area in 2021-2027 programming period**



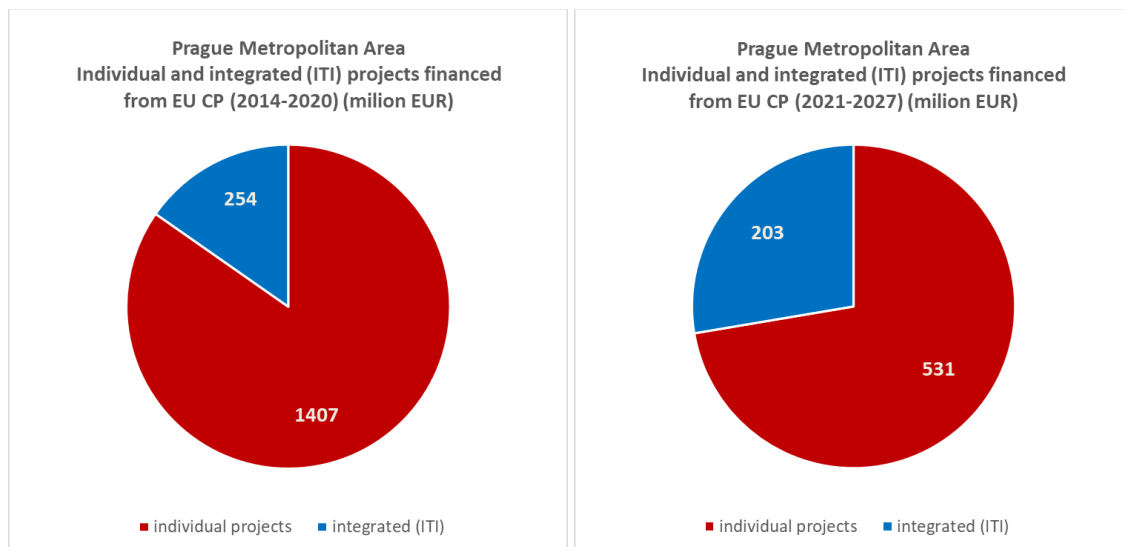
Source: author's own elaboration.

Vast number of EU Cohesion Policy funded projects have been implemented at the territories of the Capital City of Prague (5199 in 2014-2020 and 2695 in 2021+ periods) and Prague Metropolitan Area (13279 in 2014-2020 and 6694 in 2021+ periods). Majority of these projects have been funded from national operation programmes fulfilling national policy and thematic priorities without explicit relation to key objectives of urban and/or metropolitan strategic planning priorities. They have been realized in the direct interaction between the national level and end beneficiaries, bypassing regional, city and local governments.

The exception are integrated metropolitan projects funded through the ITI instrument and anchored in Integrated Strategy of the ITI for Prague Metropolitan Area (130 in 2014-2020 and 28 in 2021+ periods). The ITI projects in 2014-2020 period accounted for 3,1% of all eligible expenditures for EU CP supported projects in Prague Metropolitan Area and 2,7% in case of ITI projects of regional, city and local governments. In 2021+, the proportion of funding for ITI projects increased to 8,4%, respectively 7,5%.

Altogether, the projects with beneficiaries from regional, city and local governments and by them established organizations accounted for 12,4% in Prague and 17,6% in PMA in 2014-2020 and 20,0% and 27,1% in 2021-2027. While not using the opportunity in using the EU resources for more thematically and territorially targeted efforts in urban development by regional, city and local governments, this practice has provided widespread opportunities for many beneficiaries.

**Figure 7.3**  
**Total eligible expenditures for integrated ITI projects and individual projects with government beneficiaries in Prague Metropolitan Area supported from EU CP in the 2014-2020 and 2021-2027 programming periods**



Source: author's own elaboration.

## 7.2 Other relevant EU funds and programmes

The direct funding is additional, less important in financial terms and thus less attractive for political representations as well as for urban development professionals. However, there is experience with Horizon, UIA/EUI, Life, Interreg, namely for networking and mutual learning. During interviews conducted with key stakeholders, a respondent from the Prague Institute for Planning and Development expressed an opinion that from the long-term perspective of city development, these tools are the most important and beneficial. A respondent from the Ministry for Regional Development of the Czech Republic presented opinion that there is major imbalance and cleavage in the use of direct funding between countries of Eastern Europe and West European countries. In this opinion it was expressed that while there is large competition in the calls, the submitted proposals from Czechia are

rarely selected. In the interview this situation was explained by the fact that while EE countries can draw support from the Cohesion Fund they are systematically not considered for the direct funding (while this view presents an opinion and this study can not prove it as structural reality, it seems to be narrative held by a major national stakeholder). However, with the likely decline in EU CP funding in 2028+, the direct funding shall importantly increase in relevance and there are Czech cities, which are already now more active in seeking direct funding resources, such as Plzeň.

### 7.2.1 Other funding alternatives

Currently, the Modernization Fund administered by the State Environmental Fund with financial resources from emission allowances supports programmes (9 at present) for the implementation of low-carbon technologies, modernisation of energy systems, and improvement of energy efficiency. It is used extensively by cities, for instance in Brno systematically with priorities in their strategic planning, in Prague rather in decentralized manner by individual City Hall Departments, city organizations and other beneficiaries.

## 7.3 Funding coordination mechanism

In the city of Prague, there is currently no systematic planning, monitoring and assessment of the use of various funding resources. While we could expect that at least the monitoring and evaluation could be done by the IPR Prague Institute for Planning and Development, it is not the case. IPR gathers and provides large assemblies of data that are related to the land use and population, however, does not work with information that is essential for the evaluation of policy performance. It can be related to the fact that The Strategic Plan for the City of Prague (2016) does not have an approved implementation part, is not used for actual decision-making at the City-Hall and monitoring is not therefore relevant. The same applies for Prague Metropolitan Area, where IPR does not anymore (since it is not in charge of ITI administration) collects even the data for ITI/PMA (fortunately, basic population and land use data for ITIs are now provided by the Czech Statistical Office).

## 8 Recovery and Resilience Plan

### 8.1 The Governance of Recovery and Resilience Plan

The National Recovery Plan (Národní plán obnovy - NPO) is a strategic document through which the Czech Republic applied in 2021 for a financial contribution from the Recovery and Resilience Facility (RRF), which is the largest instrument in the NEXT GENERATION EU recovery plan. In 2023, the NRP was updated in response to the energy crisis and in view of the geopolitical situation. The total value of this programme managed from the Ministry of Industry and Trade is about EUR 9 billion.

The NPO includes projects and investments in seven priority areas:

- **Digital transformation:** Includes digitization of public administration, interconnection of systems, support for innovative start-ups and new technologies, and acceleration of construction procedures.
- **Physical infrastructure and green transition:** Focuses on investments in smart energy, decarbonization, clean mobility, water, and building renovations for energy savings.
- **Education and the labour market:** Support for the modernization of the education system, adaptation of school programmes, and development of preschool facilities.
- **Institutions, regulation, and business support in response to COVID-19:** Aims to improve the efficiency of public administration and support entrepreneurship.
- **Research, development, and innovation:** Support for excellent research, particularly in healthcare, and the building of a strategically managed research, development, and innovation ecosystem.
- **Health and resilience of the population:** Investment in improving social care, modernizing social care infrastructure, and developing human resources in this sector.
- **REPowerEU:** A new pillar focused on accelerating the energy transition, strengthening energy security, and developing clean mobility.

The common goal of all of these is to improve the functioning of the Czech Republic for its citizens and increase its resilience for the future.

The urban and metropolitan dimension (and any kind of territorial dimension) has not been explicitly and systematically used in the NPO National Recovery Plan. The communication with the urban partners during the NPO preparation was weak and not responsive. It included initial suggestions from cities and other territorial partners with the only suggested component that remained in the actual plan was brownfield regeneration, that is rather related to the economic recovery than complex development of urban spaces and territories. NPO is national framework with implementation decentralised to individual actors avoiding territorial units such as cities or even metropolitan areas (that could be, but were not, engaged thanks to established institutions for the ITI support). The use of RRF in the Czech Republic and the NPO is from cities seen as a missed opportunity for using key territorial partners for not only economic recovery but also for fostering future resilience. However, it must be noted, that Czech including Prague can use calls supported from NPO for supporting their activities.

While the EU is using Recovery and Resilience Facility not only for recovery and regeneration from the Covid-19 and related crises but also for enhancing the key system features for building future resilience to disturbances that can come, the Czech narrative is dominantly evolving about recovery and only secondarily about resilience. The plan itself is named Národní plán obnovy (NPO) – National Recovery Plan, only with a subtitle of Plan for Recovery and Resilience of the Czech Republic. Nobody is using the subtitle in political and expert discussions and implementation is only for NPO, i.e. recovery is referred to. The Introduction of the document clearly states that “the common response of the countries of the European Union is to implement policies that will help mitigate the impact and support economic recovery”. While the term resilience is mentioned in relation to economic, social and institutional resilience, the use of the term is in a way that rather seems to “mechanically” fulfil the

expectations of the EU, than fully and deeply engage with building resilience. Resilience is explicitly dealt with only in one of the six thematic pillars, “Health and population resilience” (that accounts only for about 6 % of the total funding), with its emphasis on increasing the resilience of the health care system and the resilience of the population.

The Programme Affordable Rental Housing can be used as an example of the low sensitivity of NPO to the needs of cities and metropolitan areas. In spring 2025, a call for support for social rental housing addresses one of the recently skyrocketing issues in urban development, which is affordable rental housing. However, this tool of the new Czech housing policy does not have any explicit territorial focus and most of the applications come from small municipalities and small housing projects. This is importantly conditioned by the total financial limitations per one beneficiary, which does not allow cities draw substantial contributions for larger housing developments. Consequently, the support rather flows to small settlements and peripheral areas and not to urban centres and metropolitan areas where there is highest need due to low physical availability and financial affordability of housing. Unfortunately, the data about individual projects and beneficiaries to assess the territorial pattern of allocation are not available from the State Investment Support Fund, which administers the programme, even not to the Department of Housing Policy of the Ministry for Regional Development.

**Table 8.1**

### The Governance of Recovery and Resilience Plan in Czech Republic

Name of the actor	Level	Responsibility
Ministry of Industry and Trade	National	Managing authority
Ministries	National	Thematic calls for project submissions
Cities, municipalities, regions and other subjects	National, regional, local	Beneficiaries

Source: author’s own elaboration.

## 8.2 Coherence with Recovery and Resilience Plan

There is no explicit relation between the National Recovery Plan and the instruments in the field of strategic and spatial urban, regional, and territorial planning and their relationship with the EU Cohesion Policy. The NPO National plan for Recovery is implemented in parallel with the CP implementation, without any use of potential benefits from mutual coordination, complementarity and synergies. A new and not established administrative structure has been formed, and with parallelly existing major policy instruments of RRF and the EU CP, there are now double transaction costs related to their administration. There are cases of conflicts of interest between EU CP and RRF, thematic overlaps in calls that lead to mutual cannibalisation through projects prepared for EU CP being transferred to RRF financing due to the difference in rules and conditions. The positive benefit is a stronger emphasis on the innovative aspects of projects.

## 8.3 Recovery and Resilience Fund

City departments, city boroughs, city organizations, NGOs and various subjects can respond to calls under the NPO and submit their projects. For instance, the Prague 5 borough receives funding from the Czech Labor Office through the National Recovery Plan to implement educational activities for office employees aimed at improving their digital IT skills. However, these projects are not coordinated in relation to the overall city strategic planning and development. In the city of Prague, there is no systematic planning, monitoring and assessment of the use of funding resources, including the National Recovery Plan - NPO.

## 9 Challenges and Policy Recommendations

### 9.1 Introduction: approach and structure

This chapter is based on the outcomes of ESPON URDICO Urban Laboratory Prague held on June 9, 2025, and reflects knowledge gained from the study of policy documents and reports, the interviews with experts and long-term participant observations of and personal experience with political and professional narratives concerning the use of EU CP in Czechia.

Beyond the pre-given focus on challenges and recommendations, this chapter also briefly summarizes key achievements as they should be seen as major strengths as well as opportunities in dealing with challenges, risks and threats. The achievements that are essential for understanding and assessing contemporary setup and situation with the relations between EU policies and urban and metropolitan development are presented in first section.

The structure of this chapter is based on distinction between challenges and recommendations at the local, regional, national and EU levels. However, the societal processes and needs, regulations and practices are mutually related, and in many cases, integrated across these scales. Therefore, challenges cannot be simply mechanically divided into scalar folders. This does not concern only thematic challenges that our cities, city regions and countries face, but also procedural (processual) challenges. For instance, the EU and national frameworks have key impact on the actual patterns and practices of EU CP implementation on the local (urban) and regional (metropolitan) levels.

Secondly, as we deal with the EU Cohesion Policy (and other EU policies) in relation to urban and metropolitan development, there is clearly given imperative of hierarchical orientation of top-down organized framework from the EU policy imperatives and regulations, that is further developed within the national level context and then arrives to the local and regional (urban and metropolitan) arenas. Therefore, the narrative of stakeholders and experts reflects this hierarchical top-down nature of EU policies, and its functionality is in the case of challenges reflected also in the text below. Hence, key challenges are first presented and discussed in and integrated manners from the EU and national frameworks to urban and metropolitan levels.

Nevertheless, policy recommendations need to target specific levels of government. Each of these levels can reflect a specific challenge from their position. Therefore, in the third part, policy recommendations are structured according to the pre-given template from local, through regional to national and EU levels of governance. Policy recommendations for these scalar levels of government and administration are related to challenges specifically articulated for the role of governments on these levels.

### 9.2 Achievements

In the period 2021+, Czechia has well-functioning and effective structure of organization for EU CP. Its main backbone is functional division of roles and responsibilities between National Coordination Authority, structure of Operational Programmes, established patterns of bodies that represent territorial partners involved in programming and developed capacities and competences on the level of beneficiaries.

The key achievement in the field of urban and metropolitan development is the establishment, use and positive experience with integrated tools, specifically with Integrated Territorial Investments (ITI) for cities and functional urban areas (FUA). This also includes benefits stemming from the CLLD (Community Led Local development) represented in Czechia by MAS (Místní akční skupiny – MASs, Local Action Groups) involved in designing and operationalization of integrated strategies for metropolitan areas and city regions respectively their regions for the implementation of ITIs.

The City of Prague has gained experience in managing European funds thanks to its role as the managing authority for its own operational programme Prague – the Growth Pole of the Czech Republic, in 2014–2020, as well as in previous periods. Although Prague is not currently performing this role in the period 2021–2027, it is now using the skills and competences it has acquired to support beneficiaries from Prague in drawing funds from national operational programmes.

Since 2014–2020, Prague and its partners from the Central Bohemian Region have been using the ITI (Integrated Territorial Investment) instrument and have created a functional organizational structure for integrated planning and support for the financing of Prague's integrated ITI projects with the aim of supporting development in the Prague metropolitan region.

### 9.3 Challenges: overview

Key challenges are presented and discussed in an integrated manner across scales from the EU and national frameworks to urban and metropolitan levels and specifically focus on:

- EU Cohesion Policy.
- National framework.
- Structure and role of local and regional (metropolitan) government.
- Strategic city development planning.
- Financial resources.

#### 9.3.1 EU Cohesion Policy and urban and metropolitan development in Prague and Prague Metropolitan Area

The key challenge for the implementation of EU funds for urban development in the City of Prague is related to the low level of EU co-financing. The City of Prague is in the category of more developed regions and thus the low-level of co-financing makes the use of EU CP fund unattractive if high transaction costs related to limitations, barriers and obligations are considered together with the existing options of own financing from city resources.

This challenge is specifically for the City of Prague that has the status of more developed cohesion region. It does not apply to the areas of Prague Metropolitan Areas – Prague MA ITI that lay outside the city of Prague, in the Central Bohemian Region, that is another cohesion region with transitory status.

However, this challenge has also impact on the functionalities of Prague Metropolitan Area ITI. There is an important territorial policy paradox. While Prague is the holder of ITI and responsible for its organization and financing, the major financial benefits from ITI are driven by territories outside the City of Prague. As there has been periods with different political representations in Prague and Central Bohemia, the political rivalry could further exacerbate this paradox.

#### 9.3.2 National framework of EU CP and urban and metropolitan development in Prague and Prague Metropolitan Area

The major challenge are discrepancies in understanding and interpretation of the role and possibilities of national coordination of EU CP. Partners from cities (not only Prague, this has been also articulated by the national stakeholders and an expert from another city/metropolitan area) refer to not sufficient dialog between national level and city level stakeholders. The interpretation from national level stakeholders is that the national level attempts to negotiate best possible arrangements for the benefits of local actors (cities, municipalities, regions) from the EU CP trying to achieve compromises in uneasy negotiations with the EU and that their role and achievements are not appreciated by local, municipal, urban and regional governments and other stakeholders.

The other key strongly articulated challenge is that national policies and national Operational Programmes do not reflect the role of cities, metropolitan areas and agglomerations (FUAs) in national socio-economic development and, therefore, it does not consider their specific needs to fulfil that important role in the national development that can bring benefits to all. This situation has been by some communication partners (stakeholders) partly related to a rather weak role of national Strategy for Regional Development (SRR; currently SRR 2021+). While the strategy defines territorial dimensions, including metropolitan, these territorial dimensions are not generally reflected and respected by specific resort policies (references were given namely to environment and social affairs, while most positive experience with the implementation of territorial dimension is in the resort of transportation). These challenges call for cooperation of major Czech cities in the articulation of their

needs towards the government of the Czech Republic as well as more active involvement in international networking. These efforts include also the city responsibilities as holders of ITI Integrated Territorial Investments for metropolitan regions and agglomerations.

Specific attention has been given to the RRF and National Plan for Reconstruction and Resilience as it bypassed the urban and metropolitan partners and thus territorial dimension. Secondly, conflicts of interest between EU CP and RRF were mentioned in terms of overlaps that lead to switching project prepared for EU CP to RRF thus resulting in, as was boldly expressed, “mutual cannibalization”.

### 9.3.3 Structure and role of local (and regional) government

One of the major challenges in Czechia is that, however, it is politically unfeasible to tackle its extreme local government fragmentation. It primarily concerns the municipal level with over 6 thousand municipalities in Czechia and nearly 500 municipalities in Prague Metropolitan Area. There are extreme differences in population size and therefore capacities and competences of municipalities with population from below hundred to population over million.

In the City of Prague, there is significant local government fragmentation to 57 boroughs (second-tier local government) with elected representations. Prague boroughs are marked with a huge variability in size from thousands to hundred thousand inhabitants. In terms of land and urban development, major powers are vested to municipalities and Prague’s boroughs. The decision-making in especially small and smaller boroughs is significantly impacted by NIMBY effects, which undermines namely the major city and city region (as well as national) infrastructural projects.

The major challenge for the implementation of EU CP in Prague Metropolitan Area is given by the splitting of its territory between two regional governments. These two governments often do not have corresponding political representations and their political priorities; thematic policies and decision-making practices are more driven by their own challenges and interests than common metropolitan issues. On top of it, the two administrative regions are distinct and separate cohesion regions that belong to two categories of more developed regions (Prague) and transition regions (Central Bohemia) which splits the possibilities, interest, stimuli, practices, between the two parts of the region.

The utilization of the ITI (Integrated Territorial Investment) instrument, that is in use since 2014-2020 and continues in 2021-2027 attempts to bridge these obstacles. Both Prague (as the ITI holder) and the Central Bohemian Region participate in setting the priorities and objectives of the Integrated Strategy for the ITI of Prague Metropolitan Area. While the implementation of development priorities is limited by the support offered by managing authorities of operational programmes associated with the ITI and that the implementation of joint projects (development activities) depends on the political leadership of both regional entities and involved local governments and faces administrative and legal barriers, it paves the way for metropolitan cooperation and development.

### 9.3.4 Strategic city development priorities and EU CP

At the level of the City of Prague, there is a very weak relation between Strategic Plan for the Development of the Capital City of Prague 2030 and the use of EU CP resources. The Strategic Plan was reflected in the general design of specific OP Prague – the Growth Pole of the Czech Republic (2014-2020) aimed solely on Prague, when the city of Prague was the managing authority. In 2021, the projects from the city town-hall, borough town-halls, city organization are planned and exercised in decentralized manner, with some reflecting specific city departmental strategies, such as Prague City Climate Plan 2030 or City of Prague's Climate Change Adaptation Strategy, however without overall city coordination, monitoring and evaluation.

At the level of Prague Metropolitan Area, which territory is a split between two regional governments, the strategic development priorities of both regions are designed independently in their strategic planning and spatial planning instruments, while they must reflect national priorities binding for both regions. The actual design and implementation of development priorities reflect on the situation in neighbouring region, however, it is often impacted by differing political representations in Prague and Central Bohemian Region governments and by region specific development priorities for own rather than jointly shared metropolitan interests.

The EU CP simulated metropolitan cooperation through integrated metropolitan planning and joint project through the instrument of ITI (Integrated Territorial Investment). However, despite its contribution to joint development efforts through successful projects, it faces some specific obstacles. While the City of Prague is the holder of ITI for Prague Metropolitan Areas, it has been severely limited in the possibilities to draw support for Prague itself, while, as it has been noted, it plays the role of coordinator for financial flows to areas outside Prague. This is impacted by the fact that Prague and Central Bohemian Region are two cohesion regions of different types and the distinction between priorities and funding possibilities leads to difficulties to achieve territorial synergies and joint approaches that has to be specifically tailored together under two different regional conditions.

### 9.3.5 Financial resources and their synergies

The City of Prague can draw only very limited financial resources that could help to major achievements and impact on city development. Prague as more developed region has high level of co-financing and thus less stimulating conditions to draw European funds and resources for urban development. A large proportion of ineligible expenditures could in some cases decrease the actual support to a level of 20-25% and even lower, which in combination with high transaction and operation costs of EU funding makes EU resources as unattractive.

The use of EU funds for coordinated metropolitan development in FUA of Prague Metropolitan Area is hampered by the different conditions for EU CP in the two parts of Prague Metropolitan Area due to the splitting of its territory to the separate Cohesion Regions that belong to two categories of more developed regions (Prague) and transition regions (Central Bohemia).

In the City of Prague, there has been missing significant EU support in the thematic areas of housing, education, services and demography (ageing and elderly population), where there is major need of development for advancing the level of socio-economic development, well-being of population and competitiveness.

## 9.4 Policy recommendations

Policy recommendations are structured from local for the City of Prague, through regional for Prague Metropolitan Area, to national (Czech Republic) and the EU levels of governance. Policy recommendations for these scalar levels of government and administration are related to challenges specifically articulated for the role of governments on these levels.

### 9.4.1 Local Level (The City of Prague)

#### 9.4.1.1 Challenges

The City of Prague can draw only limited financial resources that could help major achievements and impact on city development. Prague as more developed region has high level of co-financing and thus less stimulating conditions to draw European funds and resources for urban development. A large proportion of ineligible expenditures could in some cases decrease the actual support to low levels of subsidy, which in combination with high transaction and operation costs of EU funding makes EU resources as unattractive.

Furthermore, in the City of Prague, there has been missing EU support in particular thematic areas of housing, education, services and demography (ageing and elderly population), where there is major need of development for advancing the level of socio-economic development, well-being of population and competitiveness. These challenges call for more active involvement in international and national networking with other major cities and holders of ITI Integrated Territorial Investments for metropolitan regions.

Provided EU funds are available and functional, their implementation in the City of Prague is impacted by a significant local government fragmentation to 57 boroughs (second-tier local government) with elected representations. Prague boroughs are marked with a huge variability in size from thousands to hundred thousand inhabitants. Prague's boroughs have major powers in terms of land and urban development. The decision-making in especially small and smaller boroughs is

significantly impacted by NIMBY effects, which undermines namely the major city and city region (as well as national) infrastructural projects.

At the level of the City of Prague, there is a very weak relation between Strategic Plan for the Development of the Capital City of Prague 2030 and the use of EU CP resources. The Strategic Plan was reflected in the general design of specific OP Prague Growth Pole (2013-2020) aimed solely on Prague, when the city of Prague was the managing authority. In 2021, the projects from the city town-hall, borough town-halls, city organization are planned and exercised in decentralized manner, with some reflecting specific city departmental strategies, such as Prague City Climate Plan 2030 or City of Prague's Climate Change Adaptation Strategy, however without overall city coordination, monitoring and evaluation.

At the scale of Prague Metropolitan Area, the City of Prague draws financial benefits for transportation projects, namely the construction of new tramlines funded from Cohesion Fund via OP Transport through the instrument of ITI (Integrated Territorial Investments). The understanding of Prague benefits from ITI is often impacted by perception that while Prague is the holder of ITI and responsible for its organization and financing, the major benefits from ITI are, due to differing rules for two types of cohesion regions, driven by territories outside the City of Prague. In the case of the ITI, this is true in terms of the number of projects, but not in terms of the financial allocation, where transportation financing dominates.

Finally, the more effective implementation of EU policies and funding would improve with better coordination and synergies between strategic (socio-economic) and physical (spatial) planning instruments and tools.

#### 9.4.1.2 Policy recommendations

The major challenge for the implementation of EU CP in Prague Metropolitan Area is given by the limits of being more developed region with a low level of co-financing that is also mirrored in splitting of Prague Metropolitan Area territory between two regional governments of the City of Prague and Central Bohemian Region. These are external conditions that can be addressed through addressing national and EU policy levels. The other issue is significant local government fragmentation to 57 boroughs that can be partially addressed by a national reform of local government as well as partly resolved within the city organization of two-tier government structure. However, at present there is no political will and even discussion on that matter. For the achievement of a better position for the negotiation of the EU and national framework for Cohesion Policy, the City of Prague has to strengthen its cooperation with other major Czech cities for joint articulation of city needs towards the government of the Czech Republic as well as more actively engage in international networking. Therefore, the recommendations consider these constrains as external environment for recommendations that are:

- Make the strategic planning functional in terms of planning city development and expenditures including Cohesion Policy implementation.
- Strengthen coordination between strategic and spatial planning.
- Reform of local government fragmentation within Prague (reduce the number of 57 boroughs through the integration of smallest boroughs).
- More actively utilize the opportunities of joint approach and networking of cities and metropolitan regions towards the government of the Czech Republic and the European Commission.
- Transfer experience and practices from other EU cities and their implementation in city development.

## 9.4.2 Regional Level (Prague Metropolitan Area)

### 9.4.2.1 Challenges

The major challenge for the implementation of EU CP in Prague Metropolitan Area is given by the splitting of its territory between two regional governments of the City of Prague and Central Bohemian Region. These two governments often do not have corresponding political representations and their political priorities, thematic policies and decision-making practices are more driven by their own challenges and interests than common metropolitan issues. This challenge can hardly be resolved in other way than changing political culture akin of more co-operative efforts, unless a major national reform of local and regional governments is launched.

The use of EU funds for coordinated metropolitan development in FUA of Prague Metropolitan Area is hampered by the different conditions for EU CP in the two parts of Prague Metropolitan Area due to the splitting of its territory to the separate Cohesion Regions that belong to two categories of more developed regions (Prague) and transition regions (Central Bohemia). This influences the possibilities, interest, stimuli, practices, between the two parts of the region. The delimitation of Cohesion Regions can be changed by the national government in a way that Prague and Central Bohemia are amalgamated. However, the probability of doing so is at present close to zero.

Prague Metropolitan Area consists of nearly 500 municipalities with extreme differences in population size and therefore capacities and competences. Municipalities range with population from below hundred to over one million. This is part of a major national challenge and cannot be resolved on metropolitan area level without the national reform local government system with the goal to reduce the extreme local government fragmentation. At present, there is missing specifically designed legal framework for metropolitan cooperation, governance or even government and planning. As recent attempts failed not receiving political support and being strongly opposed by regional government, this challenge remains a task to be resolved in near future. The institutionalization of metropolitan governance and planning requires cooperation of major Czech cities, cores of metropolitan and urban regions and ITI holders in the sustained articulation of the needs for legal framework for metropolitan cooperation. This national agenda can be further enhanced through international networking at the EU level.

### 9.4.2.2 Policy recommendations

Stakeholders appreciate the positive experience with the implementation of Integrated Territorial Investments (ITI) and Integrated Strategy for Prague Metropolitan Area for metropolitan cooperation and development. They are sceptical concerning resolving the major challenge resulting from the extreme local government fragmentation. The recommendations take this on board and suggest possible achievements utilizing the positive experience while respecting these constraints. These challenges call for cooperation of major Czech cities in the articulation of their needs towards the government of the Czech Republic as well as more active involvement in international networking. These efforts include also the city responsibilities as holders of ITI Integrated Territorial Investments for metropolitan regions and agglomerations. The key recommendations are:

- Jointly with the national level be supportive of institutionalization of metropolitan governance,
- Establish coordination between strategic and spatial planning.
- Utilize joint approach of cities and metropolitan regions towards the government of the Czech Republic.
- Utilize joint approach of cities and metropolitan regions (FUAs) towards the European Commission.

### 9.4.3 National Level (Czechia)

#### 9.4.3.1 Challenges

One of the major challenges for the implementation of Cohesion Policy and other EU policies on urban, urban region and metropolitan area levels in Czechia is extreme local government fragmentation. It primarily concerns the municipal level of government with over 6 thousand municipalities in Czechia and nearly 500 municipalities in Prague Metropolitan Area. There are extreme differences in population size and therefore capacities and competences between municipalities which population ranges from below hundred to over one million. This challenge is, however, politically unfeasible to tackle.

There are instruments for voluntary co-operations of municipalities that are however used mostly in regions centred around small and medium-sized towns. They, however, are not functional in metropolitan areas with hundreds of municipalities, such as is the case of metropolitan areas of Prague, Brno or Ostrava. Recent attempts for specific design of legal framework for metropolitan cooperation, governance or even government and planning has failed.

One of the national challenges is to achieve more explicit coordination and synergies between strategic and spatial planning that would result in more straightforward implementation of development process including EU supported projects.

Concerning the EU CP implementation, the major challenge is seen in discrepancies between national and local government (urban) understandings and interpretations of the role and possibilities of national coordination of EU CP. Partners from cities (not only Prague, this has been also articulated by the national stakeholders and an expert from another city/metropolitan area) refer to not sufficient dialog between national level and city level stakeholders. The interpretation from national level stakeholders is that the national level attempts to negotiate best possible arrangements for the benefits of local actors (cities, municipalities, regions) from the EU CP trying to achieve compromises in uneasy negotiations with the EU and that their role and achievements are not appreciated by local, municipal, urban and regional governments and other stakeholders.

The other strongly articulated challenge is that national policies and national Operational Programmes do not reflect the role of cities, metropolitan areas and agglomerations (FUAs) in national socio-economic development and, therefore, it does not consider their specific needs to fulfil that important role in the national development that can bring benefits to all. This situation has been by some communication partners (stakeholders) partly related to a rather weak role of national Strategy for Regional Development (SRR; currently SRR 2021+). While the strategy defines territorial dimensions, including metropolitan, these territorial dimensions are not generally reflected and respected by specific resort policies (references were given namely to environment and social affairs, while most positive experience with the implementation of territorial dimension is in the resort of transportation).

Specific attention has been by stakeholder paid to the RRF and National Plan for Reconstruction and Resilience as it by-passed the urban and metropolitan partners and this territorial dimension. Secondly, conflicts of interest between EU CP and RRF were mentioned in terms of overlaps that lead to switching project prepared for EU CP to RRF thus resulting in, as was boldly expressed, “mutual cannibalization”.

#### 9.4.3.2 Policy recommendations

The key policy recommendations based on the perception and evaluation of stakeholders representing the city, metropolitan and nation level are:

- More active approach of national level in the negotiation of EU CP with the respect to urban dimension.
- More active approach of national level in programming and realization of EU CP in terms of innovative forward-looking projects.
- Sustain the established integrated tools (instruments) of ITI and CLLD.

- Reflect the specific role of cities and their needs in the national OPs.
- Reform local government system with the goal to reduce the extreme local government fragmentation.
- Reform local government system to institutionalize metropolitan governance,
- Increase coordination between strategic and spatial planning.

#### 9.4.4 EU Level

##### 9.4.4.1 Challenges

The key challenge for the implementation of EU funds for urban development in the City of Prague is related to the low level of EU co-financing. The City of Prague is in the category of more developed regions and thus the low-level of co-financing makes the use of EU CP funds for urban development less stimulating. A large proportion of ineligible expenditures in some cases decreases the actual support to low levels of subsidy, which in combination with high transaction and operation costs (related to limitations, barriers and obligations) of EU funding makes EU resources as not attractive. The City of Prague thus can draw only very limited financial resources that could help to major achievements and impact on city development.

This challenge is specifically for the City of Prague that has the status of Cohesion Region. It does not apply to the areas of Prague Metropolitan Areas – Prague MA ITI that lay outside the city of Prague, in the Central Bohemian Region, that is another Cohesion Region with transitory status. However, the substantial difference in rules for developed and transition regions has important implications for the functionalities of Prague Metropolitan Area ITI and potential synergies in metropolitan cooperation.

##### 9.4.4.2 Policy recommendations

The essential recommendations concern the territorial classification for ERDF and ESF/ESF+ levels cofinancing that has effect on the City of Prague as well as on uneven conditions in Prague Metropolitan Area.

- First is to adjust parameters for Cohesion Policy spending in more developed regions concerning the level of co-financing and rules for eligible expenditures, with an aim to increase the actual support from EU resources level to extent that would justify the increased transaction and organization costs associated with the EU funded projects.
- Second recommendation concerns the existing large difference in the conditions for co-financing between more developed and transition regions that impact the use of EU CP in Prague Metropolitan Area that has to consider very different condition in the core and suburban part of metropolitan area. The substance of recommendation is to narrow the gap in conditions between the two categories.
- Third recommendation expressed by the stakeholders is to use for the assessments of regions performance more complex evaluation instead of solely depending on the level of GDP.

## 9.5 Prague's priorities, needs, and expectations for the post-2027 Cohesion Policy framework

The suggestions of the City of Prague experience and priorities for the more effective achievement of synergies between the EU Cohesion Policy and other EU policy agendas, programmes and support schemes include the following key elements:

- Adjust parameters for cohesion policy spending in more developed regions.
- Decrease at present existing large difference in conditions between more developed and transition regions.
- Sustain and further enhance the established integrated tools (instruments) of ITI and CLLD.

- Strengthen the urban and metropolitan dimension of EU CP at national and EU levels.
- Adjust the requirements so they account for the specific conditions and needs of the city and its metropolitan region instead of the existing centralized one size fits to all approach.

## 10 Conclusions

The case study of Prague and Prague Metropolitan Area illustrates the use of the EU funds in urban and metropolitan territories that are framed in centralised national framework with urban and metropolitan dimension proliferated through the ITI Integrated Territorial Investment instrument, with the city government focused on administrative support for beneficiaries, while being weak in relating EU Cohesion Policy funded projects with broader city strategic development priorities.

### **Centralised national framework with urban and metropolitan dimension delivered through the integrated instrument of the ITI**

The national framework for the implementation of the EU Cohesion Policy has been characterised by centralization to national operational programmes. In 2014-2020, the city of Prague acted as managing authority of city specific OP Prague – Growth Pole. However, this city specific focus has been terminated. The urban and metropolitan dimension of the EU and Czech regional policy is implemented through the increasing role of integrated instruments, namely of the Integrated Territorial Investments (ITIs) for metropolitan areas and urban agglomerations. City stakeholders articulate that national operational programmes do not sufficiently reflect the role of cities, metropolitan areas and agglomerations (FUAs) in national socio-economic development and do not sufficiently engage in a dialog between national level and city level stakeholders. Bypassing cities as key territorial partners in the design of the National Recovery and Resilience Plan is seen as a missed opportunity in using urban and metropolitan dimension for economic recovery and fostering resilience.

### **The ITI instruments as a stimulus of metropolitan cooperation in the context of fragmented system of local government and missing metropolitan institutionalization**

The city of Prague with the second tier of 57 borough governments and Prague Metropolitan Area with a total of 491 municipalities in two regions of Prague and Central Bohemia present complex and complicated government structure for territorially coordinated planning and development in the implementation of the EU Cohesion Policy. The use of Integrated Territorial Investments instrument for Prague Metropolitan Area paved a road for cooperative and complementary planning and development, even when facing different funding condition in a more developed region of Prague while Central Bohemian part of Prague Metropolitan Area has transitory status.

### **The city of Prague institutional and administrative capacity acts in support of the multiple beneficiaries from the EU Cohesion Policy**

The Department of European Funds at the City Hall acquired needed skills and competences during the 2014-2020 and previous periods, when it acted as managing authority for city specific Ops. These skills are now used for support to beneficiaries from Prague in drawing funds from national operational programmes.

### **Weak relation between city strategic planning and the EU Cohesion Policy implementation**

The Strategic Plan of the City of Prague has not been updated since its publication in 2016, does not have implementation part and does not reflect the EU Cohesion Policy objectives and priorities. There is, nevertheless, alignment between specific thematic strategies with the EU priorities and funding, for instance in the Prague Climate Plan 2030 and Capital City of Prague Climate Change Adaptation Strategy. The City of Prague does not systematically monitor and assess the use of the EU funds in the city and metropolitan area.

### **Large number of EU funded projects with a broad spectrum of beneficiaries and low proportion of projects realized by regional, city and local governments**

Vast number of EU Cohesion Policy funded projects have been implemented at the territories of the Capital City of Prague and Prague Metropolitan Area. Majority of these projects have been funded from national operation programmes fulfilling national policy and thematic priorities without explicit relation to key objectives of urban and/or metropolitan strategic planning priorities. They have been realized in the direct interaction between the national level and end beneficiaries, bypassing regional, city and local governments. Small proportion of the projects have been accomplished by beneficiaries from regional, city and local governments and by them established organizations. In

Prague, many of them without explicit relation to city development strategies. The exception is integrated metropolitan projects funded through the ITI instrument and anchored in Integrated Strategy of the ITI for Prague Metropolitan Area. While not using the opportunity in using the EU resources for more thematically and territorially targeted efforts in urban development by regional, city and local governments, this practice has provided widespread opportunities for many beneficiaries.

### **Potentials and limits of data analysis and evaluation on urban and metropolitan scale**

The last point of conclusions is related to the potentials and limits of analysis and evaluation of the EU Cohesion Policy impact in urban and metropolitan areas that is related to data availability. While there is general understanding that effective and efficient public policies need to be based on the monitoring and evaluation, the large datasets collected in relation to the EU funded projects are not readily available for the analysis on the urban, metropolitan and local levels. Most evaluations are completed for national level with optional breakdown to the level of cohesion regions. The more geographically nuanced analyses require the use of data for individual projects that would be geolocated according to the places of realization at a local level (municipal and sub-municipal), and not only according to the beneficiary (as in Kohesio database) as these can and often substantially differ. Furthermore, the funded projects are not systematically assessed concerning their territorial impact. The efficient thematic and territorial targeting of the public policies requires not only data collection, but their provision for local level and territorially precisely defined analyses, such as for metropolitan and intra-urban areas.

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# Interviews, consultations & interactive sessions

## **In depth semi-structured interviews (according to ESPON URDICO guidelines and with the consent to participate in ESPON URDICO)**

Interview 1 – Expert on urban policy, strategic planning and metropolitan cooperation, 30 May 2025

Interview 2 – Manager of ITI for Prague Metropolitan Area, The City of Prague, 2 June 2025

Interview 3 – Specialist on the administration of the EU funds, The City of Prague, 2 June 2025

Interview 4 – Expert on urban policy and integrated tools, Ministry for Regional Development, 10 June 2025

Interview 5 – Head of Strategic Planning, The City of Prague, 18 June 2025

## **Consultations (repeated in depth consultations on selected issues without explicit consent)**

Consultation 1 - Expert on urban development data, the City of Prague, April-September 2025

Consultation 2 – Expert on EU Cohesion Policy evaluation, Ministry for Regional Development, April-September 2025

Consultation 3 – Expert on EU Cohesion Policy data management, Ministry for Regional Development, April-September 2025

## **Interactive Sessions**

Interactive Session 1 - ESPON URDICO Prague Hearing, 18 February 2025 (ESPON URDICO coordinators, Case Study coordinator, two representatives of the stakeholder from the Department of European Funds, Prague City Hall)

Interactive Session 2 - ESPON URDICO Urban Laboratory, 9 June 2025 (Case Study coordinator and seven representatives from Prague City Hall (2), Prague Institute for Planning and Development (1), ITI of Prague Metropolitan Area (1), Ministry for Regional Development of the Czech Republic (2), Managing Authority of Integrated Regional Operational Programme (1))





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