

Chamber of Local Authorities

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Speech by Mr Zdenek HŘIB, Mayor of Prague,
Czech Republic

Ladies and gentlemen, distinguished guests,

The Covid crisis has raised unprecedented challenges not only for the city administration, but mainly for all its citizens. The pandemic has had a massive impact both on the municipal budget and on the overall economy of the city. Prague hugely relies on the tertiary sector, including tourism, hospitality, cultural events. These areas were almost totally “switched off” for nearly a year. Moreover, lockdown, school closures and restricted businesses had the most significant economic and psychological impact on the vulnerable groups within our society.

Despite these challenges, we have decided to approach this uncertain situation as an opportunity for innovation, better resilience and for tackling climate change. This is the most effective way to strengthen the whole city once the restrictions and pandemic ease off.

During the pandemic we have boosted our efforts to improve development in several strategic areas. The aim is to secure that Prague will not strive towards simply returning to the state before the pandemic. Instead, we will strive towards a “more sophisticated and visionary new normality”.

The main 4 strategic areas are: Green Recovery; Digitalisation; Sustainable Tourism and Affordable Housing.

1) Green recovery: Prague is a big promoter of the green recovery after COVID. The economy needs to be supported by investments – and we believe that we need to create conditions for green investments.

We also believe that cities like Prague can lead by example and can prove that this approach is feasible and beneficial. **Prague** has decided to become a **leader in the ambitious climate policy**.

In 2019, Prague adopted the Climate Pledge to reduce CO2 emissions by at least 45% by 2030 (compared to 2010) and to reach carbon neutrality by 2050. We have established a multidisciplinary Commission for Climate Change which has prepared a comprehensive **Climate Plan for Prague – featuring strategic policy material with 69 specific measures which will help to fulfil the climate pledge. This strategy was approved by the city assembly last month.**

2) Digitalisation: The pandemic has also highlighted the need for more sophisticated and widespread digitalisation. We have been successful in pushing this agenda forward. This is important in order to facilitate more effective access to information for all citizens; flexibility and reduced bureaucracy; improved clarity of agendas, transparency, predictability and reduction of discrimination.

We have developed new open data platforms securing **accessible information** about the city (Golemio, Pragozor), including the budgeting of the city and city districts (Citvizor); **digital tools for participation**, which will enable people to give feedback to the city administration (Zmente.to); **digital tools for electronic communication and the handling of some agendas between citizens and Prague city** (Portál Pražana). Several of these projects have been awarded prestigious e-government awards.

3) Sustainable tourism: As a famous tourist destination, tourism is very important for Prague's development and economy.

We want to welcome tourists back to Prague. However, our aim is to switch to a sustainable form of tourism which is economically and socially more viable in the long term.

Last year, Prague adopted a new strategy for tourism that prioritizes the interests of its citizens. That means maintaining the economic benefits that tourism, while also maintaining a high quality of life for locals, preserving local culture and protecting historical heritage. Once this is achieved, tourists will be able to appreciate even more authentic experiences in Prague.

4) Affordable housing: Even though it is not directly linked to the pandemic, it is absolutely essential for good quality of life for the citizens of Prague. And of course, unaffordable housing will have a big impact on those who have struggled financially due to the COVID pandemic. The sad reality is that in the past six years the selling prices of flats in Prague have doubled. Since the 1990s, many municipal flats have been privatized, so the city does not have enough influence on the apartment rental market.

The only way to provide affordable housing is by implementing a long-term housing policy and a complex strategy with a wide range of measures. During the pandemic, we optimized the municipal housing stock; we reconstructed hundreds of municipal flats and prepared for new residential developments in the former brownfield areas. We have also established new contact centres in the municipal districts in order to help people in need. We are also negotiating property swaps with the state. Through this, we are striving towards obtaining buildings and land which we can convert into residential quarters with affordable municipal housing. We have established Prague Municipal Developer Society which will help to enhance the stock of municipal flats. We have also put a lot of effort into legislative proposals in order to regulate short term rental platforms such as Airbnb. Airbnb has been one of the main factors leading to the increase in housing prices and in shortening of the housing stock in Prague in recent years. It simply should not be an unregulated business. The COVID pandemic has caused a significant decrease of flats being used for short-term rental services. However, this may change in the coming years following the pandemic, and we need to be prepared.

To conclude, I believe that forward-thinking, liberal and data-driven cities which support the effective participation of citizens, transparency and digitalisation, as well as human rights and sustainability are very well positioned to make a real difference during the post-covid recovery. Cities then can significantly contribute to a better quality of life in Europe. At the same time, all of these plans are very expensive. That is why it is desirable to achieve better access to the direct EU funding for cities and regions. I have been making efforts in this area together with my colleagues from the other V4 capitals, as part of the Pact of Free Cities initiative. We welcome other cities to join us in these efforts which will help cities to make a real difference.

Thank you for your attention.