

International Board Review of HIAH Activities 2025–2026

September 2026



Financováno
Evropskou unií
NextGenerationEU



NÁRODNÍ
PLÁN OBNOVY



Ministerstvo
pro místní rozvoj



Státní fond
podpory investic



Content

	<u>Role of HIAH Platform & International Board.....</u>	<u>2</u>
	<u>Introduction to HIAH Working Group Assessment Reports.....</u>	<u>3</u>
	<u>Working Group Outputs' Summary.....</u>	<u>4</u>
	<u>Assessment of the working_group Financial Instruments.....</u>	<u>7</u>
	<u>Assessment of the working_group Land Development and Spatial Planning.....</u>	<u>13</u>
	<u>Assessment of the working_group Trust between Public and Private Sector.....</u>	<u>18</u>





Bob Jordan
Chair of IB
University College Dublin



Julie Lawson
Vice-Chair of IB
Royal Melbourne Technology Institute



Gerry Muscat
Former Head of Division, EIB;
former Senior Banker, EBRD



Enda McGuane
Land Development Agency



Montserrat Pareja-Eastaway
University of Barcelona



Adam Czerniak
National Real Estate Stock

Role of HIAH Platform & International Board

Between 1 January 2025 and 30 June 2026, HIAH brought together more than 30 Czech experts from the public, private and non-profit sectors, including representatives of government, municipalities, academia, professional organisations and housing and development institutions. This broad participation reflects the fact that housing investment involves several levels of government and a diverse range of stakeholders.

HIAH provides a forum for these stakeholders to exchange views and consider the different factors that influence housing investment. Housing policy needs to take account of public objectives and local needs, as well as the conditions required for private investment and long-term financial sustainability. HIAH supports this dialogue and helps identify where different interests and responsibilities need to be considered together.

The International Board has a specific role within this process. It brings an external perspective and tests the analytical work against experience from other housing systems and investment contexts. This is not an exercise in simply importing solutions from other countries, but rather scanning the international environment, identifying examples relevant to housing investment issues in Czechia, and looking at how evidence-based international approaches might be adapted to the Czech context.

Introduction to HIAH Working Group Assessment Reports

I am pleased to present this introduction to the assessments of the HIAH Working Groups, prepared by my colleagues on the HIAH International Board. These assessments should be read in conjunction with the **final reports of the respective Working Groups**, which provide the detailed findings and analysis underpinning them.

It is widely recognised that housing policy in Czechia is entering a period in which the **quality of investment decisions will matter as much as the volume of investment**. The challenge is not simply to increase housing supply, but to create the financial, spatial and institutional conditions to deliver appropriate types of housing, in the right places, while balancing public value and financial viability.

This is the context in which the work of the Housing Investment Advisory Hub (HIAH) should be understood. **HIAH brings together evidence, professional expertise and institutional experience** to examine the practical conditions for housing investment in Czechia. Its role is to connect national housing policy and investment objectives with the realities and needs of regions, municipalities, investors and housing providers.

Throughout 2025 and 2026, the **HIAH analytical Working Groups examined three areas**: financial instruments for municipalities and regions; land development and spatial planning; and cooperation between the public and private sectors. These areas are distinct but closely linked. Together, they cover key conditions affecting housing investment and the delivery of new housing.

Across this work, **three priorities are worth noting**. First, financial proposals need to be translated into realistic investment models, including capital requirements, financing structures, rents, costs and financial risk. Second, clarity is needed on the respective roles of key state entities, alongside an enabling framework for sustainable affordable housing providers and municipal delivery. Third, the Municipal DNA indicators and public-private cooperation framework need to be tested in municipalities with different conditions and adapted where necessary.

The Working Group reports are therefore not a final action plan, but a basis for testing what works in practice and translating it into workable approaches to housing investment and delivery. As the outputs of these recently concluded Working Groups are taken forward, HIAH's analytical work will continue with different topics and new Working Groups aligned with national priorities.

I would like to thank the Working Group members and coordinators, the HIAH Coordination Team, Daniel Ryšávka and Barbora Raková of SFPI, my colleagues on the International Board, the Ministry of Regional Development and the many Czech experts and institutions whose knowledge and experience have contributed to this work.

Bob Jordan

Chair, International Board

Housing Investment Advisory Hub (HIAH)



Bob Jordan

Chair of IB
University College Dublin

WORKING GROUPS

Working Group Outputs Summary

The HIAH analytical working groups examined three areas: financial instruments for municipalities and regions; land development and spatial planning; and cooperation between the public and private sectors. These areas are distinct but closely linked.

01

Financial Instruments

Michal Tesař of Newton Business Development a.s.



The first working group, led by Michal Tesař of Newton Business Development a.s., examined the financial instruments available to municipalities and regions. Its work moved from an assessment of existing 2025 funding mechanisms towards consideration of a longer-term housing finance architecture. This included limited-profit provider models, cost-recovery principles, revolving capital, prudential requirements, and alignment with European SGEI and state-aid rules. The group also connected Czech policy to international channels by representing SFPI in the European Responsible Housing Finance Working Group and hosting the Prague summit.

The central issue identified is one of institutional design. If public capital is to make a lasting contribution to housing supply, it needs to support assets and regulated providers over their full operating life rather than being treated solely as a sequence of individual grants or ad hoc PPP deals. The assessment by Julie Lawson and Gerry Muscat therefore raises fundamental questions about how capital, providers, regulation and long-term asset stewardship should fit together within a permanent Czech housing investment system.

02 | Land Development and Spatial Planning

Vít Zeman of Futurainvest s.r.o.



The second working group, led by Vít Zeman of Futurainvest s.r.o., considered land development and spatial planning through the lens of urban economics. Its empirical analysis of approximately 20 to 30 medium-sized Czech cities over a period of around two decades demonstrates why housing policy cannot be separated from the physical spatial structure of settlements. Density, urban expansion, infrastructure requirements, and population change have direct, long-term consequences for municipal operational expenditure, service availability, and fiscal sustainability.

The resulting set of ten core urban economic indicators and the Municipal DNA framework provide a concrete, data-driven basis for making these structural relationships explicit in investment and planning decisions. In his assessment, Enda McGuane identifies the strategic value of this place-based approach, in which the specific characteristics, land positions and investment readiness of individual municipalities are evaluated alongside national housing objectives.

03 | Cooperation between Public and Private Sectors

Ondřej Vysloužil of MAPPA Ostrava



The third working group, led by Ondřej Vysloužil of MAPPA Ostrava, examined the relationship between public authorities and private investors. The issue of trust goes beyond perceptions or sentiment; rather, it concerns the institutional conditions under which cooperation can take place, including the clarity of municipal objectives, the quality of communication, the predictability of decision-making, the allocation of risk and the ability to move from agreement to implementation.

The group's four-stage cooperation framework – I know what I want; I know how to communicate my vision; I know how to reach an agreement; I know how to ensure implementation – provides a practical structure for addressing these issues. Its work with SFPI Obec ON has moved to implementation through a cooperation manual, training materials, video guides, and proposed support for regional advisors acting as independent mediators.

The assessment by Montserrat Pareja Eastaway places this work in a wider institutional context, where trust is strengthened not by general declarations of cooperation, but by procedures and governance arrangements that make expectations and responsibilities clear to all parties and foster mutual accountability.

Next Steps

The next stage is to test the Working Groups' proposals against real investment and municipal decisions.



WORKING GROUPS

Assessment of the working group

Financial Instruments

Prepared by: Julie Lawson and Gerry Muscat
Outputs of the working group [to be found here](#).

Overall assessment. The Working Group has produced a strong and strategically relevant foundation for a durable Czech affordable-housing investment system. Its central insight is sound: Czechia needs more efficient finance embedded in stable institutions, in order to optimize the use of scarce public capital and potential new private capital. The next phase should convert the analysis into quantified outcomes, a long-term capital plan and clearly owned implementation.



Julie Lawson
Vice-Chair of IB
Royal Melbourne Technology Institute

1. Strategic relevance

The Working Group's main value is that it reframes affordable-housing finance as a system question. It maps public, commercial and hybrid instruments, but locates the deeper constraints in episodic funding, uneven municipal capability, the absence of a mature specialist non-profit or limited-profit provider sector, weak mechanisms for pooling and risk-sharing, and no permanent capital-recycling circuit. This helps move reframe the housing challenge beyond simply a problem of a shortage of private finance.

The Czech context makes this urgent. House prices have risen faster than household incomes, affordable rental options remain scarce, and the 2024 State aid decision records at least 620,000 households spending more than 40% of disposable income on housing. Although about 25% of households rented in 2024, social rental housing represented only 3.6% of dwellings in 2021. Delivery is concentrated among 6,258 municipalities with very different municipal budget resources, land positions and professional capacity. The challenge therefore spans high-cost metropolitan markets and smaller or rural places where projects lack scale, collateral is limited, operating costs matter greatly and construction markets are weak.



Gerry Muscat
Former Head of Division, EIB;
former Senior Banker, EBRD

Czech policy has advanced substantially. The Recovery and Resilience Plan dedicates EUR 358 million to affordable housing. The Commission's April 2024 decision authorised an affordable-rental scheme with a total budget of CZK 12 billion, combining grants and loans and expected to support about 4,300 dwellings. Current delivery uses three complementary channels: SFPI grant-and-soft-loan finance for projects below CZK 250 million; NRB subordinated lending for larger schemes; and an NRI co-investment fund focused mainly on acquiring completed dwellings. SFPI's call was paused after applications exceeded its allocation, showing strong demand for stable long-term finance. SFPI's regional investment-support centres now provide project preparation and financial modelling, while the Housing Support Act has added a nationwide access, prevention and tenancy-sustainment infrastructure. These are important building blocks, but their mandates, time horizons and capital sources do not yet amount to a permanent supply system.

The work is therefore directly relevant to MMR's priorities: expanding municipal and affordable rental supply, building limited-profit delivery capacity, integrating housing with spatial and regional policy, and converting a time-limited RRF stimulus into an enduring national framework. It also positions Czechia to use the expanding European housing-policy and investment window.

2. Quality and key outputs

Overall, the work is of good to very good quality. It is broad, Czech-specific and generally candid about trade-offs. Its key strengths are the connections it makes between finance, provider institutions, regulation, land and delivery capability; and the breadth of country experience it can bring to inform housing policy and investment in Czechia. It also correctly distinguishes private participation in construction or lending from a classic long-term PPP concession: PPPs may suit selected projects but should not substitute for building sector-wide institutions and rules. Key insights were delivered on:

- A consolidated map of Czech, European and commercial funding, exposing fragmentation and the mismatch between lengthy project preparation and short programme windows.
- A case for multi-year capital, long-tenor low-cost debt, revolving funds, long-term equity and carefully targeted guarantees.
- A limited-profit provider framework based on cost recovery, capped returns, reinvestment, asset stewardship, transparent reporting and specialist supervision.
- Integration of finance with municipal project preparation, land and planning, renovation, energy performance and whole-life operating costs.
- Cautionary advice about customised deals and PPP availability-payment structures that risk creating long-term fiscal liabilities without building sector capacity, and are highly challenging to balance risk and reward for both the private and public sector.

Together, these outputs begin to define the missing operating system for affordable-housing investment. They could reduce whole-life financing costs, preserve public value, strengthen provider balance sheets and allow municipalities to move from one-off projects to continuing pipelines. The subsequent Prague workshop independently reinforced the same propositions: efficient finance depends on a coherent operating framework; equity and retained surpluses matter alongside debt; guarantees require strong governance and audit; and land and quality standards are integral to affordability. This later workshop evidence supports the Working Group's formal output.

The work is not yet a complete investment strategy or business case. It lacks quantified national and regional supply targets, a consolidated financing envelope, and consistent modelling of rent paths, subsidy intensity, fiscal costs, contingent liabilities and delivery risks across alternatives. The long-term division of functions among SFPI, NRB and NRI is not resolved. Nor does the work of the IAB finance WG specify the prudential regime, capitalisation, guarantee pricing or transition arrangements needed to turn RRF-supported programmes into a revolving system. Some illustrative international claims also require careful investigation, validation and adaptation before use in programme design – such as the issue concerning IRR. These are material next-phase tasks, but do not diminish the value of the strategic foundation and purpose of the WG of HIAH.

3. International and European perspective

From an international perspective, the most noteworthy feature is the focus on systems rather than isolated products. Long-term finance becomes efficient when it is joined to reliable providers, cost recovery, reinvestment, asset stewardship, supervision and a credible pipeline. A guarantee without these foundations may be inefficient – it may artificially lower the risk without producing a sustainable pipeline of additional or enduringly affordable homes.

The timing of this work is very favourable. The European Affordable Housing Plan, presented in December 2025, combines supply reform, investment mobilisation, immediate support and protection of vulnerable groups. Revised cohesion rules allow greater flexibility for affordable housing through 2029/30. The Pan-European Housing Investment Platform is being launched in 2026 to promote project aggregation and national financing hubs, against an estimated EU housing-investment gap of EUR 150 billion per year. EIB Group housing lending is targeted at EUR 6 billion annually from 2026. This is a significant opportunity, but European capital can only leverage substantial additional housing investment if there is sound national governance and well-prepared project pipelines.

Relevant examples include Austria's limited-profit asset-dedication and audit regime; Denmark's sector revolving fund; France's regulated savings-to-loan circuit; Finland's municipal finance and cost-rent system; and post-socialist adaptations in Poland (eg. the TBS system and associated national and EU funding system) and Slovakia. Czechia should compare and where relevant coherently adapt these types of instrument rather than copy or cherry pick from them.

The Dutch WSW example is especially instructive: its guarantee is a prudential system, not a simple sovereign promise. Borrower cash flows and capital form the first layer, WSW equity, collateral and callable capital the second, and central-government and municipal backstops the third. Eligibility depends on financial ratios, collateral, business planning and governance assessment. It is not directly applicable to solve problems rapidly in Czechia, especially as it relies on the slow build-up of public housing over decades, but elements – including the way it is being adapted to apply to “affordable” as well as “social” housing following the new SGEI framework – are relevant to inform good practice and build a sustainable system for the future, possibly using MFF funds to kick-start it.

Czechia also has a useful legal platform. The 2024 Commission decision under Article 107(3)(c) accepted cost rents, targeted eligibility, capped returns, financial-gap controls and at least 20 years of affordable use for the notified scheme. Separately, the revised SGEI Decision, in force from January 2026, provides a simpler route for social and affordable housing compensation without prior notification when its conditions are met. It requires evidenced need, transparent below-market pricing, defined beneficiaries, appropriate quality and accessibility, entrustment, overcompensation controls and, in principle, **at least** 20 years of affordable use. For substantial public capital, land or guarantees, Czech policy should normally seek 30–40-year or permanent affordability through asset locks and reinvestment.

4. Looking ahead

The most useful next step is a structured transition from recommendations to time-bound decisions:



Define outcomes before instruments. Adopt common definitions of social and affordable housing, allocation and rent-setting rules, quality and energy standards, and measurable five- and ten-year targets for net additions and retention by place and need. Calibrate finance to those outcomes, and the schemes which will deliver them.



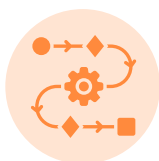
Focus on long-term financial sustainability. While focusing on the outcomes which can be measured over five- and ten-year periods, consider also the sustainability, replicability and scalability of financing approaches – are they one-off capital injections, or investments which can build credit-worthiness to leverage in additional investment as schemes mature.



Choose the institutional architecture and capital plan. Agree the permanent roles of SFPI, NRB and NRI before creating another body. Test SFPI as programme and revolving-asset steward, NRB for banking, bond and guarantee functions, and NRI for genuinely additional equity or acquisition. Prepare a medium-term capital plan covering the RRF transition and access to EIB, CEB, cohesion and EU-platform finance.



Establish the provider, State aid and prudential framework. Create a limited-profit or non-profit provider category with cost-based rents, capped distributions, asset dedication, reserves, reinvestment, transparent accounts and independent supervision. Prepare standard entrustment and compensation documentation for the revised SGEI rules, while retaining the notified Article 107(3)(c) route where appropriate.



Model alternatives and design guarantees conservatively. Use a public comparator to assess municipal, limited-profit, blended-finance and PPP options over the asset life, including interest, vacancy and cost stress, rent paths, fiscal costs and contingent liabilities. Apply public procurement where feasible to mitigate the risks of over-compensation to PPP providers and obtain optimal returns on public assets made available via PPP structures. Any guarantee should have defined eligible borrowers and uses, risk-based fees, capital and reserves, loss-sharing, prudential ratios, monitoring and resolution powers; a government backstop should be the final rather than the first line of defence.



Build investible metropolitan and rural pipelines. Expand SFPI's existing regional centres into delivery hubs able to provide standard feasibility, cost-rent, procurement and asset-management support. Pilot a metropolitan portfolio and pooled small-town/rural bundles across municipalities, with common terms, framework procurement and enhanced technical assistance. Join finance to serviced land, transport, infrastructure and lifecycle energy costs.



Evaluate before scaling. Publish a common scorecard covering net homes added and retained, target-household reach, rent-to-income outcomes, quality and energy performance, whole-life public cost, provider health and guarantee exposure. Scale only after independent evaluation and comparison with the counterfactual.

5. Overall assessment

The Working Group has made a valuable and credible contribution to HIAH and the Czech housing agenda. Its analysis is consistent with the strongest international lesson: public policy should shape the terms on which capital enters housing, not merely fill individual project gaps. It provides a coherent direction for joining Czech programme finance, limited-profit delivery, municipal capability, land and long-term stewardship. A systemic approach has been stressed, and the risks of a customized PPP deal-based approach have been highlighted. The Prague workshop and later finance discussions substantially reinforce that direction.

The contribution should nevertheless be understood as a strategic foundation, not a completed investment plan. The next phase must be selective, quantified and implementation-focused. Success should be judged by the net growth and retention of regulated homes, affordability for defined households, whole-life public value, provider resilience and controlled fiscal risk—not by the headline volume of private capital mobilised. With stable political commitment, clear institutional ownership and rigorous evaluation, the work can underpin a permanent Czech affordable-housing investment system and help Czechia make effective use of the new European policy and investment window.

Evidence consulted

HIAH and supplied material: HIAH Financial Instruments report; 2025 Prague Local Workshop Report; Group 1 and Group 2 summaries; WSW presentation; Commission State Aid SA.106249; Czech scheme tables; and Lawson working papers, comments and summit contributions on intermediaries, guarantees, rural delivery, PPPs and evaluation.

Primary external policy sources: [MMR financial instruments](#); [Housing Support Act](#); [OECD Czechia review](#); [Czech RRP](#); [European Affordable Housing Plan](#); [Pan-European Housing Investment Platform](#); [revised SGEI Decision](#).

Assessment of the working group

Land Development and Spatial Planning (Urban Economy)

Prepared by: Enda McGuane

Outputs of the working group [to be found here](#).

Executive Summary

The HIAH Working Group on Land and Spatial Planning Guidance has made a substantive and timely contribution to the Czech housing agenda. Its work provides a structured, evidence-informed framework for understanding the relationship between housing delivery, land use, spatial planning, municipal capacity, infrastructure investment and long-term development outcomes.



Enda McGuane

Land Development Agency

The principal value of the work lies in its practical relevance to national and municipal decision-making. By moving beyond narrow housing supply measures and introducing a more place-based assessment of local development conditions, the Working Group has created a foundation that can support better prioritisation of public investment, stronger municipal advisory support, and more effective use of public land.

From an international perspective, the work is well aligned with contemporary good practice, particularly in its emphasis on integrated planning, municipal capability, land management and evidence-led investment decisions. The proposed analytical approach offers a credible platform for further development, including pilot testing, refinement of indicators, and integration with the forthcoming Czech Housing Strategy 2027+.

Overall, the Working Group's output should be regarded as strategically relevant, analytically robust and capable of materially strengthening the policy and investment framework for affordable housing delivery in Czechia, subject to further validation and practical application at municipal level.

1. Strategic relevance

The principal value of the Working Group lies in its effort to bridge the gap between housing policy, spatial planning, municipal investment capacity, and land development. Rather than treating housing supply as a standalone issue, the work recognises that affordable housing outcomes are closely linked to demographic trends, settlement patterns, infrastructure provision, fiscal capacity, and land-use decisions. This integrated perspective reflects international best practice and aligns with the growing recognition across Europe that housing affordability is fundamentally a spatial and governance challenge as much as a construction challenge.

A particular strength is the development of a practical framework to help public bodies better understand local development conditions and investment readiness. The proposed “Municipal DNA” approach provides a structured basis for identifying local opportunities and constraints before housing investment decisions are made, helping move the discussion from broad national averages to place-based decision making.

The work is highly relevant to current Czech housing policy priorities. The Ministry is pursuing reforms across planning, construction, land development, public housing and housing finance, while also preparing the forthcoming Czech Housing Strategy 2027+. The Working Group’s focus on land development, spatial planning, municipal investment readiness and evidence-based decision making directly supports these policy objectives.

The work is also particularly timely given the Ministry’s increasing focus on more effective use of public land, improved housing delivery mechanisms and stronger analytical support for municipalities. The outputs have the potential to provide practical evidence and decision-support tools that can strengthen implementation capacity at both national and local levels.

2. Quality and key outputs

The overall quality of the work is strong. It demonstrates significant analytical ambition, draws together a large and diverse evidence base, and seeks to translate complex spatial, demographic and fiscal data into forms that can support practical decision making. The work is particularly valuable because it recognises the limitations of simplistic rankings and instead emphasises the need for more nuanced diagnostics and contextual analysis.

Importantly, the report is appropriately cautious regarding its own limitations, highlighting the need for validation, calibration and further testing before institutional deployment. This strengthens the credibility of the work and reflects good analytical practice.

At a high level, the principal outputs include:

- Identification and validation of ten priority indicators that influence housing investment readiness and sustainable development.
- Development of a structured methodology for assessing municipal development conditions using demographic, housing, spatial and fiscal indicators.
- Introduction of the “Municipal DNA” concept, enabling a more sophisticated understanding of local conditions than a single composite score.
- A proposed investment decision sequence linking screening, diagnostics, investment appraisal and monitoring.
- Evidence highlighting the relationship between current settlement patterns, housing development forms, infrastructure costs and long-term sustainability.

The outputs can help improve the quality of public investment decisions by identifying where housing interventions are most likely to succeed and where additional support or analysis may be needed. This is particularly important in a context where municipal capacity varies significantly and where housing outcomes depend on broader land-use and infrastructure decisions.

The work also shifts attention toward the long-term sustainability of housing delivery. International experience demonstrates that affordable housing programmes achieve better outcomes when integrated with transport, services, employment, infrastructure and fiscal planning. The Working Group's outputs provide an analytical framework for encouraging exactly this type of integrated approach.

3. International perspective

01

First, the explicit link between housing provision and broader urban-economic outcomes is particularly important. Many countries continue to focus primarily on housing unit numbers, whereas successful housing systems increasingly recognise the importance of location, infrastructure, services and economic sustainability.

02

Second, the emphasis on land management and municipal capacity is highly relevant internationally. Strong affordable housing outcomes are often associated with jurisdictions that actively manage public land, coordinate spatial planning and maintain robust local development capability. The Working Group's focus on municipal capacity and land value is therefore well aligned with international practice.

03

Third, the recognition that different municipalities require different policy responses is particularly noteworthy. Internationally, there is increasing movement away from uniform housing policy solutions toward place-based approaches. The Municipal DNA concept reflects this evolution in thinking.

There would be value in further examining:

Austria and Vienna: limited-profit and municipal housing at scale. Austria offers a particularly relevant reference point because its affordable housing system combines municipal housing, limited-profit housing associations, cost-rent principles, audited provider regulation and long-term reinvestment of surpluses. Vienna's experience is especially instructive in demonstrating how a substantial non-market housing sector can moderate market pressures, support mixed-income neighbourhoods and provide a long-term institutional platform for affordable housing delivery.

The Netherlands: regulated housing associations and spatially coordinated delivery. The Dutch housing association model provides a useful comparator for the Czech context, particularly in relation to regulated social landlords, asset stewardship, long-term stock management and the coordination of housing delivery with planning and infrastructure policy. The Dutch experience also highlights the importance of clear governance, financial oversight and alignment between national policy objectives and local delivery capacity.

Land value capture and public land policy. European experience demonstrates the importance of using public land, land banking, public land leasing, planning gain and land value capture mechanisms to support affordable housing and infrastructure provision. These approaches would be particularly relevant to further development of the Working Group's analysis, given the central role of land availability, land cost and infrastructure readiness in determining housing affordability and delivery feasibility.

Integrated urban investment models. The European Investment Bank's approach to sustainable urban development provides a useful reference for linking affordable housing with urban regeneration, sustainable mobility, public infrastructure, energy performance and climate resilience. This supports the Working Group's emphasis on considering housing not only as a sectoral output, but as part of a wider investment system involving land, infrastructure, services and long-term fiscal sustainability.

Housing observatories and spatial intelligence systems. A further useful area of reference is the development of national or regional housing observatories that combine data on affordability, land supply, demographics, rents, vacancy, construction activity and infrastructure capacity. Such systems can strengthen the practical application of the Municipal DNA concept by providing a continuously updated evidence base for public investment decisions, municipal advisory services and national housing strategy implementation.

4. Looking ahead



The immediate priority should be **pilot testing and validation of the proposed methodology in a representative sample of municipalities before wider adoption**. This would help establish whether the indicators, weightings and interpretations are producing reliable and policy-relevant results.



A second priority should be **integrating relevant findings into the development of the Czech Housing Strategy 2027+**, ensuring that spatial planning, land development and investment readiness form part of the broader housing policy framework.

Further exploration would be valuable in the following areas:

- Linking the methodology to actual housing project outcomes and affordability impacts.
- Development of practical tools that municipalities can apply in housing and land-use decision making.
- Greater integration of local housing market dynamics, including affordability and rental market indicators.
- Continued work on municipal asset management, land management and value capture mechanisms, which have been identified as important constraints within the Czech context.
- Examination of how the methodology can support regional housing advisory centres and future HIAH analytical services.

5. Overall assessment

The Spatial Planning and Land Development Working Group has made a significant and timely contribution to both the Housing Investment Advisory Hub and the wider Czech housing agenda. Its principal achievement is the development of an integrated, evidence-informed framework that connects housing delivery with spatial planning, demographic change, municipal finance and land management.

While further validation and refinement will be required before full institutional deployment, the Working Group has produced outputs that can materially strengthen evidence-based housing policy and investment decision making in Czechia. It represents an important contribution to the development of a more strategic, integrated and sustainable approach to housing delivery, and provides a strong platform on which future work can build.

Assessment of the working group

Trust between Public and Private Sector

Prepared by: Montserrat Pareja-Eastaway
Outputs of the working group [to be found here](#).



Montserrat Pareja-Eastaway
University of Barcelona

1. Strategic relevance

The main value of the Working Group lies in its recognition that effective public-private cooperation in housing cannot be built around individual projects or contractual arrangements alone.

Although the work initially approached the issue through the question of trust between public and private actors, the discussions and subsequent outputs progressively identified the institutional conditions through which trust can be created and sustained: **clear allocation of responsibilities, transparency, predictable rules, professional capacity, continuity, open communication and credible long-term commitments**. This represents an important shift from understanding trust as a prerequisite for cooperation towards understanding it as something that is built through repeated and well-governed interaction. The Working Group has therefore helped frame public-private cooperation not primarily as a transactional issue, but as a question of organisational capacity and governance.

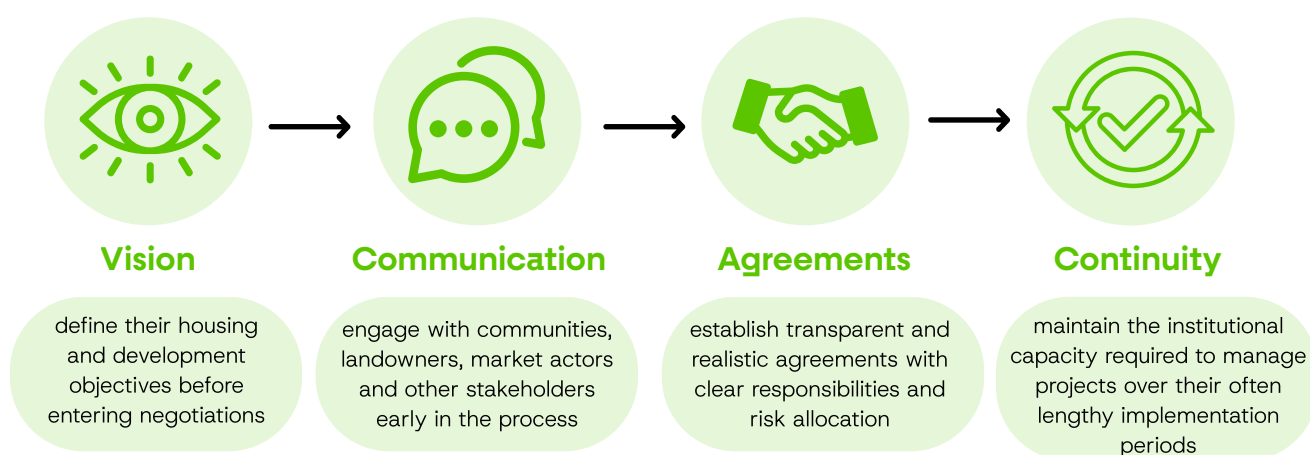
This perspective is particularly relevant to the Czech housing agenda. The work undertaken by the Working Group repeatedly highlights the central role of municipalities in housing delivery, while also recognising the considerable differences in their size, expertise and capacity to prepare and manage complex housing projects. The practical guidance developed by the Working Group **responds directly to this challenge by translating broad principles of cooperation into a structured cycle of Vision – Communication – Agreements – Continuity**, including simplified options for municipalities with more limited capacity. In this context, a closer connection between strategic and spatial planning could further strengthen the predictability of the framework, ensuring that long-term housing objectives are more effectively translated into land-use and development conditions.

In this respect, the work is relevant to the Ministry of Regional Development not only because it can support individual municipalities and projects, but because it points towards a broader policy objective: **creating a more predictable institutional environment in which municipalities, private actors and other partners can cooperate over time, moving from isolated housing projects towards a more coherent housing delivery system**.

2. Quality and key outputs

The overall quality of the work undertaken is strong, particularly in its combination of international experience, stakeholder knowledge and practical application to the Czech context. An important strength is that the Working Group has not treated public-private cooperation as an abstract concept or attempted to identify a single partnership model to be transferred to Czechia. Instead, the work has progressively examined the conditions under which cooperation succeeds or fails. The stakeholder discussions brought together perspectives from municipalities, housing providers, financial institutions, public authorities and other actors, identifying recurring barriers including institutional instability, limited municipal capacity, unclear responsibilities, differences in time horizons, insufficient transparency and weak continuity. **These findings were subsequently reflected in the municipal questionnaire and, most importantly, translated into practical guidance.**

The main output of the Working Group is the practical guide for public-private cooperation in housing development, which represents a significant step from diagnosis to implementation. Its main contribution is to organise cooperation around a clear cycle of Vision – Communication – Agreements – Continuity.



This framework encourages municipalities to define their housing and development objectives before entering negotiations; engage with communities, landowners, market actors and other stakeholders early in the process; establish transparent and realistic agreements with clear responsibilities and risk allocation; and maintain the institutional capacity required to manage projects over their often lengthy implementation periods. Particularly valuable is the recognition that different municipalities have very different levels of capacity: the inclusion of simplified or “minimum” options makes the guidance potentially useful beyond the larger and better-resourced Czech cities.

The value of these outputs for advancing affordable housing provision in Czechia lies therefore not in proposing one particular form of public-private partnership, but in improving the conditions under which different forms of cooperation can deliver housing effectively and in the public interest. Better project preparation, clearer expectations, greater transparency, stronger municipal capacity and continuity can reduce uncertainty for all actors and help move viable projects from intention to implementation. Just as importantly, the work provides a basis for assessing successful cooperation against its housing outcomes — including affordability, quality and longer-term public value — rather than simply by whether an agreement has been reached or a project completed. In this sense, the Working Group's outputs can contribute not only to facilitating individual projects, but also to strengthening the institutional infrastructure for affordable housing delivery in Czechia.

3. International perspective

01

From an international perspective, one of the most noteworthy aspects of the Working Group's work is that it has progressively moved away from searching for a single “best” model of public-private cooperation. European housing systems demonstrate that successful cooperation can take very different institutional forms. The relevant comparative question is therefore not which model Czechia should replicate, but which functions and enabling conditions need to be secured within the Czech institutional context. The discussions of experiences from Flanders, Ireland and the Netherlands, among others, point repeatedly to similar underlying conditions: predictable frameworks, clearly defined responsibilities, credible and sufficiently capable public actors, effective intermediary institutions, transparent risk allocation, continuity of policy and access to stable financing.

02

A second important lesson from international experience is that partnerships do not operate in isolation. Their effectiveness depends on the wider housing ecosystem within which municipalities, developers, public and social housing providers, financial institutions, landowners, communities and different levels of government interact. This is particularly relevant when affordable housing objectives require combining public purpose with private or non-public resources. Evidence from established housing systems suggests that intermediary organisations, guarantee mechanisms, standardised frameworks and stable funding channels can reduce uncertainty and help actors with different objectives and time horizons work together. The parallel work undertaken within HIAH on financial instruments reinforces this conclusion: effective financing arrangements depend not only on the availability of capital, but also on governance, delivery capacity and coherent long-term operating models.

For Czechia, the implication is that international good practice should primarily be used as a source of institutional learning rather than institutional replication. Practices such as framework-based approaches to development, specialised intermediaries, standardised agreements, long-term guarantee structures and mechanisms for maintaining affordability can provide valuable reference points, but their relevance depends on how they interact with Czech municipal structures, legislation, financing arrangements and administrative capacities. The next stage of comparative learning could therefore focus less on importing individual instruments and more on understanding how combinations of institutions and instruments perform particular functions — reducing risk, building capacity, coordinating actors, maintaining affordability and ensuring continuity over time. This functional approach would allow Czechia to draw systematically on European experience while developing arrangements that are institutionally credible and appropriate to its own housing system.

4. Looking ahead

The most useful next step would be **to move from guidance towards testing, institutionalisation and learning**. The practical framework developed by the Working Group could be tested across municipalities of different sizes and capacities, using implementation experience to refine the guidance and identify where additional technical or intermediary support is required.

For smaller municipalities in particular, this could include greater use of inter-municipal cooperation to pool expertise and capacity, while existing institutions such as city architects and municipal architecture and planning offices could play a stronger intermediary and coordinating role. Particular value would come from strengthening the connection between governance and financing, broadening the range of actors considered within the partnership ecosystem, and developing simple mechanisms to assess whether cooperation is delivering the intended affordable housing and public-value outcomes.



Over time, this could support a learning system in which experience from individual projects feeds back into municipal capacity, national guidance and the preparation of future projects — helping Czechia move from successful individual partnerships towards a more consistent capacity for affordable housing delivery.

5. Overall assessment

The Working Group has made a valuable contribution by giving practical and strategic substance to what initially appeared to be a rather intangible challenge: trust between public and private actors. Its most important achievement has been to show that sustainable cooperation depends less on trust as an initial condition than on the institutional arrangements that make cooperation predictable, transparent and credible over time. By translating this insight into practical guidance for municipalities, the Working Group provides a useful foundation for strengthening affordable housing delivery in Czechia.

