

Board Document

Letter on Land Use Reform

Czechia has relies on the talent of its people and the country's location in the center of Europe as key competitive advantages. The country therefore relies on the ability to plan how it uses its land to generate prosperity, and to translate that plan efficiently in zoning and permitting into investment and development. Unfortunately, land use policy has not been a central part of any government's economic strategy to date. As a result, the country ranks 25th in the European Union (more than 70 days longer than the EU average) on the time needed to process a construction permit. This makes what should be a competitive advantage into a major deterrence to investment and economic growth. We write to encourage that land use policy receive a higher priority, and greater attention across the numerous national, regional and municipal authorities who contribute to its effectiveness.

Digitization of land use policy cannot be successful without good legislation governing it and the capable administration implementing it. Digitization also cannot succeed unless all national and local authorities commit attention and resources to the process.

Expecting one ministry to solve in one month the failed policies of multiple governments over three decades does not seem good policy. Instead, we suggest that the aim to be to ensure shorter processing times by improved legislation and administration (including digitization) by July 1, 2025.

To achieve this, the Ministry of Regional Development would need to continue to improve the digital system. The parties of the government could commit to ensuring that construction authorities under their control adopt the digital system, as well as identify what personnel and equipment capacity issues may hinder processing times with or without the digital system. Finally, legal experts from all areas of government responsible for implementing land use policy could identify legislative improvements that would improve processing times without reducing the effectiveness of controls.

AmCham believes an improved land use policy based on a digital process will not only increase investment into value-added industries, but that digitization will provide the data essential for government planning, including public investment into transport, schools, housing and other infrastructure that contributes to overall quality of life. Furthermore, such data could assist the growing pool of entrepreneurs and start-ups identify demand for new products and services that could drive the next generation of Czech economic growth.

AmCham is ready to work with you to make this happen. If you would like to discuss further, please contact Katarina Bendikova at kbendikova@amcham.cz.