Future of Infrastructure podcast

Episode 16 - How Cascais Became a Smarter City

Jeremy Goldberg (host)

Miguel Pinto Luz (guest) (Vice President at Câmara Municipal de Cascais)

TRT: 22:45

[Music.]

**JEREMY GOLDBERG:** Welcome to the Future of Infrastructure, a part of Microsoft’s Public Sector Future series. I’m Jeremy Goldberg, Worldwide Director of Critical Infrastructure at Microsoft. And I’m on a journey to learn more about how infrastructure is being built around the world, by talking with public servants, philanthropists, artists and place-makers who have spent their lives working in the public interest. This is a series to help us build things and plan for the future while putting people first.

Today I’m here in Cascais in Portugal with Miguel Pinto Luz. Miguel is the current Deputy Mayor of Cascais – has a population of about 230,000 people, and since 2005, he has held various public positions, both in the central government as Secretary of State for Infrastructure, another obvious reason why we’re here today, having this discussion, Transport and Communications during Portugal’s constitutional government and in his hometown of Cascais.

It’s great to see you today, Miguel.

**MIGUEL PINTO LUZ:** Thank you very much for the kind invitation.

**JEREMY GOLDBERG:** So please introduce yourself.

**MIGUEL PINTO LUZ:** You already did it, so I’ve held positions, both in central, regional and local government. As you said I used to be Secretary of State for Infrastructure and Communications in the Portuguese government, but mainly for the last 15 years or so, I’m the Deputy Mayor of this beautiful town that we call Cascais, with 230,000 inhabitants. Our main objective as a city is to be the best place for you to be for a day, a week or a lifetime, so living is our core business and talking about living, we are also talking about quality of life, giving all the citizens who choose Cascais to live to work or to study to have all the necessary conditions to implement a happiness project for themselves and for their families.

**JEREMY GOLDBERG:** So I already love and was taken away by the focus you’ve shared already about the importance of impact. We talked about that a little bit earlier before we started our official discussion here. As someone who also has, you know, this background in electrical engineering and has worked in public service now for a number of years, you know, how do you see those two backgrounds, those things, that experience that you have kind of translating into the why you have made this commitment to public service? And you know, besides the general interest to improve things, what event or moment stands out to you to motivate that choice to pursue this path?

[02:35]

**MIGUEL PINTO LUZ:** I can’t find a single moment in time. My grandfather used to be a councilor here, 50 years ago. Unfortunately I didn’t meet my migrant father, but he used to be in charge of tourism of economic growth in Cascais 50 years ago. Maybe you have some kind of DNA contamination that we don’t know yet, I think that if I can define the moment, it was the moment when I found out that there’s a huge gap between the body of voters and the electors, and even a wider gap between the private and the public sector.

And even a wider gap between the private and the public sector, and when you look to the figures, and you see that almost 50% of the entire GDP of OECD countries is spent by the – the central government, by the public sector, and the other 50% are impacted as a positive or negative externality from the – the laws that these guys that are in charge of the public sector produce, you must do something. And it – it would be unwise for the private sector to be completely divorced from the public sector.

Of course, you have lobby, but I’m talking about more than lobby. I’m talking about public-to-private partnerships. I’m talking about trying to create a better world with our hands together. So this is a completely a game changer in terms of the mindset of – in the private sector. Nowadays, I’m lecturing in the business school here in Cascais, and all my students, they want to go to – and work to the city or go to the big consultant firms in the world, and I always ask, "But you know how the public sector works. You know how these guys, nobody knows how they were appointed. How did the decision-making processes of themselves work? Do you know something from that black box that we call public sector?"

And each and every one of them, they don’t know. So we must bring those tools together to create a better world. So that was the driver for my choice.

**JEREMY GOLDBERG:** And you’re doing quite a bit of bringing the public and private together here in Cascais. And two questions. First is, as you respond to – or tell us, and tell our audience more about Cascais, the place, the city, what would your grandfather say today, knowing he was involved with the tourism and economic development efforts, 50 years ago, as a public servant? What would he say today about perhaps today’s Cascais?

**MIGUEL PINTO LUZ:** I think you – he would be proud because he came from a very poor family with – eight years old, he just came from the north of Portugal to Lisbon, to work as a groom in a hotel to bring all the luggage of the customers to their rooms, and in 20 years of working he was able to build a small empire of hotels in Lisbon.

So 50 years ago, you have social mobility in Portugal, and now you don’t have it. So one of the most important things that I’m working on right now is social mobility. That’s why I’m investing in the public schools and giving computational thinking to all the students in our schools, and supporting a mentorship program to all the public schools in Cascais, I – but we are also investing in their healthcare system. We are also investing – so we are creating almost a local welfare state.

And we have a mobility service project completely free. It’s the only city in Portugal, the second in Europe to have the public transportation is completely free, but it gives also 24 seven medical consultations, and your medicine may go for free to your home. So to all the 230,000 inhabitants, you have all these services in a holistic perspective in health, education, transport, safe museums. You have discounts on museums, you have discounts. If you want to attend to ATP tour event that we held here every year.

So being a part of this family that we call Cascais, I don’t care if you are one of the most rich families from Portugal, or you are from one family that wants to build a project of happiness, and that social mobility can help them. We are here to make and create a level playing field for each and every citizen of Cascais.

[06:57]

**JEREMY GOLDBERG:** I noticed some of that yesterday, you know, just spending a few hours in Cascais, that point you mentioned around that – family, right, of Cascais, and clearly there are a lot of families here. There are a lot of kids. I saw a lot of strollers. I saw a lot of your young and old, right here, enjoying some of the carnival activities and other things. Talk to us a little bit about what – and you grew up here in Cascais. Tell us a little bit about Cascais today. Tell us a bit about the economy. Tell us a bit about some of the efforts or some of the things that you see in terms of enhanced quality of life. You’ve touched on some of them already, about the park spaces, other things here that make it an attractive destination or a place to live.

**MIGUEL PINTO LUZ:** Fifteen years ago, when I came, if I would receive a call from Bill Gates and actually I – this was my statement back then. It wasn’t just for the matter of this podcast for Microsoft. I wish to use Bill Gates as an example. If I received a call from Bill Gates, 15 years ago or 10 years ago, even now, "Miguel, I want to build the headquarters of Microsoft here in Cascais," I would deny.

I would say, "Bill, you can’t build your headquarters here because it’s against our strategy, but you have beautiful municipalities surrounding Cascais for you to build your headquarters, but I’m pretty sure that all the C levels, all the top managers of your corporation will come and build their homes here and build their happiness projects here because we have 15 international schools, because have the parks that you have mentioned.

One-third of our territory is a natural park, completely protected by law, and we want to keep it that way. You have all the flowers that you see in the gardens. You have the public schools that we support, the police department that we support, the medical consultations, 24/7, all these together to create the perfect environment to be the best place for you to live, a day, a week or a lifetime," so this is the gamechanger.

We know, we don’t want to compete with all the municipalities in all the fields. We know in which field we are the best, and in this field we – we – we invest. We have asked for an assessment, a big research, when I came here, to see what are the main drivers for a family to choose a place to live? The first one, a top of mind, it would be education, so you are open to move from one location to other, even with worst quality of life if you know in that place you have the best education for your kids, the first.

The second is healthcare, of course. So in these two drivers we have invested a lot, and all the other dimensions came as a consequence of the first, of the first two, so investing in education, investing in health, then safety, of course, because we have 25% of our populations are expats, now, and a lot of them came from places where you don’t have a safe environment for you to live, from Brazil, from Russia, from the Middle East, from China. So all these citizens, they are looking for education for their kids, healthcare for their family, but also safety, and we invest in all these dimensions as a whole.

[10:15]

**JEREMY GOLDBERG:** You’ve articulated, you know, beautifully the areas that are important for that quality of life, and establishing Cascais as a place to be for a day or for a lifetime, education and health and safety and the parks. There are a couple of initiatives, you know, here we are seated today in the central operations center that are helping, I believe to make a lot of those further investments or just the overall operations more efficient. Talk with us and share with our audience a bit more about a particular initiative related to infrastructure that you worked with so that our audience can learn more about what’s being done and perhaps they can replicate within their context of where they are in their city or their region or community. And what’s – and if that’s an effort around data, even better.

**MIGUEL PINTO LUZ:** I think that the big effort is to fill that gap that I’ve mentioned in the beginning of our conversation, that gap between the body of voters and the elected. You – you come from a corporation and you sign SLAs with your customers, each and every day of your life.

In the public sector, you don’t have an – an SLA with our citizens. You have almost the opposite because you say something during the – the elections and the – the campaigns and then you do quite the opposite. So that creates and widens the gap. So in this building that we are now, the Cascais cockpit where you have all the infrastructure here implemented, all the millions of sensors that you have in place in the city, they are all the data comes into this, and converges into this center.

This center is the technology is not an end in itself. It’s to create the first system, the first city in the entire world where we can sign an SLA with our citizens. And I think in 2023, we will be starting – the first steps of this SLA will be signed, and we will have, for instance, one month to fix a hole in the streets, two weeks to give you a license for a new restaurant or three months for you to license a new building.

So these kind of commitments from both sides and myself as a politician and all my staff, and we are more than 6,000 now, and we may say, "No, we must cope with this promise of having the very best services in the world," and with these very best services, I mean to deliver the quality of life. That is the – our top line. Your top line is sales of course. My top line is quality of life.

[13:00]

**JEREMY GOLDBERG:** It’s about accountability and transparency, that shared, right, accountability.

**MIGUEL PINTO LUZ:** For sure, accountability and transparency are key words in this game.

**JEREMY GOLDBERG:** It is and you know, when we talk about – and I hear this from a number of cities, globally, a formal public servant myself, when government doesn’t deliver, especially at a local level, you hear about it. The citizens, the public will show up at city hall and let you know, right?

**MIGUEL PINTO LUZ:** Yeah, positive and negative.

**JEREMY GOLDBERG:** And then so, for those of us, you know, that are listening to the podcast, you know, there’s a tremendous, you know, facility here in this operation center that gives you this sort of one pane of glass, right, to kind of look at the data as you just – I wish we could capture this for a second, but it’s exciting and it’s also perhaps a risk to kind of – to make that commitment.

**MIGUEL PINTO LUZ:** For sure, a risk because – and to sign that SLA and then, if you fail, it is a risk.

**JEREMY GOLDBERG:** It is.

**MIGUEL PINTO LUZ:** But if we don’t do and implement this second step in democracy, to create more engagement, to create more touching points between the two bodies, it will be impossible to live in this world, in 10 years’ time, and you’re seeing democracies failing now, so that’s why we are implementing democracy, different kinds of democracy like the participatory budget, and we like to say that we are co-creating the city with our citizens, with our apps, with - with our interaction. And you as a citizen, you may contact the municipalities through Facebook or email or through our call center.

So to create all these touching points, to create accountability, transparency in the decision-making process, that will build up trust, and with trust, we may be able to do even more towards a better city.

[14:55]

**JEREMY GOLDBERG:** I really love the vision is what we want to do, right? We want to deliver for citizens, whether you’re working in an elected role or an agency role in a government, it’s about that impact. What are the things that you’re documenting in terms of knowledge, right, management on this? As someone who you work in academia as well, you lecture capturing that for whichever administration, whatever government around the world may be interested to access that, to understand how they can do it. A lot of what we try to do with these discussions is share that in a practical way. So are you a part how are you approaching the knowledge management side?

**MIGUEL PINTO LUZ:** In a very formal way and an informal way. In a formal way, we are working with the universities, with the business school that we have here, the Nova School of Business and Economics, that we have brought to the municipality, one of the top 40 business schools in the world. And together with other – like Columbia University worked with us to publish papers on everything that we are doing.

So that’s the formal part because we must share the knowledge. The key here is not the secrecy of everything and the IP that – no, we share everything that we do, and we have learned a lot from other cities, and we may share all the data, all the information, all the good and best lessons learned from our process.

The key word is share, share, share. So in that formal way, we are working with the universities. In an informal way, the municipality, we have been members of all the communities of cities that you may imagine, from the democracy, the participatory budget community, from the CIO Alliance worldwide – of the CIO, CDC – CIO Alliance, so the Mayors Alliance worldwide.

So we have been part of all the communities where we have the opportunity to share and learn from the best practices around the world. Another thing that I mentioned that is very important, is our providers, like Microsoft and others, that work with us because you are a worldwide corporation, so you also have that bird’s eye view that we need to learn from other experience.

So in these three dimensions, we are working in a way to give something back to the society. And for other cities like Cascais, or even bigger or smaller, can learn from our process and implement even better processes for their citizens.

[17:30]

**JEREMY GOLDBERG:** Miguel, one of the projects you’ve talked about, a little earlier on, is around public transportation, and I believe you mentioned providing free public transportation. How does that program work? How did you put that into motion? What are some of the things you’ve learned from it, that worked, that didn’t work, as well, perhaps, and where are you headed with that work?

**MIGUEL PINTO LUZ:** Free, is even in the current crisis is a tricky word because the transports are completely free, but how do we pay for these projects. This is the question that the cities and all the mayors may be asking now.

**JEREMY GOLDBERG:** Absolutely.

**MIGUEL PINTO LUZ:** And in a very social democratic way, we are paying for the free transport, or the parking system, together with the taxes that we collect for the ownership of a car in the municipality. So with these two sources of income, we are able to give completely free all the transport in the city.

And when I mentioned a free transport system that is implemented now for two years, I’m talking about 100 new busses, zero-kilometers busses with free wi-fi on board, with 6 CCTV cameras because you need – one of the questions, I don’t – that many citizens used to say, "I don’t use public transportation because they are not safe." We have six CCTV cameras on board. You may charge your phone.

So we have created the perfect environment for you to enjoy the experience of using public transportation. And now the figures are coming. So we have grown already 25% in the last two years, the use, the usage of public transportations and transports. And in this month, comparing to the last month, January 2022, we are growing 62%. So this is a game changer. This is a game changer because you are impacting in – the emissions that we have. You are impacting our roads, less cars that we have in our roads.

**JEREMY GOLDBERG:** You started to talk a bit around emission reductions, right, around the impact on the environment. Again, we talked a bit earlier around the protected park space here in Cascais, and you have this beautiful coastal area. And when it comes to the sustainability objectives, you know, talk with us a bit more about how this city is approaching its climate goals for a sustainable future, which part of this is transportation, no doubt. What are some of the other initiatives, topics, most mayors, most cities are, you know, exploring and trying to solve, these days?

**MIGUEL PINTO LUZ:** We have a pretty bold ambition, and we want to be completely net-zero by 2030. That’s why we changed the entire fleet of public transport. That that’s why we are now testing the first hydrogen buses in the entire country. We are building up a new plant to produce hydrogen by using plasma to burn our waste.

So these kind of projects that we are being early adopters and we are testing and working like venture capitalists because we are investing in those companies to test and try these new technologies are representative of our ambition to achieve that goal of being a net-zero city by 2030.

Our coastline is completely protected, and we have a lot of initiatives for cleaning the coast and cleaning our waters. So all these projects are absolutely embedded in our DNA. Sustainability is for sure the next big thing and the most important thing for the – the next decades, because without sustainability we don’t have a second – a plan B for our plan. So we just have this one, so we have to deal with it and we are obliged, ethically obliged to deliver a better world than the one that we were presented by our ancestors.

[20:30]

**JEREMY GOLDBERG:** So for those companies and entrepreneurs that are interested to test and try and do that public-private partnership work together, what’s the best way for them to find out how to do that?

**MIGUEL PINTO LUZ:** Contact my team and we are, for sure, completely open to test new technologies, new ways to improve the quality of life of our citizens. I know that 9 out of 10 will fail, but that’s the framework behind venture capitalism in the public sector, and that’s why – we love to do it.

**JEREMY GOLDBERG:** Miguel, thank you for inviting me, having me here today, obrigado.

**MIGUEL PINTO LUZ:** Thank you very much.

**JEREMY GOLDBERG:** And for all our listeners, this is the Future of Infrastructure.

Thanks for listening to this episode and being a part of the Future of Infrastructure and for joining me on this journey to meet and learn from the people improving life in their communities.

If you like today’s episode and want to help other people find it, please take a moment to share, rate and review the show. To learn more, visit us at www.ps.microsoft.com or find me on LinkedIn and Twitter at JeremyMGoldberg.

END

[22:45]