





High-level Meeting on the Implementation of the New Urban Agenda 28 April 2022, United Nations Headquarters

Strengthening the New Urban Agenda to accelerate the achievement of the Sustainable Development Goals

Supplementary Information Note

This information note has been developed in preparation for the High-Level Meeting to assess progress on the implementation of the New Urban Agenda on Thursday 28 April 2022 at the UN Headquarters in New York, and in support of a joint and inclusive multilateral and multistakeholder effort to revitalize the New Urban Agenda in order to accelerate the achievement of the Sustainable Development Goals. It outlines five key action areas and multistakeholder partnerships and initiatives, to support impactful and results-oriented discussions, and facilitate upscaling implementation efforts relating to ensuring sustainable urban development by 2030.

COVID-19 and social protection

The pandemic has crystallized the necessity of a robust rights-based universal social protection framework providing for the basic services and basic income for an urban future that is susceptible to disruptions.¹² While there has been an exponential growth in social protection programmes since the onset of COVID-19, many urban residents suffer from inadequate basic service provision, particularly in smaller urban centres.³

The centrality of the right to adequate housing, including access to land, public spaces, and public services, became more evident during the pandemic. While global poverty and the proportion of people living in slums has decreased for decades, the trend has recently reversed. It is estimated that the housing deficit will be 440 million by 2025.⁴ Globally, an estimated 70 per cent of households now live with precarious tenure.⁵

The pandemic has underlined the role of public space in public health. The density of the built environment did not exacerbate the Covid-19 crisis, in fact, walkable neighbourhoods provide better social safety nets and liveability during lockdown.⁶ Sprawl, measured through Sustainable Development Goal indicator 11.3.1, has been accelerating over the last decades. It threatens sustainable urban financing and biodiversity, while increasing car dependency,

¹ Devereux and Cuesta (2021). Urban-Sensitive Social Protection: How Universalized Social Protection Can Reduce Urban Vulnerabilities Post COVID-19. *Progress in Development Studies*; Volume: 21 issue: 4: 340-360.

² Büscher et al. (2021). Planning for a world beyond COVID-19: Five pillars for post-neoliberal development. World Development 140, no. 105357.

³ Satterthwaite (2016). Background Paper: Small and Intermediate Urban Centres in Sub-Saharan Africa.

⁴ Woetzel et al. (2021). A Blueprint for Addressing the Global Affordable Housing Challenge. McKinsey Global Institute.

⁵ World Bank (2017). Why Secure Land Rights Matter.

⁶ UN-Habitat (2021). Cities and Pandemics: Towards a More Just, Green and Healthy Future.

emissions-related diseases, and traffic accidents. Globally, only 11 per cent of urban residents have access to high-capacity systems within a 1,000-metre walking distance.

Possible Solutions

- *Urban planning for healthy, green, and just cities.* Temporary measures on <u>mixed-use neighbourhoods</u>, alternative mobility and urban regeneration in response to the pandemic should be translated into longer-term action. Planning approaches that place health at the centre of <u>urban and territorial planning and housing can protect residents</u> from future pandemics. <u>Universal social protection</u> can be achieved that integrate universal basic income, universal health coverage, and universal housing.
- Accelerating the provision of adequate housing. Countries need to promote a combination of public and social housing programs and slum upgrading programs, that are well integrated within the city. Better legislation is necessary to protect people from forced eviction. Globally, various initiatives promote adequate housing and propose concrete actions to end homelessness as called for in the Secretary-General's Report on Our Common Agenda. These include the Housing Compact for Africa, the Urban Housing Practitioner Hub, the Global Homelessness Data Initiative, and the recent Resolution of the Third Committee of the General Assembly on Homelessness.
- Improving municipal finance to reach those most in need. Returning public service provision to municipal control (re-municipalization) is increasingly a viable policy option in cities where privatization of public goods has hindered access by low-income households. Municipal Finance must be improved to deliver better services. Many social protection programs are increasingly provided by local governments, yet they often do not receive enough funding from national governments to carry out these responsibilities.
- Inclusive and equitable urban prosperity. To enhance social protection, the informal sector must be supported but without imposing disproportionate burdens on informal settlements and informal businesses. Responses to the pandemic that extend social protection should be institutionalized. The value of urbanization must be returned to the community and not siphoned off by local elites.
- Innovative land management and value-capture. Instruments can be used to create resources for infrastructure improvements with redistributive impacts, acknowledging customary and informal tenure. Effective metropolitan government can help to ensure that expenses and revenue between adjacent municipalities are adequality shared and coordinated. The Planning Law Assessment Framework helps to assess the strengths and weaknesses of an urban planning legal system.

Cities and Climate Change

The contribution of cities to the realization of the global targets on climate change is essential. Cities that account for 67-76% of global energy use and for 71-76% of man-made CO₂ emissions can also offer the most sustainable form of human settlement.⁷ While climate impacts are felt disproportionately in urban communities, sustainable urbanization can provide an opportunity to advance climate resilient development.⁷

Overall, urban population growth will largely occur in secondary and tertiary cities in developing countries that currently lack necessary planning capacity, awareness, and resources

⁷ IPCC Working Group III AR6 (2022). Chapter 8: Urban Systems and other settlements. In: <u>Climate Change 2022: Mitigation of Climate Change</u>.

to steer urbanization in a sustainable manner.8 Per capita emissions in these localities are currently low but are expected to increase as new infrastructures and buildings are constructed, and income and lifestyle are changing.9

The transport sector accounts for nearly a quarter of total energy-related CO₂ emissions¹⁰, increasing at a rate faster than any other sector. Growing air pollution is a major health risk to urban residents, and other forms of waste and pollution put increasing pressure on cities. 11 Over 90 per cent of waste in low-income countries is openly dumped or burned, causing detrimental effects on the health of urban residents, polluting ecosystems, and opportunities for energy generation are not seized. 12 Buildings globally are currently responsible for 37 per cent of CO₂ emissions and their share is expected to increase over the next 30 years in relation to growing urbanization rates, underscoring the need for resilient, ecological and low carbon building design now. 13

The last two decades have seen a sharp increase in the number of recorded disaster events.¹⁴ Climate change, coupled with unplanned urbanization, has rendered many settlements and populations vulnerable to natural and human-made disasters, disproportionally affecting the poor, women, children, and the elderly. 15

Possible Solutions

- Stepping up actions to reduce the vulnerability to climate change of informal settlements and urban displacement areas. Working through a multi-sectoral and stakeholder approach for urban adaptation and resilience-building, the UN-Habitat flagship programme Resilient Settlements for the Urban Poor (RISE UP) supports a just climate transition. Infrastructure and basic service investments must be well targeted and lead to better services and health outcomes for the urban poor, persons with disabilities, children, women, the elderly, or new arrivals to informal settlements.
- Strengthening local climate finance. Finance represents a major barrier to climate action in cities, especially in the Global South. Strengthening the capacity and legal frameworks of municipal governments to access climate finance is key to ensuring their ability to mobilize sources of finance. Programmes by the Adaptation Fund, the Green Climate Fund, and the World Bank seek to close the urban climate finance gap but are still far from reaching the necessary scale of investment.
- Enhancing multi-level governance for Local Climate Action. Integrating national frameworks, such as National Adaptation Plans, Nationally Determined Contributions, and National Climate Change Policies with local policies and initiatives can resolve systemic obstacles for urban climate actions.
 - Bolstering urban climate policies and strategies, law and governance can establish resilience of cities and adaptation to climate change and lay that the groundwork for reducing greenhouse gas emissions.

¹² World Bank (2018). What a Waste 2.0: A Global Snapshot of Solid Waste Management to 2050.

⁸ United Nations (2018). 2018 Revisions of World Urbanization Prospects, Department of Economic and Social Affairs, United Nations,

New York

9 IPCC Working Group III AR6 (2022). Chapter 8: Urban Systems and other settlements. In: Climate Change 2022: Mitigation of Climate Change.

10 IPCC Working Group III (2022). Chapter 6: Energy Systems. In: Climate Change 2022: Mitigation of Climate Change.

¹¹ World Health Organization (2022). Air quality database.

¹³ United Nations Environment Programme (2021). 2021 Global Status Report for Buildings and Construction; GlobalABC/IEA/UNEP (2020). GlobalABC Regional Roadmap for Buildings and Construction in Africa

14 WMO (2021). Atlas of Mortality and Economic Losses from Weather, Climate and Water Extremes, from 1970 to 2019

¹⁵ IPCC Working Group II AR6 (2022). Chapter 6: Cities, Settlements and Key Infrastructure. In: Climate Change 2022: Impacts, Adaptation and Vulnerability.

- Capacity building strengthens <u>local leadership for climate change action</u>, and raises local leadership awareness on contribution and vulnerability to climate change.
- Working with communities, organized grassroots and women's groups to establish vulnerability assessments and action plans supports risk-reduction, climate adaptation, and strengthens community preparedness.
- *Climate Smart Urban Basic Services*. Improved accessibility and management of urban basic services, such as energy, solid waste management, water, sanitation, and transport, can contribute to both climate mitigation and adaption. Co-benefits of climate interventions for health and well-being help to increase the acceptance for low-carbon transformations.
 - Effective and safe public transportation, and safe infrastructure for walking and cycling reduce transport emissions and air pollution. Sustainable and integrative planning processes and policies increase mobility and connectivity in cities.
 - o <u>Waste can be managed sustainably</u>, and used as a resource to generate energy. Recycling and circularity can <u>reduce marine litter and plastic pollution</u>.
 - o <u>Gender-sensitive and inclusive low-carbon and energy efficient buildings</u> that use locally available building materials and embrace circularity can reduce emissions and advance sustainable urbanization.
- *Fostering innovation for urban climate action*. Generating specialized and cutting-edge knowledge in support of urban climate change mitigation and climate resilience has never been more critical.

Urban displacement and crises

In the first half of 2021, more than 84 million people had been forcibly displaced due to persecution, conflict, violence, human rights violations, or climate change. Conflict and violence in several regions and countries are the main causes of the swelling global numbers of both refugees and those internally displaced. Internally Displaced Persons (IDPs) represent around 50 percent of the total number of forcibly displaced people.

Forcibly displaced are on the front lines of the climate emergency. At the end of 2020, around 7 million people in 104 countries and territories were living in displacement as a result of disasters.¹⁷ The World Bank <u>Groundswell Report</u> anticipates that by 2050, climate change could force 216 million people to move within their countries or within their regions.

Most refugees, migrants and internally displaced persons are no longer being accommodated in specifically set up camps but are seeking shelter in cities.¹⁸ They seek economic and social opportunities, but often live in marginalized areas and informal settlements, exposed to hazards, without adequate access to housing, infrastructure, employment or basic services.¹⁹ Violations of land and housing rights persist globally and specifically hit those in vulnerable situations.²⁰ During the COVID-19 pandemic, barriers that displaced persons faced when attempting to access basic services, employment, and housing have been exacerbated, and new challenges have emerged.²¹

There is a wide gap in current global knowledge on all aspects of urban displacement and its impact on people as well as on cities due to the lack of data on access to basic services, housing,

¹⁶ UNHCR Refugee Statistics.

¹⁷ <u>IDMC</u>, 2021

¹⁸ UNHCR and UN-Habitat (2022): <u>Guidance for Responding to Displacement in Urban Areas.</u>

¹⁹ Internal Displacement Monitoring Centre (2020). Global Report on Internal Displacement 2020.

²⁰ United Nations High Commissioner for Human Rights (2020). <u>COVID-19 Guidance Note: Prohibition of Evictions.</u>

²¹ United Nations High Commissioner for Human Rights (2020). COVID-19 Guidance Note: Prohibition of Evictions.

and employment of the displaced in urban setting.²² A system of coherent data collection and indicators on urban migration and displacement would support various stakeholders (UN, governments, cities, NGOs, donors) to integrate urban migration and displacement challenges into (sub)regional, national and local response policies, strategies and plans, and address the vulnerability of local populations.

Possible Solutions

- Through effective planning, multi-sectoral and inclusive approaches alongside local involvement and implementation, municipal governments and local actors can prepare and react, support and nurture people in need of peace and security. Cities must build resilience to reduce the impact of crisis, guided by frameworks such as through the Sendai Framework for Disaster Risk Reduction 2015-2030 or the Urban Recovery Framework.
- Integrating national and subnational policies and strategies. Multilateral agreements, such as the Global Compact for Migration, highlight the critical role of national frameworks to ensure non-discriminatory access to basic services and to create enabling conditions for sustainable social, economic development for people in vulnerable situations. Subnational governments play a key role by targeting specific geographical areas, working across sectors, and including populations in decision-making processes by applying a participatory approach.
- Strengthening non-state actors to support government authorities to include and serve displaced people and hold governments accountable to forced displacement. Together with several partner organizations, UN-Habitat is fostering participatory planning and cocreation of basic service programmes with displaced and local populations to increase social cohesion and thus promote peace and security, while also improving living conditions. A series of strategies and partnerships showcase the positive effect of accessible skills training, education, employment and financial products and services to enhance the inclusion of displaced people.
- Fostering inclusive processes for advancing durable solutions. Guidelines such as the Toolkit on Integrating Migration into Urban Development Interventions can help strengthen social cohesion in countries post-conflict and disaster situations. Sustainable planning and design can contribute to positive social, spatial, and environmental relations and experiences, thus creating a greater opportunity for displaced people to connect positively with their immediate surroundings.

Urban prosperity and sustainable finance

Financing sustainable urban development remains a key challenge, highlighted (and often exacerbated) by the pandemic. In response to the COVID-19 pandemic, cities have had to increase public funding for emergency social security measures while facing reduced tax revenues due to economic decline.²³ Insufficient funding and financial uncertainty is one of the biggest urban governance challenges cited globally.²⁴ Urban unemployment has risen during the pandemic, with job loss rates for women considerably higher than for men.²⁵

²² Hoagland and Randrianarisoa (2021). <u>Locked down and left out</u>. Red Cross Red Crescent Global Migration Lab, Australia; Housing and Land Rights Network (2020). <u>A Pandemic of Violations: Forced Evictions and Other Habitat-related Human Rights Violations amid</u> COVID-19.

²³ UN-Habitat (2021). Cities and Pandemics: Towards a More Just, Green and Healthy Future.

²⁴ LSE Cities, UN-Habitat, United Cities and Local Governments (2016). <u>Urban Governance Survey.</u>

²⁵ International Labour Organization (2021). COVID-19 and the world of work; Building Forward Fairer: Women's rights to work and at work at the core of the COVID-19 recovery.

Cities face the challenge of working with industries to make them more environmentally friendly, while also tackling the potential of significant job losses associate with automation and digitalization in such industries. Cities are increasingly reversing previous privatization of municipal services.²⁶ This place them at the centre of initiating and setting standards for a circular economy.

Over the past decades, fiscal decentralization has increased the role of local governments in providing public services and generating tax revenue.²⁷ And yet, subnational governments in many countries remain highly dependent on national government transfers. Their ability to expand local revenues is often restricted by national legislative frameworks, as well as by limited capacity and incentives.²⁸

The ability of local governments to tap external finance for sustainable urban transformations is also limited, particularly in the Global South. Green bonds have gained traction to finance climate action, more than quadrupling between 2016 and 2021.²⁹ However, they are primarily issued by national governments and rarely by cities in developing countries.³⁰ Only 1.3 per cent of total bilateral development assistance is provided to cities and regions.³¹

Possible Solutions

- National governments need to set enabling frameworks that allow local governments to set and change local taxes while curbing land speculation. Fiscal decentralization needs to be accompanied by the strengthening of strong local institutions. Optimizing own source revenue (OSR) is critical to closing the urban infrastructure financing gap. Capacity building to increase municipal tax collection efficiency is crucial to promote transparency, accountability, and participation.
- <u>Urban planning</u> must allow for adequately dense urban settlements to reduce the costs of public service provision and the overall costs to the environment. <u>Cities need to enhance their planning capacity</u>, so they can provide basic infrastructure before urbanization. <u>Better services rely on enhancing municipal finance</u>.
- Access to finance and prosperity. Cities, especially in developing countries that have the most significant infrastructure gaps, can be better enabled to <u>establish creditworthiness</u>, borrow money, and <u>issue green bonds</u>. Local governments should accelerate <u>the scaling of community savings groups and community development funds</u> to city level, and explore ways of funding these organizations. <u>The involvement of people into development projects needs to be institutionalized</u>, such as in Public Private People Partnerships (4P).
- **People-Centred smart cities**. Cities must strive to harness the benefits of technology, and ensure that <u>people are at the centre</u> to ensure automation, digitalization and other structural economic changes do not lead to unemployment.
- <u>Effective land management is central to urban prosperity</u>. Cities must curb speculation that only benefits a small share of the urban population and explore innovative land management tools such as <u>land value capture</u> and <u>land pooling and readjustment</u>. <u>Valuation of unregistered lands</u> can expand the tax base but must be done without overburdening the urban poor.

²⁶ Kishimoto et al (2017). Reclaiming Public Services.

²⁷ OECD/UCLG (2019). World Observatory on Subnational Government Finance and Investment.

²⁸ LSE Cities, UN-Habitat, United Cities and Local Governments (2016). <u>Urban Governance Survey</u>

²⁹ Climate Bonds Initiative (2021)

³⁰ Climate Policy Inititative (2016). Green Bonds for Cities: A Strategic Guide for City-level Policymakers in Developing Countries.

³¹ Moreira da Silva and Kamal Chaoui (2019) Helping Cities and Regions achieve the SDGs: Partnering for Decentralised Development Cooperation.

SDG localization

The New Urban Agenda recognizes the essential role of local governments in advancing sustainable development, driving climate action, and building an inclusive and resilient future for all. The COVID-19 pandemic has reaffirmed the role of cities in tackling global challenges, enhancing their legitimacy within the international arena, notably through the World Assembly of Local and Regional Governments.

<u>Voluntary Local Reviews</u> have become an important vehicle for local and regional governments to monitor and report on progress towards the implementation of all 17 Sustainable Development Goals, while also informing local planning processes. The New York City Voluntary Local Review Declaration has been signed by 230 cities.³² The <u>Global Urban Monitoring Framework</u> (UMF) uses harmonized data to monitor SDG urban achievements and New Urban Agenda implementation at the local level. The <u>SDG Cities flagship programme</u> helps cities to achieve the Sustainable Development Goals through a value chain that brings together urban data and evidence-based strategic planning, institutional capacity development, and investment in impact.

UN-Habitat is the leading UN entity engaging with local and regional governments and focal point for the implementation and monitoring of the New Urban Agenda. This is coordinated through a series of processes and mechanisms: (i) the <u>UN Task Force on the Future of Cities</u>; (ii) the revamped <u>Local 2030 Coalition</u>; (iii) <u>the United Nations Advisory Committee of Local Authorities</u> (UNACLA); and (iv) <u>G20 Platform on Localizing the SDGs</u>.

Possible Solutions

- <u>Integrated whole-government and whole-society approaches to SDG implementation at local level</u> support and empower local and regional governments by creating enabling environments and strengthen capacities. Tools, such as the <u>Roadmap for Localizing The SDGs</u> assist subnational governments in this endeavour. <u>National Urban Policies</u> can enhance multi-level governance and ensure policy coherence and strategic alignment at vertical and horizontal levels.
- <u>Local 2030 Coalition for the Decade of Action</u> works as an international platform to: (i) connect partners committed to working on SDG localization; (ii) mainstream SDG localization into the work of the UN; and (iii) strengthen multilevel cooperation and national frameworks for localizing the SDGs.
- <u>Urban Agenda Platform</u> supports Member States and partners in the adoption of universal norms and global frameworks for sustainable urban development.
- <u>Platform for Policy Dialogue on Intermediary Cities and SDG Localization</u> seeks to maximize synergies across existing initiatives and address some of the major gaps these cities face to realize their development potential. The capacity of civil society organizations (CSOs), including for women and youth, should be supported to accelerate the implementation of the SDGs at the local level.³³

³² UN-Habitat and Mayor's Office of International Affairs, New York City (2021). <u>Leading Locally: The Origins and Impact of Voluntary</u> Local Reviews.

³³ UNDP (2018). SDG localization in ASEAN: Experiences in shaping policy and implementation pathways.