



**Live Learning Series hosted by UCLG, Metropolis and UN-Habitat
Finance and the COVID-19 Pandemic**

**Speech by the UN-Habitat Executive Director Maimunah Mohd Sharif
Thursday 23 April 2020**

Dear City Leaders, dear Emilia, dear Parks Tau, colleagues and friends,

A very good morning, good afternoon or good evening to all of you!

Since March 25, UCLG, Metropolis and UN-Habitat host these Live Learning sessions, now twice a week. Every week, even twice a week, we listened to cities and experts, on the issues of housing, mobility, information technology, migration, culture and more.

Let us give a moment of thought for the city treasuries in the world now trying to pay the bills. Debts are outstanding. Tax revenues collapse. Incomes of people and business have disappeared, and welfare payments and subsidies escalate.

As I mentioned yesterday, the United Nations Sustainable Development Group is finishing the UN Framework for the Immediate Socio-Economic Response to Covid-19.

The UN has gone into emergency mode. The current SDG programme portfolio of the UN has a budget of close to 18 billion US dollars. That will need to be adjusted and expanded towards Covid-19.

Countries and cities need funds to tackle the immediate emergency and deal with the immediate social-economic impact.

We also need funds to recover better and build resilience against future shocks. Leaving no one behind and no place behind after the Outbreak is our collective commitment which we must plan for now.

Today, I launched UN-Habitat's Covid-19 Response Plan online. By now, more than 1,400 cities in the world are affected by Covid-19. 95% of the cases are in urban areas. My concern – UN-Habitat's concern – is for 1 billion people living in overcrowded slums. We know that 1 in 3 people in the world lack adequate access to safe water and sanitation.

UN-Habitat can help cities and communities in 64 countries, now, this year. For that, we need 72 million dollars. These funds are to support governments and local authorities to better plan interventions and target assistance. Communities in informal settlement need community-driven solutions. Local government departments need data and maps. City leaders need policy support.

In Kenya, UN-Habitat is supporting the Government's effort to collect data and improve access to water and sanitation facilities in informal settlements, and to prevent COVID-19 spreading through urban transport systems. We are working with civil society and community organizations to ensure integrated and coordinated responses.



In Sri Lanka, UN-Habitat is supporting provincial councils and local authorities to establish a service provision database, facilitating online discussions with local authorities on their emergency response and training them on online reporting of services they provide.

In Iraq, UN-Habitat is reorienting its existing activities to carry out COVID-19 responses focusing on water, sanitation and hygiene, shelter improvements for the most vulnerable, job creation and public messaging.

In Latin America, UN-Habitat prepares the interventions in Guatemala, Honduras and El Salvador through integrated/blended short-term investments in informal settlements.

Many of these interventions will need to be budgeted and financed by member states and local governments, at a much larger scale, more often than not without external support. The budgets for 2020 need to be redrawn and financial planning for the next 2 years should start. The financial needs are immense.

At historic times as we are in now, we need to have a clear vision. Cities and local governments have no central banks, but let us be mindful that central banks exist on the basis of trust – TRUST in the state as a guarantor and multilateral system in support.

Successful cities and local governments have something alike: TRUST in public services. Trust that they support and guarantee a quality of life for all citizens.

All cities and local governments should ensure that they support all citizens fairly, including those in the informal sector. Participation and community-supported solutions enhance trust in the support of local governments.

Data are essential for trust. Local government institutions must be able to show credible data, allowing state institutions and the private sector to plan ahead and target intelligently from top to bottom.

This is also the time to set up new dialogue and new visions to address systemic failures, and to seek the trust and creditworthiness for innovative development beyond the outbreak. We need to be honest about our capacity if we want to maintain the trust of investors even if the investor is the federal government itself.

This is the time to plan for more internal and public accountability mechanisms for budgeting and spending, and to seek new compacts to increase municipal revenue, with new incentives.

Trust in municipal finance capacity is also essential to support more effective subnational borrowing and to see through regulations in the financial sector that enhance the appetite for subnational borrowing.

The final piece in the jigsaw puzzle of trust in public service is commitment. Local government should commit to a more just society, cities without slums and without overcrowding, and the realisation of the SDGs. These commitments should be the basis



of all local government plans.

Covid-19 should not lay the ground for failure and another crisis. Planting the seeds for recovery is in itself an act of financial management, borrowing today for a harvest to come. Actions of cities today are the down payments for a better future.

Bankers are masters in leveraging short terms needs with long term expectations. They are masters in trust and solidarity. In the same vain, cities and local governments should seek new compacts with citizens: compacts of trust and solidarity that will be the basis for recovery and a resilient future.

I am grateful to be among mayors, deputy mayors, financial leaders and all participants today. Your experiences and insights for solutions are crucial to support our communities and people most in need. Without you, we cannot make the plans to get us Beyond the Outbreak.