

Chapter 9

The New Urban Agenda and the Value of Sustainable Urbanization



Sustainable urbanization generates economic, environmental, social and intangible value that can be harnessed for the wellbeing of all. This message can and should guide development efforts during the Decade of Action to achieve the SDGs and as the world recovers from the COVID-19 pandemic. Fortunately, there is a road map to sustainable urbanization in the New Urban Agenda, which provides a comprehensive framework for unlocking the value inherent in well-planned, managed and financed cities.

Unlocking the value of sustainable urbanization is a multisectoral and multi-stakeholder endeavour. National governments must create an enabling environment for cities to thrive. Local authorities must seize the opportunities given to them and govern their territories effectively, as called for in the New Urban Agenda. The private sector must invest in sustainable urban development, from affordable housing to climate-friendly infrastructure. Civil society must strengthen institutions and create a welcoming environment for a diverse citizenry. Philanthropy must fill in the gaps to support the most vulnerable. Universities must educate the next generation and foster research and development opportunities for innovation and inclusive prosperity. When all the interlocking parts operate in harmony and are supported by appropriate institutions and policies, cities will thrive and their value will be enhanced and shared by all.

Policy points

1. There should be a sense of urgency and a long-term commitment to implement the New Urban Agenda as the basis for achieving sustainable urbanization.
2. The effective implementation of the New Urban Agenda through supportive urban governance structures, urban and territorial planning, and effective means of implementation—adequate financing, capacity development, information, technology and innovation— will harness value of sustainable urbanization in all its dimensions.
3. Unlocking the value of sustainable urbanization is a multisectoral and multi-stakeholder endeavour.
4. Collaboration and cooperation across scales is central to enhancing the value of sustainable urbanization.
5. Cities should undertake periodic audits and map their efforts onto the transformative commitments of the New Urban Agenda, SDG 11 and the urban dimensions of the other SDGs.
6. Appropriate institutional frameworks and urban legislation need to be in place to support effective multilevel governance and enhance the value of sustainable urbanization.
7. Participatory data platforms and effective monitoring systems are integral to enhancing the value of sustainable urbanization
8. Cities need to feature prominently in the stimulus packages and economic recovery plans following the outbreak of COVID-19.
9. Government at all scales will have to implement the New Urban Agenda at least in the short- to medium-term, within the context of the impacts and uncertainty associated with the COVID-19 pandemic.
10. COVID-19 provides cities a unique opportunity to build back better, by focusing on greener, more sustainable business and consumption patterns, digital economies and quality urban spaces.

This chapter discusses how the effective implementation of the New Urban Agenda can contribute to the economic, environmental, social and intangible value of urban areas and thus enhance the value of sustainable urbanization. This Report has demonstrated that well-planned and managed urbanization can generate interconnected value for sustainable development. But there is a sense of real urgency as well as the need for long-term commitments to implement the New Urban Agenda as the basis for achieving sustainable urbanization, particularly SDG 11, indicating that the NUA is an accelerator of prosperity and development for the different targets of Goal 11 and the urban dimension of the SDGs.

This Report has demonstrated that well-planned and managed urbanization can generate interconnected value for sustainable development

For all urban stakeholders, inaction is no longer a plausible or expedient option. Regardless of data deficiencies or resource constraints, there are many appropriate and essential steps that must be taken urgently in every context by individuals, communities, local authorities, national governments and international bodies. Only by acting consistently and collaboratively across administrative and political boundaries at all scales, from local communities to international organizations, can the global scope of the challenge for sustainable urbanization be tackled. The costs of inaction are too high and, as highlighted earlier in this Report, particularly in Chapters 4 and 7, profound and transformative rethinking to formulate appropriate action is urgent.¹ The survival of humankind and our increasingly urban planet as a whole are at stake.

As articulated in Chapters 1 through 5, the value of sustainable urbanization is conceptualized as the totality of a city's economic, environmental, social and intangible (institutional, governance, political, cultural and civic

perception) conditions, features or outcomes that have the potential to meaningfully improve residential quality of life. This definition provides sufficient flexibility to accommodate regional and cultural diversity, as well as differing legal notions of what constitutes “value.” This concept resonates closely with the three transformative commitments of the NUA, namely social inclusion and ending poverty; sustainable and inclusive urban prosperity and opportunities for all; and environmentally sustainable and resilient urban development. By synthesizing key messages from the previous chapters, this chapter demonstrates how implementation of these commitments can accelerate achievement of the NUA and SDGs. This chapter also uses UN-Habitat’s definition of prosperity as encompassing productivity; infrastructure development; quality of life; social inclusion and environmental sustainability.²

As explained in Chapter 1, understanding the relationship between the NUA and SDGs is crucially important, particularly SDG 11 and the urban-related elements of the other goals, which are articulated in the Secretary-General’s Quadrennial Report on the New Urban Agenda.³ Since that report in 2018, UN-Habitat has documented 550 cities that are working on improvements to their NUA and SDG monitoring tools.⁴ However, those efforts are merely the starting point. Through specific examples, policy pointers and tools under development, this chapter goes a step further by offering practical action to achieve the SDGs and accelerate the value of urbanization through changes in the way cities are planned, built, managed and financed. Fulfilling the transformative commitments of the NUA and achieving the SDGs are not ends in and of themselves but rather means to achieving the ends of urban sustainability. Accordingly, this chapter develops a positive, forward-looking argument about the need for a close relationship between the NUA and SDGs, as the NUA lacks a specific, formal monitoring and evaluation framework while the SDGs have precise targets and indicators.

Fulfilling the transformative commitments of the NUA and achieving the SDGs are not ends in and of themselves but rather means to achieving the ends of urban sustainability

To that end, UN-Habitat developed a valuable monitoring tool known as the City Prosperity Index (CPI). This tool is a composite statistical index that includes all the indicators of SDG 11 and selected components of other SDGs to cover the dimensions of urban prosperity, namely productivity; infrastructure development; quality of life; equity and social inclusion; environmental sustainability; and governance and legislation.⁵ This index has the potential to synchronize progress on the NUA, in all its breadth and ambition, with the more detailed and specific SDG reviews for the benefit of Member States, subnational entities and ultimately all urban residents. Over 500 cities use the CPI, which suggests that there is widespread anticipation that it will be a useful tool to help implementation of the global sustainable development agendas and hence enhancement of the value of sustainable urbanization.⁶

Implementing the NUA, with all the supporting tools, stakeholders will go a long way towards achieving sustainable urbanization

Hence, in implementing the NUA, with all the supporting tools, stakeholders will go a long way towards achieving sustainable urbanization. Drawing on case studies and evidence from preceding chapters, this chapter shows that the value of sustainable urbanization can be enhanced by implementing the NUA through a dedicated action framework that encapsulates key critical components such as national urban policies, regulations, governance and urban and territorial planning.

This chapter also considers pathways to implement other international agreements. The newfound sense that the planet is in a “climate emergency” is proof that the climate change agenda is now paramount (Chapters 1, 4 and 5) with a rapidly growing number of local governments declaring a climate emergency in order to galvanize concerted action. Similarly, the Coalition for Urban Transition’s 2019 report “Climate Emergency, Urban Opportunity” makes a strong case for investment in compact, connected cities powered by clean energy to generate prosperity—and by extension enhance the material value of urbanization—while addressing the climate emergency.⁷



Downtown Reykjavik. © Alexey Stiop/Shutterstock

The remainder of this chapter is divided into four sections, each addressing the following fundamental questions for leaders and policymakers:

- a. Why should we seek rapidly to harness the value of sustainable urbanization?
- b. What needs to be done to enhance the value of urbanization?
- c. How can we harness the value of sustainable urbanization?
- d. Concluding reflections—implementing the NUA in the context of uncertainty and unprecedented global challenges

9.1. Towards the Decade of Action: Rapidly Harnessing the Value of Sustainable Urbanization

The United Nations global agreements and agendas adopted since 2015 represent a landmark recognition of the responsibilities of all countries, regardless of geographical location, historical circumstances and present-day conditions, to promote sustainable development (Chapter 1). Additionally, these agreements recognize the importance of urban areas in achieving sustainable development, given that most of the world's population lives in urban areas. Crucially, the agreements also recognize that local and regional governments alongside other urban stakeholders must play important roles as national governments cannot achieve sustainable development alone.

The Brundtland Commission defined sustainable development as ensuring that current generations leave our children and grandchildren a world in which their prospects are not adversely affected by our own and previous activities.⁸ This formulation has often been regarded as a largely rhetorical commitment. However, as noted in previous chapters, especially Chapter 4, future generations are already holding those in power to their word. Worldwide protests by schoolchildren and youth since May 2019 under the banner of Fridays for Future underline their fear that the world is heading on a dangerous course.

As we herald the Decade of Action for accelerating sustainable solutions to the world's biggest challenges—including those associated with urbanization like poverty, gender-based inequality and climate change—Member States owe it to their citizens and future generations to make a real difference now. Indeed, the room for manoeuvre and timeframe for action are shrinking.⁹ Both morally and practically, inaction is no longer an option: the economic, human and ultimately social and political costs are already rising and will rapidly and increasingly outweigh the costs of undertaking mitigation, adaptation and transformative action. As shown in previous chapters, relevant examples already exist in different urban contexts, where local governments and stakeholders are innovating solutions to address extreme weather events; chronic health problems brought on by changes in disease patterns and air pollution; and the loss of low-lying homes, land and associated livelihoods.

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The level of voluntary Nationally Determined Contributions to global greenhouse gas emission reductions agreed in the Paris Agreement on climate change at COP21 in December 2015 were known at the time to be inadequate to keep the mean global temperature at a sustainable level. Hence, COP25 in Madrid in December 2019 called for new and more ambitious Nationally Determined Contributions to be presented at COP26, which has been postponed to 2021 due to the coronavirus disease (COVID-19) pandemic. The most ambitious countries announced their intentions to

commit to carbon neutrality sometime between 2040 and 2050. By the end of COP25, 73 national governments, 14 regions, 398 cities, 786 businesses and 16 investors were working towards achieving net-zero CO₂ emissions by 2050.¹⁰ These commitments underline the important role that subnational governments—especially cities—and non-state actors are already playing in an arena traditionally seen as the sole preserve of national governments.

Meanwhile, the 2030 Agenda for Sustainable Development provides a 15-year timeline from 2016–2030 to achieve sustainable development across the range of targets within each goal. As noted in Chapter 1, with ten years left to achieve the SDGs, the importance of sustainable urbanization as an entry point for ensuring progress across multiple goals of the 2030 Agenda needs to be reemphasized by mobilizing action globally, locally, individually and collectively; demanding urgency and ambition in harnessing the value of sustainable of urbanization; and driving sustainable innovation, financial investment and technology. While urban-focused Goal 11 and the urban components of many other SDGs are important, these goals are most effective when pursued in relation to the broad strategic framework for urban sustainability by 2036 as enshrined in the New Urban Agenda.

For the sake of clarity in making the case for urgent and integrated action for sustainable urban development, Box 9.1 summarizes the essential normative ambition of the NUA (see Chapter 1 for further details) through its effective implementation, which is explored and exemplified in this chapter by drawing on key messages from earlier chapters.

The broad outlines and many key parameters of the integrated actions required in any context are well known. The World Urban Campaign and a coalition of urban stakeholders clearly articulated that vision in *The City We Need 2.0*, a manifesto prepared as the New Urban Agenda was negotiated in 2016.¹¹ Shortly thereafter, UN-Habitat's *Action Framework for the Implementation of the New Urban Agenda* refined that vision in the wake of the agenda's adoption at the Habitat III conference in Quito.¹²

This Report is published four years into the lifespan of the NUA and five years into that of the SDGs. As a result of uncertainty within many national governments about how best to proceed (Chapter 1), coupled with the lead

Box 9.1: Harnessing the New Urban Agenda to Accelerate the Value of Urbanization

While broad in scope, the Means of Implementation section of the NUA contains a set of integrated guidelines to facilitate achievement of the value of urbanization (paragraphs 131–141):

- All levels of government should deploy context-sensitive approaches to financing urbanization and enhancing financial management capacities through the adoption of specific instruments and mechanisms to achieve sustainable urbanization.
- Endogenous resources and revenues generated through the capture of the benefits of urbanization, along with the catalysing effects and maximized impact of both public and private investments, should be mobilized.
- Businesses should apply their creativity and innovation to solving urban sustainable development challenges.
- With appropriate support, subnational and local governments should register and expand their potential revenue base, e.g. through multi-purpose cadastres, local taxes, fees and service charges, in a socially just and equitable manner.
- Promote sound and transparent systems for making financial transfers from national to subnational and local governments based on the latter's needs, priorities, functions, mandates and performance-based incentives.
- Develop vertical and horizontal models of distribution of financial resources to decrease inequalities across subnational territories, within urban centres and between urban and rural areas, as well as to promote integrated and balanced territorial development.
- Promote best practices to capture and share increases in land and property value generated through urban development processes, infrastructure projects and public investments.
- Support subnational and local governments in their efforts to implement transparent and accountable expenditure control instruments for assessing the necessity and impact of local investment and projects, based on legislative control and public participation.
- Support the creation of robust legal and regulatory frameworks for sustainable national and municipal borrowing, on the basis of sustainable debt management, as well as sustainable municipal debt markets where appropriate.
- Support the development of appropriate and affordable housing finance products and encourage participation by diverse kinds of external financial institutions to invest in all forms of affordable and incremental housing.
- Consider establishing urban and territorial transport infrastructure and service funds at the national level.

Source: UN, 2017, paragraphs 131–141

time required to prepare guidance documentation by UN-Habitat and the Sustainable Development Solutions Network, the start-up phase of implementation has been slow, but the pace now needs to accelerate rapidly. While there might be specific situations requiring more detailed

research or data, these factors are not plausible pretexts for general delay. As outlined in Chapter 4, harnessing the environmental value of urbanization in contexts of limited data and resources requires effective mobilization of existing data from varied sources, but also necessitates delivering

strategic action through collaboration of multiple actors and mapping current capabilities, critical knowledge gaps and information relevant to specific forms of urban change. As highlighted in the first *Quadrennial Report on the New Urban Agenda*, of particular importance is drawing on multiple innovate data sources such as community-led data and enumerations like the Know Your City global initiative of Shack/Slum Dwellers International, which helps to strengthen data and statistical capacities of governments at all levels and provide a foundation for enhancing the value of urbanization.¹³

The efforts of national and subnational governments in implementing the NUA are being supported by a diverse set of UN-Habitat programmes and activities at the global, regional, national, subnational and local levels

The efforts of national and subnational governments in implementing the NUA are being supported by a diverse set of UN-Habitat programmes and activities at the global, regional, national, subnational and local levels, many of which were implemented before 2016. The global category includes Phase III of the Participatory Slum Upgrading Programme in Africa, the Caribbean, and the Pacific; Phase III of the Global Land Tool Network; and Integrated and Participatory Urban Plans and Public Space for Compact, Connected and Inclusive Cities. These programmes are providing concrete ways to address the convergent and common needs of the relevant Member States.¹⁴

These examples highlight the important point that progress does not necessarily require entirely new and dedicated activities because many pre-existing or continuing programmes and projects are fully appropriate. Hence, undertaking a public policy audit and mapping onto the three transformative commitments of the NUA and the 17 SDGs is an important first step that will demonstrate what is already being done and thereby help to identify key weaknesses and gaps on which to focus new interventions and appropriate resources. Many development interventions and actions can also address several goals and targets simultaneously, thereby reinforcing the need for harmonization and policy coherence from the global to local scales (Chapter 2).

Being able to demonstrate progress early on even without dedicated new investments has twin added benefits: It reduces the scale of new costs relative to starting afresh, and also makes it easier to gain support from elected national representatives and officials who must make trade-offs between diverse competing resource demands.

9.2. Enhancing the Economic Value of Sustainable Urbanization

Urbanization creates economic value through the provision of decent jobs, income and equal opportunities for all (Chapters 2 and 3). Ensuring access to sustained productive employment, enhancing innovation and productivity, nurturing the talent and skills required to thrive in a modern urban economy, developing creative industries and utilizing viable forms of municipal finance all have a key role to play in enhancing and sustaining the economic value of urbanization. It is therefore imperative that governments at all levels develop programmes and policies to harness the economic value of urbanization to ensure sustainable prosperity for all. Governments policies must be accompanied by the creation of appropriate governance, institutional and legal frameworks.



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Employment generation is extremely important for enhancing the economic value of urbanization. Cities by their nature offer significant opportunities for both formal and informal employment; this is especially true for urban areas that are planned, managed and effectively governed as discussed throughout this Report. For instance, Chapter 3 shows that urban areas create employment opportunities that build on their comparative advantage and unique characteristics. The World Bank estimates that the private sector (including informal sector jobs) accounts for 9 out of 10 jobs globally, most of which are in urban areas.¹⁵ Ensuring

adequate employment in urban areas is crucial if countries are to meet SDG 8 on full and productive employment and decent work for all, which are crucial ingredients to avoid social disruptions and unrest created by unemployment and inequality.¹⁶ Furthermore, when urban dwellers are fully employed, they are able to fulfil their tax obligations. This endogenous source of revenue provides governments with the necessary financial resources to provide basic municipal services.

Employment is the potential gateway out of poverty for billions of urban residents and an important cornerstone of economic and social development.¹⁷ Employment is also a key determinant of peoples' satisfaction with city life. Rapidly urbanizing countries endowed with an abundance of employable young people can integrate into the global economy and generate extensive employment opportunities, especially in light manufacturing and the outsourcing of services. East Asia has pursued this strategy over the last five decades. More recently, large Bangladeshi cities such as Chittagong and Dhaka have boomed with the garment industry.¹⁸ Higher order economic activity can also employ young people in the creative industries, which are at the crossroads of the arts, culture, business and technology.¹⁹

The creative industry stands out as exceptionally urban. It contributes significantly to the global, regional and urban economy. It is estimated that the creative industry is worth over US\$2.2 trillion worldwide, which is equivalent to 3 per cent of the world's GDP. It employs 29.5 million people or one per cent of the world's economically active population.²⁰

Notwithstanding the employment generation capacity of urban areas, unemployment can be particularly challenging, as cities are often associated with a high concentration of unemployed people, a phenomenon referred to as the "urban paradox."²¹ In the Decade of Action to deliver the SDGs, the urgency of job creation is clear as the global unemployment rate stood at 5.4 per cent in 2019.²² That figure is likely to increase dramatically due to the impacts of COVID-19. More than 600 million additional jobs will be needed by 2030 to keep pace with new entrants to the labour market, mostly in urban areas.²³

The unemployment challenge affects both the developing and developed world. About 60 per cent of unemployment in the UK, Japan, Republic of Korea, Netherlands and the US is concentrated in urban areas.²⁴ As the world economy is adversely impacted by the COVID-19 pandemic, cities



Fishing in Accra, Ghana. © UN-Habitat/Kirsten Milhahn

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will bear a disproportionate burden of the unemployment crisis. For instance, the Las Vegas metropolitan area experienced an unemployment rate in May 2020 of 29 per cent, the highest of any US urban area at a time when every major city has seen steep, sudden gains in unemployment.²⁵ Chapter 1 clearly shows that job loss due to the pandemic is most acute in the sectors closely associated with the economic wellbeing of cities, with women, young people and migrants being disproportionately affected. Consequently, COVID-19 stimulus packages designed to jumpstart economies should specifically address urban economic sectors. Cities need to feature prominently in national stimulus packages and economic recovery plans following the outbreak of COVID-19.

In this uncertain economic context, proactive local economic development efforts will be crucially important in facilitating urban livelihoods and harnessing the economic value of urban areas. Local economic development efforts should seek to enhance economic competitiveness, increase sustainable growth, ensure inclusive growth and produce tangible benefits for local communities. Besides stimulating economic growth and creating employment, a key goal of local economic development initiatives should include specific efforts aimed at poverty reduction and increasing quality of life for all. Local development efforts will yield the desired results if they are broad-based, with multiple actors working together to stimulate and improve the local economy of a given area. Local governments should lead the effort, but include civil society, the private sector, public institutions and community-based organizations.²⁶

Appropriate urban policies, supported by effective governance systems, human capacity, sound institutions, long-term urban and territorial planning, and innovative and sustainable financing frameworks act as catalysts for sustained and inclusive economic growth

At the national level, a stable macroeconomic environment is crucial for enhancing urban productivity; in practice, this enabling environment requires governments to remove bottlenecks to investments in urban projects. Equally important is adequate investment in the dimensions that are the foundation of sustainable cities: physical assets, human capital, institutions, effective governance structures and innovative technology. The drivers of change identified in the NUA are central to harnessing the economic value of sustainable urbanization (Chapter 3). In this regard, appropriate urban policies, supported by effective governance systems, human capacity, sound institutions, long-term urban and territorial planning, and innovative and sustainable financing frameworks act as catalysts for sustained and inclusive economic growth. They provide an enabling framework for new economic opportunities, regulation of land and housing markets, and the timely provision of adequate infrastructure and basic services. The way cities are planned and spatially organized provides an indication of how the economic value of urbanization can be harnessed, as planning processes can either facilitate or hinder development. For instance, if housing and transportation costs are high due to poorly defined property rights and land use regulations that limit housing supply, the economic value of urban areas will be severely constrained.

Sustainable urbanization and productive cities go hand in hand. In seeking to enhance the economic value of urbanization, efforts should be made to ensure that economically productive cities are also environmentally sustainable, resilient, socially inclusive and safe. Through strong urban-rural linkages, they should also foster sustainable rural transformation. This vision aligns with the 2030 Agenda, especially the goal to make cities and human settlements inclusive, safe, resilient and sustainable.²⁷

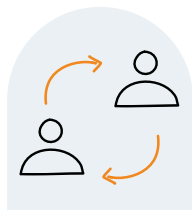
Dedicated policy actions to enhance urban productivity will in part depend on a city's level of development.²⁸ The management of urban growth is particularly important for rapidly expanding cities in the relatively early stages of development to enable them to fully capitalize on the advantages of agglomeration economies and productivity benefits, and to reduce future inefficiencies. Ineffective land management, inadequate investment in infrastructure and basic services, distorted taxation schemes and cumbersome business and regulatory environment are detrimental to urban productivity.

It is important to identify the impediments that prevent cities from maximizing their productivity potential. Thus, addressing traffic congestion and other diseconomies of agglomeration, enhancing mass transit options and providing efficient, reliable services are key drivers of urban productivity. In addition, cities at intermediate levels of development should enhance their technological capacities with a sharper focus on nurturing talent pools and developing human capacity broadly.

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To sustain higher wages and better standards of living, more advanced cities need to tap into innovation-driven productivity gains enabled by big data and other technological developments such as increasing automation, artificial intelligence, IoT, nanotechnologies and blockchain (Chapter 6). To attract and nurture talent, experience from cities like Bangalore, Boston, Dubai, London, Munich, New York, Shenzhen, Tokyo and Vienna points to the importance of supporting R&D in quality higher education and research institutions with both public and corporate investment.²⁹

But the value of sustainable urbanization cannot be realized without improving municipal finance mechanisms. Harnessing the value of urbanization requires revitalized funding partnerships, effective mobilization from multiple sources and a strong commitment from government, the



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private sector and various development partners (Chapter 8). Countries and cities need to mobilize revenue from a wide range of domestic and external sources to invest in the value of urbanization. The issue of municipal finance needs to be addressed decisively and urgently to enable cities to finance public expenditures and provide a wide range of public goods and services. Similarly, the revenue generated from endogenous sources and through the capture of the benefits of urbanization should be integrated into legal and policy frameworks that improve the financial conditions for urban development and facilitate access to additional sources. The mobilization and effective use of domestic resources are central in enhancing the value of sustainable urbanization.³⁰

Finally, sound business and financial plans can generate the revenues required to support urbanization which, in turn, can be a source of further value generation. Local government can reap some of the benefits of this process, which translates into higher land and property values and can be captured by various taxation mechanisms. This virtuous cycle requires appropriate financial frameworks and effective governance structures, which includes the capacity of city governments to finance and deliver infrastructure plans; effective institutions with clear roles and adequate human and financial capacities; fiscal mandates and capacity to raise revenues through land and property tax; and clear regulatory and legal frameworks that guarantee accountability and transparency in the use of the resources.³¹

9.3. Enhancing the Environmental Value of Urbanization

The following discussion focuses on how the NUA can enhance the environmental value of urbanization, with important economic and social co-benefits. Several chapters in this report have provided important examples. One central requirement for accelerating urban sustainability and enhancing the environmental—but, crucially, also the economic—value of urbanization is for all stakeholders to take the green or circular economy seriously and to make proactive strides in promoting it, “... while facilitating ecosystem conservation, regeneration, restoration and resilience.”³²



Solar panels and wind generators against city view on sunset. © Artjazz/Shutterstock

One central requirement for accelerating urban sustainability and enhancing the environmental—but, crucially, also the economic—value of urbanization is for all stakeholders to take the green or circular economy seriously and to make proactive strides in promoting it

Promoting the green economy does not imply a trade-off with overall employment and economic growth, as sceptics often claim, as there is no necessary or linear relationship between increasing urbanization and conventional economic development.³³ Instead, over recent years, there has been mounting evidence from diverse contexts across all regions that appropriately targeted and calibrated green

economic interventions can generate important synergies and co-benefits, including generating a net increase in employment.³⁴ Indeed, this evidence provides both the basis for the integrated approach to urban sustainability represented by the SDGs and NUA and the incentive for implementing appropriate measures to accelerate achievement of the environmental value of urbanization, while simultaneously enhancing the social and economic values of urbanization.

The circular economy, or a systemic approach to economic development that is regenerative rather than linear, offers a vision whereby economic and environmental value are mutually reinforcing. Urban stakeholders should take this method more seriously over traditional “make-take-waste” models. There are ever-increasing resources available to

policymakers and officials to assist in transitioning to the circular economy, such as the Circular Economy in Cities initiative of the Ellen MacArthur Foundation.³⁵

As explained in Chapter 4, global governance regimes like the 2015 UNFCCC Paris Agreement can—despite their voluntary nature—provide powerful collaborative and also competitive impetus once a few ambitious governments set more ambitious NDC targets, which others then feel compelled to match or improve upon. A good example is how OECD and some other national (e.g. UK), regional (e.g. California in the US and Helsinki-Uusima, in Finland) and local governments are ratcheting up their emissions reduction target levels or deadlines, including by bringing forward the date by when sale of new petrol and diesel vehicles will be banned, as part of the commitments to be reviewed at the next United Nations Climate Change Conference. Ultimately, cities must develop locally appropriate pathways to climate transformation.³⁶

National and subnational governments should play a catalytic role by providing effective incentives to promote green industries, products and activities

National and subnational governments should play a catalytic role by providing effective incentives to promote green industries, products and activities. They should also disincentivize older technologies, products and activities that are carbon-intensive, polluting and non-recyclable. Increased capacity building for strengthening government's ability to effectively manage, deploy and regulate the use of technology is required for effective implementation of the NUA and for enhancing urban sustainability (Chapter 6). Moreover, evidence from around the world demonstrates that proactive urban greening leads to a net gain in employment across diverse skill categories, thus ameliorating fears about job losses from phasing out polluting and unsustainable products and services.³⁷ For example, in recent years China has placed increasing policy emphasis on green economic efficiency and nature-based solutions to addressing climate change, such as in the 2016 Development Plan for the highly industrialized Yangtze River Delta Urban Agglomeration.³⁸

Such broad-based green economic credentials are often fostered by city networks like the C40 Cities Climate Leadership Group and 100 Resilient Cities (as well as its successors the Global Resilient Cities Network and Resilient Cities Catalyst). They are rapidly becoming a source of civic pride and city competitiveness, thereby encouraging others to follow. But while nature-based solutions are a key integrated approach to enhancing environmental value, addressing the structural drivers of vulnerability will require more transformative processes of socio-ecological change, including improved social protections, critical services and infrastructure (Chapter 4).

Diverse policy instruments are available to accelerate green economic investment, such as regulations, fiscal incentives or penalties, direct interventions in production and activities to raise public awareness. The need for these instruments will vary by context, including the balance between ownership (e.g. public or private) and operational control (e.g. via outsourcing, subcontracting or public-private partnerships) over direct production and service provision in areas like transport and utilities.

Many environmental interventions driven by personal behaviour work on the basis of “nudge theory,” or the principle that most people do not behave perversely and will “do the right thing” when encouraged and shown how. They change their behaviour modestly without the need for more formal interventions. Such behaviour-changing interventions work best when they are widely explained and justified to the public, and where they respond to public pressure to protect endangered species, conserve green spaces, regulate pollution or eliminate waste. The sudden international trend since 2018 away from single-use plastics, especially those that endanger wildlife like plastic drinking straws, illustrates this phenomenon. The resulting aggregate impact of innumerable small progressive changes can be considerable.

Subnational governments, particularly those of large cities in developed countries, have considerable powers to enact local regulations and taxes that lead the way in implementing measures to support and enhance the environmental value of sustainable urbanization consistent with the NUA. Indeed, since they face the impacts of environmental challenges directly, many local

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governments have already adopted progressive climate change mitigation and adaptation measures at a faster pace than their respective national governments. Many are also setting examples through their own procurement policies and practices, energy generation portfolios and demonstration activities. Examples implemented by public and private sector actors include retrofitting municipal buildings and public housing, incentivizing green walls and roofs, installing grey water recycling and encouraging neighbourhood community gardens.

Local authorities can maximize impact with coherent policies and programmes of integrated and complementary interventions rather than relying on isolated actions. Solid waste management provides a case in point. Small deposits on glass, plastic and aluminium drinks containers create a financial incentive to return those items. Kerbside “single stream” recycling encourages higher participation once households no longer have to sort their recyclable waste, thereby reducing landfill utilization. Municipal composting centres likewise reduce the amount of organic waste sent to landfills, while providing a ready supply of compost for sale and municipal use. Each of these schemes also generates local employment. The most appropriate mix of publicly-run and privately-contracted or outsourced collection and operation will vary, but partnerships can be effective. Residents can be encouraged with targets and regular feedback on how well they have performed.

One unresolved debate is how far the implementation of incremental reforms, such as those embodied in the SDGs, can achieve the required rate and scope of change to keep global warming within safe limits. Indeed, full implementation of the 2030 Agenda and the NUA would require very substantive changes to the status quo—as recognized in the frequent reference

to the need for “transformation” and “transformative commitments” for achieving sustainable urbanization in the *Action Framework for the Implementation of the New Urban Agenda* (AFINUA). This is often termed adaptive transformation or transformative adaptation.³⁹ It implies step changes in investment, inequality reduction and major reorientations of urban planning processes, including changing outdated zoning and building regulations as well as encouraging multi-rather than mono-functional zones in order to change mobility paradigms to reduce the number and distance of intra-urban journeys. Such major reorientations are anticipated by paras 77–81 of the NUA. Indeed, para 81 is explicit that these “transformative commitments” will require different approaches from those currently used. It will take time and considerable effort to build such a groundswell and make the required legal and regulatory changes, so it should be commenced now to avoid frustrating bottlenecks towards the end of the lifetime of these global agendas. It is helpful to develop locally appropriate pathways to transformation, including how to address climate change in each city and region.⁴⁰

Urban greening initiatives for sustainability have numerous added co-benefits that can support simultaneous achievement of multiple developmental goals and targets, thereby enhancing the overall value of urbanization. For example, safe green spaces that are designed in a gender-sensitive manner can help address discrimination in support of SDG 5 on gender equality and SDG 16 on peaceful and inclusive societies, as well as support improvements in health and community cohesion (Chapter 5). Moreover, as alluded to above, protection and enhancement of green spaces and infrastructure can support disaster risk reduction, climate change adaptation goals and provide employment, all of which are key to maintaining and enhancing the value of urbanization.

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Effective integrated development planning for urban areas requires critical attention to the interconnectedness between vulnerability, risk exposure, development and resilience. These are core concerns in the SDGs, NUA and the Sendai Framework for Disaster Risk Reduction, as elaborated in Chapter 4. Processes of risk accumulation are driven by social, political, economic and cultural dynamics, and may be highly differentiated across urban spaces. Accordingly, by addressing cycles of urban risk accumulation and reducing vulnerabilities, the value of sustainable urbanization will be strongly enhanced. The most vulnerable people in cities live predominantly in the most vulnerable urban spaces.⁴¹ Consequently, development-oriented approaches to disaster risk management are key and critical attention to the risk-development-climate change adaptation nexus is required. Disaster prevention measures and responses are critical determinants of urban resilience and the extent to which cities can recover from a disaster, with considerable co-benefits for citizens' health and wellbeing.

9.4. Enhancing the Social Value of Urbanization

Improving equity, enhancing social inclusion and ending poverty are central to unlocking the social value of urbanization. Public policy goals toward that effort include upgrading slums and informal settlements, addressing spatial inequalities, creating youth employment, promoting women's empowerment and supporting internally displaced persons (IDPs), migrants and refugees (Chapters 2 and 5). These efforts should adopt an intersectional lens that recognizes the overlapping conditions and identities leading to social vulnerability and marginalization. While strongly acknowledged in the SDGs and NUA, these issues require greater inclusion in the design of national and local policies and actions for urban sustainability and resilience. Local authorities should consult the World Bank's authoritative new "Handbook for Gender-Inclusive

Improving equity, enhancing social inclusion and ending poverty are central to unlocking the social value of urbanization

Urban Planning and Design" to fill in their gaps on how to translate principles into practice.⁴²

The NUA acknowledges the "right to the city" and the importance of citizens actively shaping value of urbanization in their communities and beyond. Most existing smart city initiatives are designed as elite enclaves linked to the world economy but unsustainable in resource terms and of little relevance to the poor, who are often the majority population in cities (Chapters 2 and 5). Technocratic-inspired models can further embed social inequalities and overlook structural factors that shape urban inequalities in their quest to access future technologies (Chapter 5). Furthermore, technology-based smart city initiatives need to be people-centred and -driven (Chapter 6).

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Gender dynamics and norms are strongly shaped by processes of urbanization and while experiences vary considerably across diverse contexts, women and men experience different challenges and opportunities in cities, with women often facing additional threats and discrimination. Examples include more frequent physical violence and harassment in public spaces, exclusion from decision-making, higher unemployment rates and instances of unpaid or exploitative work.⁴³ Women's health care is also often deprioritized relative to that of family units and men.⁴⁴ Additionally, youth and gender non-binary people are still commonly marginalized in urban policy, decision-making and interventions (Chapter 5).

IDPs and migrant groups are also often omitted from consideration in urban sustainability planning, possibly because they are regarded as being temporary or transitory residents (Chapters 1 and 5). However, in urban areas near conflict and post-conflict zones, they can constitute a significant proportion of the population. As such, they contribute significantly to all aspects of urban life and integrating them into their host cities is key to enhancing sustainable urbanization. Yet, in practice, due to discrimination or perceived transient status, they are

almost invariably amongst the most vulnerable residents and thus concerned principally with short-term survival rather than long-term sustainability.⁴⁵ Large influxes of refugees or IDPs can add substantially to urban populations, thereby creating additional pressures on local governments for the provision of key infrastructure and services (Chapters 1 and 5). If guided by the appropriate policy frameworks and the NUA, migration can be a key mechanism for addressing poverty and enhancing the value of sustainable urbanization, both in places of origin and destination (Chapter 1).

The political will to change urban governance structures is required to address the above crosscutting issues that underpin the social value of urbanization (Chapters 2 and 5). This transformation is already taking place across diverse

contexts. In Africa, Kenya, Namibia, Rwanda, South Africa, Eswatini, Tanzania, Tunisia, Zambia and Zimbabwe have all introduced legal provisions for community and citizen participation with a specific focus on gender equality.⁴⁶ Commitment to addressing gender inequality at the continental level is underpinned by the African Charter for Local Gender Equality. Yet, the rights of residents identifying outside of binary gender definitions are not recognized and protected in most African countries, and indeed are sometimes still criminalized.⁴⁷

The Asia-Pacific region has also recently implemented varied innovative gender-sensitive policies and services. For example, following a spate of high profile attacks, eight cities in India have committed to the Home Ministry's Safe City project to combat sexual harassment, and in



Immigrant contract laborers work at a construction site, Dubai, United Arab Emirates. © Rob Crandall/Shutterstock

Bhopal transport access and safety has been improved for women.⁴⁸ Furthermore, in 2015, Kerala introduced a policy for transgender people; the first state in India to do so.⁴⁹

Cities are also beginning to recognize the rights of migrants, from so-called “sanctuary cities” in the US where local law enforcement does not inquire about individuals’ migratory status to the Solidarity Cities network in Europe that shares ideas between cities on the front line of the global refugee crisis. However, many obstacles remain to migrant protection and integration, from populist animosity in national politics to a lack of resources amidst other pressing social needs. To achieve the SDGs through the effective implementation of the NUA, the above tensions and inequalities need to be factored into all aspects of urban policy, decision-making and interventions to support meaningful and inclusive participation of all marginalized groups. Such efforts will enhance the social value of urbanization by empowering the most vulnerable and reducing underlying social, cultural and political drivers of risk for marginalized groups in urbanization processes so that no one is left behind and all can contribute to the best of their abilities.⁵⁰

Increasing numbers of IDPs and migrants also contribute to the prevalence of informal settlements and informal economic activity in many regions (Chapter 1). Access to affordable housing is a major challenge for many cities, resulting in a proliferation of unplanned settlements, particularly across Latin America, Africa and the Asia-Pacific region. Urban landscapes are strongly shaped by these largely underserved and often vulnerable areas. In many cases, informal economies also contribute significantly to national economies. Effective and equitable governance of informal sectors, spaces and actors with cooperation between formal, traditional and informal actors and associations representing those actors is important for achieving the SDGs, especially Goal 11, and advancing the NUA to enhance the value of sustainable urbanization.

When adequately planned and managed, urbanization can play a key role in ending poverty



When adequately planned and managed, urbanization can play a key role in ending poverty. This prosperity can occur through access to improved infrastructure and services facilitated by large-scale public investment, effective multilevel governance, higher levels of productivity, provision of employment opportunities and improved quality of life via better education and health. In East Asia, planned urbanization helped millions escape poverty.⁵¹ However, the reduction in poverty associated with urbanization will not happen by chance (Chapter 5). Rather, it depends on how urban growth and its evolving challenges are managed, and the extent to which the benefits accruing from urbanization are equitably distributed. Instituting the necessary governance, planning and finance policies as outlined in the NUA and 2030 Agenda are vital preconditions for enhancing the social value of urbanization, and by extension, ending poverty in all its forms.

Enabling citizen participation to co-create the city is essential to achieving the social value of urbanization. In such an arrangement, civil society and governments engage in joint action, for example to co-produce housing and infrastructure in informal settlements. This methodology has been pursued in Johannesburg to create green open spaces, improve drainage and pave pedestrian areas and in Kampala to build community sanitation blocks that reduce disease outbreaks.⁵² Urban planning and development initiatives where the relationship between the state and the citizen have been reformed and strengthened support implementation of the NUA.

Residents of urban informal settlements continue to face critical challenges without official recognition and government support. Collaborative planning and service co-production to reduce urban sprawl, support informal economies, upgrade informal settlements and provide other key urban functions are critical for improving the value of urbanization and governance of the urban commons. One of the more successful examples of an inclusive approach to slum upgrading is the Baan Mankong programme in Thailand implemented by the national Community Organizations Development Institute in partnership with civil society and supported by local government. Over the past decade, the programme has secured land and housing for over 96,000 households in 1,800 communities, despite concerns about

financial sustainability.⁵³ There is considerable potential to learn from and build upon such initiatives in implementing the NUA and enhancing the value of sustainable urbanization across diverse contexts worldwide. Informality exists in various forms, and sometimes even thrives in OECD countries, albeit with different political dynamics than in more developing countries.⁵⁴

The AFINUA emphasizes such state-civil society collaboration and community-led initiatives in service delivery. Alliances and networks such as those described above help to strengthen the voices and enhance the capacities of vulnerable and marginal groups while simultaneously addressing multiple urban sustainability goals. Such efforts collectively enhance the value of urbanization. As detailed in preceding chapters, achieving urban justice for all and harnessing the value of urbanization requires planning with urban dwellers who have detailed, place-based knowledge for building sustainability and significantly add to government's capacities at all scales to enhance the value of urbanization. Such equity and social inclusion considerations are crosscutting and underpin all efforts to enhance the value of sustainable urbanization.

9.5. Governance, Institutional Frameworks and Urban Legislation

The importance of multilevel governance in facilitating progress towards sustainable urbanization has been emphasized throughout this Report (Chapter 7). The NUA calls for a paradigm shift committing to multi-stakeholder partnerships and cooperation among all levels of government to support sustainable and integrated urban development across all relevant administrative boundaries. Cooperation across scales and meaningful, inclusive participation from urban citizens are essential aspects of sustainable urban development and planning. Yet, effective multilevel governance has proved challenging under prevailing conditions.

There are several interrelated reasons. The powers, responsibilities and available resources at particular levels and categories of government are often mismatched. Governments inadequately prioritize complex, diffuse,

longer-term challenges like climate change and sustainability relative to more local and immediate calls on resources. Political rivalries driven by election cycles lead to short-termism both horizontally among leaders of adjacent local governments and vertically among leaders of different levels of authority.⁵⁵

Appropriate institutional frameworks and urban legislation need to be in place to support effective multilevel governance and enhance the value of sustainable urbanization

Appropriate institutional frameworks and urban legislation need to be in place to support effective multilevel governance and enhance the value of sustainable urbanization. Local governments are central to multilevel governance; they are key agents in facilitating multi-stakeholder cross-scalar partnerships and planning in implementing the SDGs and NUA (Chapter 7). In this context, UN-Habitat has emphasized the importance of national urban policies as a framing for national action and produced guidelines for tackling climate change in the context of such policies.⁵⁶

Much emphasis has been placed on the “localization” of global agendas and the centrality of cities in this process.⁵⁷ In light of the NUA, this spatial disaggregation is also now sometimes referred to as a territorial approach. The approach is exemplified in a recent OECD report on SDG implementation; as a prelude to a checklist of recommended public actions, the report summarizes research showing just how much OECD cities and regions still have to do to reach the targets on almost all goals, and hence how much urban value remains to be realized.⁵⁸

The recent emergence of Voluntary Local Reviews (VLRs) marks a notable initiative by a growing number of city governments to enhance their efforts to implement the SDGs and meet the objectives of the 2030 Agenda. The movement started with the declaration by New York City in 2018 that it would undertake a local equivalent of the Voluntary National Review (VNR), which Member States present annually to indicate their progress toward the SDGs. This initiative caught the imagination of other

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mayors and municipalities worldwide. By the time that the Second High Level Local and Regional Government Forum adopted the New York City Declaration on Voluntary Local Reviews in September 2019, over 20 cities in 15 countries had committed to undertake such formal reviews of how their local activities, plans and targets align with the SDGs,⁵⁹ while many more signed up during the World Urban Forum in February 2020.

VLRs should assess local urban sustainability issues that might require additional data; if robust and forward-looking, they could also help to increase the level of ambition in VNRs— another example of effective collaborative multilevel governance. Resources are gradually being provided to assist cities wishing to undertake a VLR, as exemplified by a guide for British cities published in late 2019 by Bristol, the first city in the UK to undertake one.⁶⁰ The Institute for Global Environmental Strategies has also developed an Online Voluntary Local Review Lab to assist local governments as they undertake their reviews.⁶¹ These processes are key to further embed the centrality of local and regional governments in implementing the SDGs and NUA, particularly since they were only included in the preparation of VNRs in 11 out of 28 countries that reported between 2016 and 2019.⁶²

Convening multi-stakeholder workshops or forums can act as catalysts for change, bringing the public sector, private sector and civil society together to explain needed changes, gauge reactions and explore transdisciplinary and collaborative pathways forward. This approach includes understanding the benefits of integrated and targeted interventions that can maximize co-benefits to unlock the social, environmental and economic value of sustainable urbanization. Deeper forms of multi-sectoral co-creation and co-production are demonstrating significant improvements in appropriate public service provision as well as in research and practice for improved sustainability

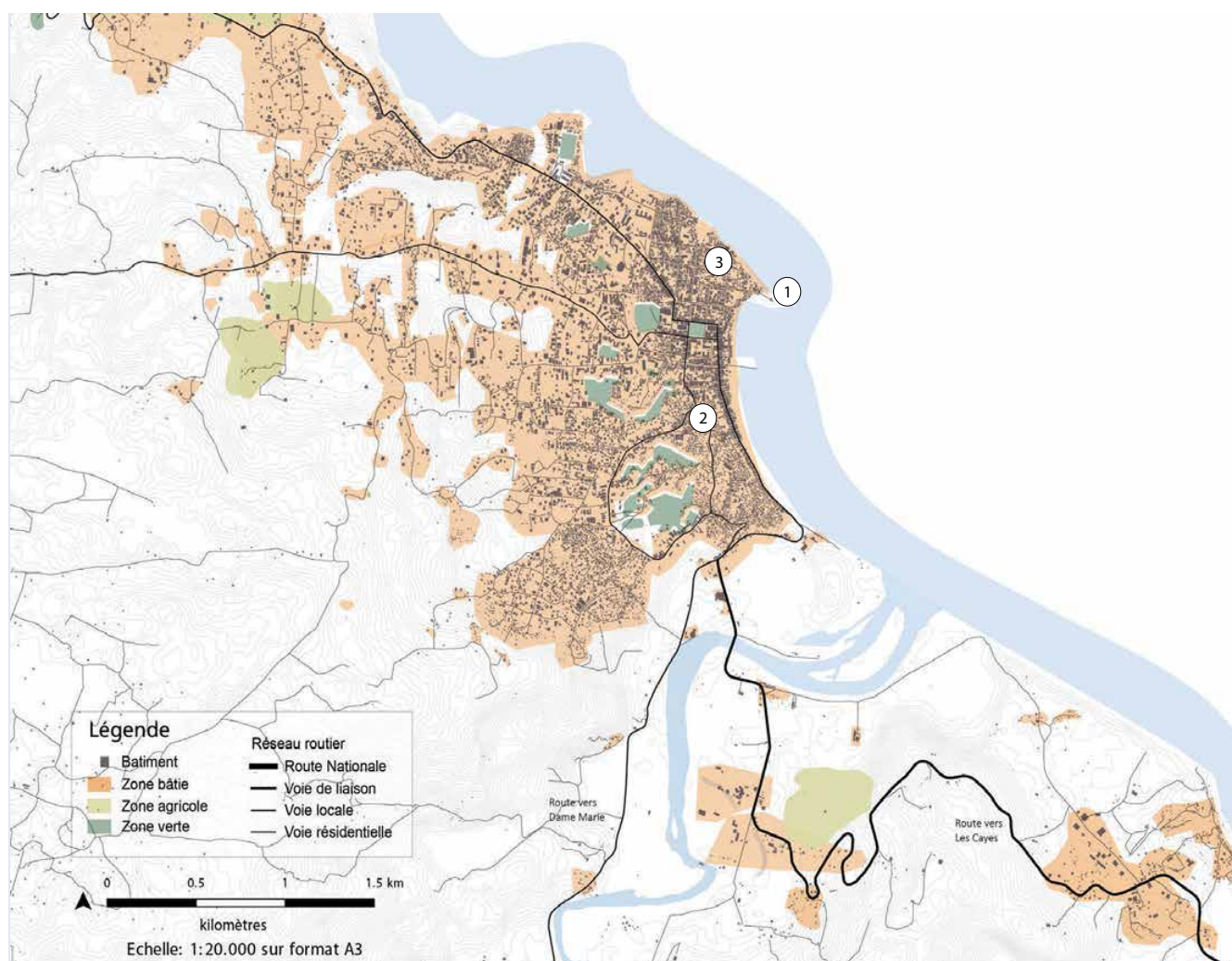
(Chapters 4, 5 and 7).⁶³ Effective participatory multilevel governance fosters social cohesion and inclusivity, thereby strengthening the intangible value of urbanization.

9.6. How Can We Harness the Value of Sustainable Urbanization?

This section considers how the NUA can enhance the value of sustainable urbanization when implemented through effective frameworks of action at different institutional and spatial scales. The AFINUA is the key roadmap for all stakeholders to follow. It provides insights into UN-Habitat's approach, encapsulating 35 foundational elements divided into five key interrelated elements of urbanization: national urban policies; urban legislation, rules and regulations; integrated urban design and territorial planning; urban economy and municipal finance; and local implementation (Chapter 1).⁶⁴ Informed by the underlying values of inclusion, innovation and integration, the framework is guided by the three crosscutting principles of participation, governance and transparency.

Complementing the AFINUA is *Leading Change: Delivering the New Urban Agenda through Urban and Territorial Planning*, an important and insightful overview of UN-Habitat's guidelines for how urban and territorial planning should drive urban sustainability through implementation of the NUA.⁶⁵ For example, a recent analysis of sustainability and climate exposure of Mexican cities concluded that urban territorial planning, together with effective ecological restoration strategies, should be prioritized, with clear supporting policy, to avoid sprawl and maximize use of green open spaces.⁶⁶ These general guidelines are true for national systems of cities all over the world. Nevertheless, as with all measures, territorial approaches and city-region models need to be carefully considered in relation to context-specific characteristics such as administrative

Territorial approaches and city-region models need to be carefully considered in relation to context-specific characteristics such as administrative boundaries, governance capacities and networked urban economies



National Urban Policies are the basis of plan-led urban development. The urban structure of the city of Jeremie, Haiti, is an example of this bottom-up approach

boundaries, governance capacities and networked urban economies.⁶⁷ A key objective of such assessments should include guidance on how to utilize and adapt these institutions and structures appropriately in order to achieve the value of sustainable urbanization most effectively.

The following four subsections provide coverage of initiatives and recommendations in terms of how implementation of the sustainable development agenda, especially the NUA and SDGs, but also relevant elements of the Sendai Framework on Disaster Risk Reduction, can enhance the overall value of urbanization at the regional, national, subnational and local levels.

9.6.1. Regionally focused initiatives

In an effort to boost awareness, enthusiasm and uptake of global sustainability agendas in more regional contexts, several regional commitments and action frameworks

have been produced over the last decade, often resulting from work between UN-Habitat, United Nations regional commissions and other partners. Such action plans and frameworks can serve as key guidance for the creation and implementation of national and local frameworks and support mainstreaming of the SDGs and NUA into decision-making so as to maximize the value of sustainable urbanization in regionally appropriate ways.⁶⁸

Important examples include *the Regional Action Plan for the Implementation of the New Urban Agenda in Latin America and the Caribbean (2016–2036)*, which was prepared by several regional and international bodies, including UN-Habitat.⁶⁹ Furthermore, European nations signed the Pact of Amsterdam in May 2016 to launch the Urban Agenda for the EU, which promotes multilevel cooperation between Member States, cities, the European Commission and other stakeholders on urban issues.⁷⁰ As a notable antecedent,

the Leipzig Charter on Sustainable European Cities of 2007 emphasized similar core issues such as city-region development and cooperative governance.⁷¹ This lineage reiterates the importance of building on progress achieved through pre-existing programmes and frameworks, while addressing the gaps and shortfalls thereof. Similarly, the *Harmonized Regional Framework for the Implementation of the New Urban Agenda (NUA) in Africa*,⁷² is aligned with the goals of the African Agenda 2063, as well as other regional and global commitments, including the Sendai Framework for Disaster Risk Reduction and 2030 Agenda for Sustainable Development.⁷³

Additional key regional efforts include the ESCAP Regional Partners Forum that began meeting in 2017 as an immediate regional follow-up and review effort following the adoption of the NUA, which eventually led to the establishment in 2019 of the Penang Platform for Sustainable Urbanization. That platform will serve as a regional reporting mechanism and feed into the global reporting on the New Urban Agenda. Other framework documents include the Arab Strategy for Housing and Sustainable Urban Development and the Pacific Urban Agenda. The latter illustrates the long and sometimes difficult trajectory of impactful regional thinking around urbanization. The first Pacific Urban Agenda was prepared in 2003 and integrated into the Pacific Plan in 2005. In 2007, the outcomes of the second Pacific Urban Forum were refined into a Regional Action Framework supported by UN-Habitat, among others. Yet, as with other long-standing regional attempts to advance sustainable urbanization, the Pacific Urban Agenda has not been a priority. It lacks funding, resourcing and political support.⁷⁴ A new Pacific Urban Agenda was developed in 2015 as a regional input to Habitat III, with the aim of generating greater support from multiple agencies across scales and emphasises key issues linked to the NUA including social equity, environmental resilience, urban governance and the urban economy. More recently, partners in the Asia-Pacific region created the City Enabling Environment Rating as an important method for measuring the presence of policies, law, institutions, systems of governance, fiscal autonomy and levels of public engagement necessary for creating enabling environments that contribute to implementation of the NUA.⁷⁵

Finally, some regional initiatives are tied less to geography and more to specific sectors, such as the Milan Urban Food Policy Pact and Monitoring Framework. The purpose of the Monitoring Framework is “to serve as an instrument for cities and urban food stakeholders to identify food-related policy and programme priorities and to support implementation of Agenda 2030.”⁷⁶ Two-hundred and nine cities across most regions have signed up to the Milan Pact since its formulation in 2015, with a notable absence of Asian cities outside China.⁷⁷ Prioritizing locally appropriate food policies and programmes supports urban economies through produce sales, improves health outcomes by increasing access to fresh fruits and vegetables, encourages cultural and ecological diversity by supporting native plants and reduces food transport costs and carbon emissions by growing food locally. Collectively, these impacts of the food policy pact and monitoring framework enhance the value of urbanization.

9.6.2. National urban policies and other development plans

Over the last decade, national urban policies (NUPs) have returned to prominence as important guiding instruments to promote coherent and consistent urbanization within a country’s boundaries. Earlier generations of such policies fell into disrepute and were largely abandoned by the 1980s as being too narrowly technocratic, prescriptive and unrealistic. This state of affairs left individual cities on their own. Some had the capacity to market themselves on the global stage while others languished. Large-scale uncoordinated movements of people to cities often exacerbated inequalities and problems, which no official body had a clear remit to address. The case for a new generation of NUPs is widely accepted; national governments must fill the void and provide more coherent and enabling frameworks, particularly in view of the urgency of tackling poverty, inequality and climate change.⁷⁸ By

Over the last decade, national urban policies (NUPs) have returned to prominence as important guiding instruments to promote coherent and consistent urbanization within a country’s boundaries

2018, 76 countries worldwide had adopted explicit NUPs, while 74 had partial policies. Implementation has commenced in 92 of these countries, while the other 58 were still in the development stage.⁷⁸

NUPs feature prominently in the NUA: national governments committed to their formulation and implementation in order to promote collaborative and effective multilevel governance for accelerating achievement of national development targets (paras 15, 21, 87, 89, 130 and 149) that enhance the value of urbanization. Moreover, NUPs should be designed through a collaborative process including subnational and local governments, along with civil society and the private sector. In poorer countries, resource constraints hamper the development and implementation of NUPs. In those instances, UN-Habitat and other agencies can provide technical support within the remit of technical assistance programmes.

Well-formulated and targeted NUPs will provide enabling mechanisms to achieve these objectives via six key components, as elaborated in the AFINUA, each addressing one or more indicators within SDG 11 and linked to several paragraphs of the NUA:

- Formulating medium- and long-term urban demographic projections and trends, with geographic disaggregation, taking into consideration the interplay of economic, social and environmental forces;
- Establishing national rules to determine land suitability for urbanization and for environmental and cultural heritage protection, disaster risk reduction and sustainable and resilient development while considering its equitable distribution and accessibility;
- Defining the roles and jurisdictional responsibilities of all levels of government and local governments regarding urbanization, urban planning and management;
- Aligning NUPs with national and sectoral development plans and policies at all territorial levels to harness the transformative power of urbanization with urban plans for energy, water, transport and other infrastructural corridors;

- Adopting a framework to reduce urban and territorial disparities; and
- Promoting jurisdictional co-ordination and coherence.⁷⁹

Multi-stakeholder partnerships across the sectors identified above can greatly facilitate implementation of NUPs. Two additional prerequisites for effective implementation are that resources for each level of government should match their respective roles designated in the NUPs, and that subnational and local governments should be able to fulfil their respective roles and responsibilities without political interference.

The principles of policy alignment (Chapter 2) and using NUPs to frame collaborative multilevel governance are well illustrated by an authoritative new report from the Coalition for Urban Transitions on how national governments can deliver affordable housing and compact urban development simultaneously through joint interventions even though housing provision is not a national responsibility in most countries.⁸⁰ It has three complementary policy recommendations and associated mechanisms.

1. Design fiscal incentives to foster compact and inclusive cities:
 - Redesign property taxes to incentivize more efficient land use through higher-density housing development.
 - Discourage low-density housing construction at the periphery by adopting a development tax or impact fees that internalize the real cost of sprawl for property developers.
2. Unlock the potential of the rental market:
 - Establish clear and balanced tenant-landlord regulations to enhance transparency and ensure that both parties have equal access to information and legal recourse.
 - Develop measures to support social rental housing and ensure adequate tenure protection without hampering residential mobility.

3. Strengthen institutional capacity and build coherent policy frameworks:

- Craft national urban policies that align different ministries and levels of government behind a shared vision for cities, and design policy frameworks that enable subnational governments to promote denser, mixed-use development.
- Introduce mechanisms for better inter-municipal collaboration for both demand-side and supply-side housing policies.
- Increase local capacity to establish a diverse portfolio of revenue streams, including property taxes, by reviewing tax exemptions and strengthening national systems to identify taxable properties and assess property values.

Several countries around the world have already developed or revised their NUPs to facilitate streamlining of NUA implementation across scales and support effective multilevel governance. For example, South Africa initiated a national discussion on how to localize the New Urban Agenda in 2018.⁸¹ This conversation is aligned with the country's Integrated Urban Development Framework and Action Plan that includes local implementation structures. One notable such structure is eThekweni's Municipal Spatial Development Framework 2019-2020, which aims to align with the NUA, SDGs and other key international agreements to achieve progress towards sustainable urbanization for the city.⁸² Critical here is that locally developed solutions for implementing the NUA and enhancing the value of urbanization are facilitated through national policies that recognize the varying needs of local governments shaped by locality, size, tax base and existing sustainability characteristics.

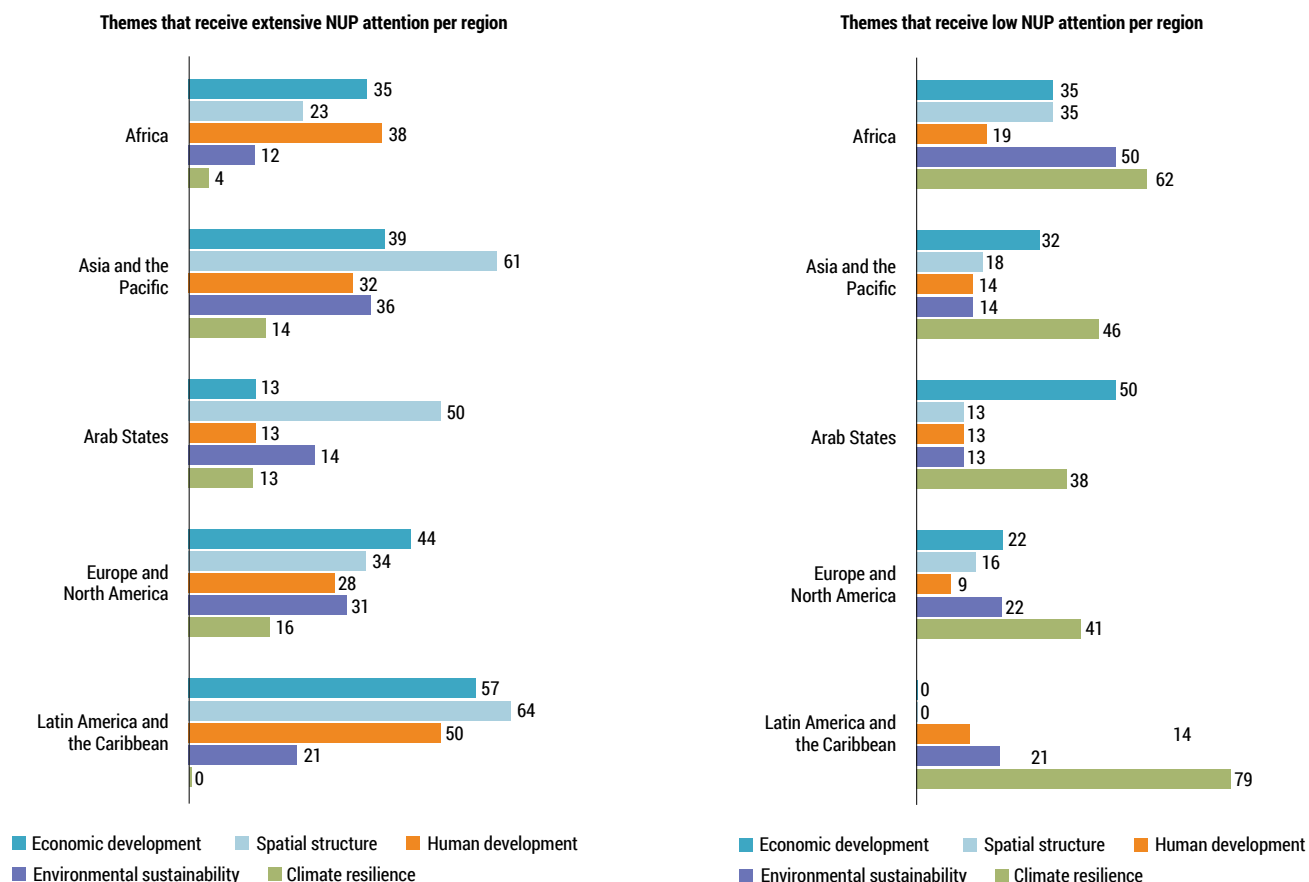
Sweden has been a European leader in this respect, and has introduced an important national document aimed at policy development: "Local Implementation of the SDGs and New Urban Agenda: Towards a Swedish National Urban Policy."⁸³ The report reflects on the relevance of the NUA and SDGs to the Swedish context, in which large cities have great autonomy. The policy aims to

facilitate sustainability at local scales and provide a platform for local and national actors to share good practices and lessons learned through global networks, thereby strengthening the value of urbanization across urban Sweden.

The comprehensive OECD and UN-Habitat study of NUPs reveals some significant regional differences of priorities (Figure 9.1).⁸⁴ Case studies of Rwanda, Ecuador and Jordan reveal important conclusions that are helpful for other countries seeking to develop, extend or update NUPs to maximize the value of urbanization and urban development:

- Low levels of urbanization, like in Rwanda, can be advantageous for strategic planning and management of urban development
- Rwanda's urban development strategies feature centrally in national development strategies, demonstrating the centrality of effective urban management to its economic development
- Despite placing the highest priority on economic development, Rwanda's NUP integrates and coordinates all sectors, including urban form and environmental protection, and strengthens subnational and local governments to fulfil their respective roles
- Constitutional recognition of the right to the city and other human development principles provides a legal basis for incorporation into Ecuador's NUP and greatly assists addressing the needs of the urban poor and other marginalized stakeholders
- Active citizen and civil society involvement in Ecuador provides greater legitimacy for NUPs
- Political stability and security concerns substantially affect the development of Jordan's NUP
- Decentralization of responsibilities to local governments in Jordan can help maximize local appropriateness and must be accompanied by capacity enhancement.

Figure 9.1: High and low thematic priorities in NUPs, by region



Source, OECD and UN-Habitat, 2018, pp. 28-29.

Finally, several complementary global efforts have been implemented and funded in recent years to monitor progress on SDG 11 and the NUA regionally. For example, the Global Land Indicators Initiative is centred around developing a common framework for tracking progress on land issues and encourages uptake of comparable data collection and recording methods for monitoring. This effort is significant as SDG 11 and the NUA highlight the centrality of land in urban development and the need for effective land governance, which will enhance the value of urbanization.

9.6.3. The role of subnational governments

Although not highlighted by means of a separate section within the AFINUA, subnational regional institutions provide the middle link between national and local scales.

Their precise powers, responsibilities and resourcing vary by country, but regional policies and instruments provide the essential glue in effective and collaborative multilevel governance for sustainable development and urbanization. This subsection provides some pertinent examples and recommendations for appropriate subnational government action.

Subnational governments play important roles in each of the components of NUPs identified earlier. Along with local governments, they should lead the elements of territorial urban design and planning processes identified in the AFINUA. Similarly, they are one of the lead actors in relation to the six elements of urban economies and municipal finance to establish principles

Subnational and local governments are responsible for significant public investments in critical infrastructure, human capacity, institutional development and municipal services

for enhancing the roles of local governments and assist the latter to design and implement appropriate financial frameworks, local economic development tools and systems for ensuring equitable access to utilities and public services.⁸⁵

Subnational and local governments are responsible for significant public investments in critical infrastructure, human capacity, institutional development and municipal services; yet, the resources devolved from the national level are often inadequate. Effective implementation of the NUA thus requires a supportive enabling environment, including appropriate autonomy and effective national

policies that facilitate adequate funding and thereby strengthen subnational capacities.

As detailed in a recent OECD report, subnational governments are increasingly prioritizing the tracking and measuring of city and regional progress against the SDGs.⁸⁶ The study revealed that about 70 per cent of European-based respondents currently implementing the SDGs track progress, while about 58 per cent use indicators to monitor progress.⁸⁷ Important collaborations are being formed to support subnational monitoring systems and accountability. For example, the Brazilian state of Paraná, in partnership with a public company and UNDP, has created a platform that collates 67 environmental and social indicators at multiple scales. Those indicators are then used in 114 municipalities across 14 states to monitor progress of the SDGs at multiple scales.⁸⁸ Such cross-scalar monitoring systems facilitate implementation and accountability for social and environmental indicators, thereby enhancing the value of urbanization.



Public transport in Bugis, Singapore city. © By 2p2play/Shutterstock

National statistical offices worldwide are focusing on localizing data to support urban and regional monitoring of progress towards the SDGs. For example, the Government of Ireland—in partnership with Ordnance Survey Ireland, the Central Statistics Office and the Environmental Systems Research Institute—has created an online SDG platform that includes data and maps at the regional scale for several of the indicators under the United Nations indicator framework.⁸⁹ Similarly, the Government of Mexico in partnership with the *Instituto Nacional de Estadísticas y Geografía* collates state-level data in a national platform, Information System of Sustainable Development Goals (SIODS in Spanish), to track and monitor the evolution of Mexican states across various indicators relating to the SDGs. The territorial focus often adopted in these monitoring systems limits direct international comparability. However, general good practices and information sharing across cities and regions can still be very effective and support the achievement and enhancement of sustainable urbanization.⁹⁰

9.6.4. Urban initiatives: Enhancing the value of urbanization through local implementation

Cities are vital to national economies and are uniquely placed as key hubs for connecting local to global actors (Chapters 2 and 3). Within the required effective multilevel governance for appropriate and sustainable urban development, urban local governments must play a pivotal role (Chapter 7). In many countries, national, regional, state or provincial policies and regulations provide parameters within which local governments must operate; but in others, individual local governments have greater autonomy. In general, the higher the degree of local government reliance on subvention from regional and/or national government, as is common in low- and middle-income countries, the greater the prescriptiveness of such requirements. Capitals and other large cities with a strong and diversified local revenue base often have greater autonomy and hence ability to become innovative leaders, perhaps even acting faster and going further than national policy.

The division of powers and responsibilities in the federal system of the US provides a good example of the scope for practical action by subnational governments to promote sustainable development. Following the announcement in June 2017 that the US would withdraw from the Paris

Agreement on climate change, various states and cities declared that they would, nevertheless, adhere to the terms of the agreement and, in some cases, even make more substantive emissions reductions.

By the end of October 2019, at least 25 states and territories had joined the US Climate Alliance alongside the over 400 city leaders who comprise the Climate Mayors. Most of those cities and states have signed the “We Are Still In” pledge to affirm their support for the Paris Agreement, along with 2,200 businesses, 350 universities and 200 faith groups. Collectively, these actors represent over half the country’s economy, half its population and 37 per cent of its greenhouse gas emissions. In 2018, an authoritative study concluded that existing commitments by those subnational actors could achieve two-thirds of the emissions reductions in the country’s Nationally Determined Contribution targets of the Paris Agreement.⁹¹

This powerful subnational, private sector and civil society coalition demonstrates how important these actors are in achieving decarbonization initiatives, albeit against the modest Nationally Determined Contributions pledge by the US, and thereby to reduce the direct and indirect costs of current urbanization and to promote the value of increased sustainability. The example of the US shows that if the necessary enabling institutional and administrative environment are created for subnational and local governments, these entities can play a leading role in advancing the value of sustainable urbanization even in the absence of national leadership. Notwithstanding the potential for progress by subnational actors in the US, urban energy transitions and decarbonization are not a straightforward or easy win, requiring city-specific negotiation and navigation of the complex interrelations among carbon, capital and infrastructure, as recent research around the world has demonstrated.⁹² After all, energy powers all dimensions of urbanism and urbanization, not least economic efficiency and development.

Moreover, including additional spheres of local action like reducing emissions from solid waste, updating ageing urban infrastructure, shifting travel modes from private to public transport and accelerating urban greening would considerably increase the potential scale of emissions reduction. Recent research indicates that there are major

infrastructure investment gaps for achieving the SDGs—and by extension the NUA goals—estimated at US\$38 trillion for the years 2020–2030 (Chapter 8).⁹³ However, financial resources are increasingly becoming available from new sources like public-private funds and previously uninvolved development partners and finance institutions as well as innovative financing mechanisms such as pooled financing, blended finance, green municipal bonds and land-based finance instruments, among others.⁹⁴ Harnessing this capacity to address the financing gap requires considerable commitment and willingness from both state and non-state actors (Chapter 8). The costs of inaction are high: exacerbated environmental and socio-economic pressures, compounded by increased mitigation and adaptation costs for tackling more degraded environments and fractured economies and societies.⁹⁵

Ultimately, local governments are key agents of change for achieving the NUA's objectives. However, the evidence base for implementation and monitoring remains somewhat limited and uneven, with many examples still in their infancy. Indeed, Mistra Urban Futures conducted a longitudinal comparative study from 2017–2019 of how seven local governments on four continents are engaging with and attempting to implement the SDGs. It found that only one city had addressed the NUA at all, and even then only in rhetorical terms.⁹⁶

Despite the emergence of VLRs and increasing efforts by individual local governments, these responses reflect generally low levels of awareness of the NUA and perceptions of its importance relative to the SDGs. In some cases, officials also cited a lack of, or intention to wait for, national guidance on engaging with the NUA.⁹⁷ This reluctance highlights the need for ongoing inclusive processes of engagement with city governments of all sizes and between cities and national governments in order to deliver the NUA's wide-ranging objectives and identifying appropriate indicators to assess progress.

City networks are playing a leading role in sharing experience, knowledge and good practices in relation to climate action and sustainable urban development

Despite the relatively low penetration of the New Urban Agenda four years after its adoption, the growing membership ranks of city networks are playing a leading role in sharing experience, knowledge and good practices in relation to climate action and sustainable urban development (Chapter 7). Many countries have long had local government associations that lobby of central government. There are also important local government organizations with international membership, most notably United Cities and Local Governments, ICLEI – Local Governments for Sustainability and Metropolis.⁹⁸ The Commonwealth Local Government Forum deserves special consideration for recently reorienting its strategic thrust to prioritize localization of SDG solutions by strengthening local democracy and implementing urban sustainability.⁹⁹

Transnational networks of individual cities are a recent phenomenon, attesting to the recognition that city leaders and managers in diverse parts of the world share common problems and appreciate the value of sharing knowledge and good practices. These networks also represent a forum for innovation dissemination and upscaling to accelerate urban implementation of the global sustainable development agenda in locally appropriate terms. The largest network is arguably the C40 Cities Climate Leadership Group. Established in 2005 and now boasting 96 members worldwide, it focuses primarily on tackling climate change.¹⁰⁰ The Rockefeller Foundation-funded 100 Resilient Cities network, established in 2013, created the city government position of chief resilience officer and led many cities to produce their first resilience strategies. It disbanded in mid-2019 due to shifting priorities at the foundation.¹⁰¹

Several innovative sharing and scaling mechanisms have recently been developed to support streamlining and collaboration. These tools range from online platforms and portals to global-local alliances between diverse actors in support of achieving the SDGs and the goals of the NUA. For example, the Latin American and Caribbean Urban and Cities Platform is being developed to support implementation and monitoring of the NUA in the region by facilitating peer-to-peer learning and exchange of best practices and capacity building.¹⁰² The platform will have an urban observatory and virtual platform to support this learning.

Several innovative sharing and scaling mechanisms have recently been developed to support streamlining and collaboration

The UN-Habitat Country Activities Report for 2019 is also general in thrust and—perhaps inevitably at this early stage of mobilizing support and action by Member States—focuses largely at the national level.¹⁰³ The subnational and local levels receive little attention. While UN-Habitat does have a portal of examples that includes cities across diverse

contexts that are reportedly implementing the NUA, to date most of these examples focus on specific programmes, like the Safer Cities initiative in eThekweni (South Africa), and do not appear necessarily to be being implemented through a dedicated action framework.

UN-Habitat launched enhanced features on the Urban Agenda Platform at the Tenth Session of the World Urban Forum in February 2020. Designed for compatibility with the New Urban Agenda Reporting Guidelines and implementation reporting process, as well as the SDG targets and indicators framework, the platform will

Box 9.2: Main features of the Urban Agenda Platform

1. **Voluntary Reporting:** A centralized, virtual reporting mechanism based on the New Urban Agenda Reporting Guidelines accessible for the Member States will facilitate the preparation of country reports. The reports will provide qualitative and quantitative analysis. To the extent possible, the inputs of other key stakeholders and processes will be incorporated where appropriate.
2. **Knowledge Management:** Build on existing and new knowledge platforms and resources to leverage the collective experience and knowledge of partners to avoid duplication, facilitate knowledge generation and share in support of NUA and SDG implementation.
 - **Data:** Linkage to Global Urban Indicators Database; provide an interactive mechanism to visualize data from progress and demonstrate impact of the implementation of the NUA and SDGs.
 - **Best Practice Database:** Hosting and management of over 5,500 best practices with advanced search function to encourage sharing and uptake. A uniform, decentralized storage of data and documentation will capture inspiring breakthroughs, share success stories, demonstrate results, measure impact and identify practices that can be scaled-up.
3. **Expanding the work of knowledge** platforms to reinforce collaboration and coherence in thematic areas such as housing with Habitat for Humanity-coordinated Urban Housing Practitioners and to strengthen regional-level platforms being developed through United Nations regional commissions (such as the Penang Platform and the Latin America and Caribbean Urban and Cities Platform).
4. **Synergies** with regional and thematic platforms are intended to improve stakeholder engagement and create a knowledge legacy through a feature-rich suite of digital collaboration and communication tools.
5. **Learning and Capacity Development:** Support evidence-informed, country-level action for impact through capacity development and curated, state of the art knowledge. Provide a complementary set of webinars, virtual learning, workshops, technical support, expanding resources and publications.

Sources UN-Habitat, 2020g; UN-Habitat, 2020h.

facilitate monitoring, reporting and information sharing on progress. Consequently, it should facilitate and accelerate the implementation of the NUA and SDGs in order to maximize the value of sustainable urbanization (Box 9.2). Evaluation and enhancements will take place through the remainder of 2020, so that the system can play a central role in the preparation process for national submissions to the Second Report on Implementation of the NUA.

As part of the Global Future Cities Programme funded by the UK, UN-Habitat has also developed and launched its SDG Project Assessment Tool. This tool is designed to enable local governments to enhance the quality, implementability, long-term viability and alignment of individual urban projects to the SDGs within the frame of the NUA. A city government will work with delivery partners and UN-Habitat to optimize the outcome through five successive phases, namely defining a set of principles, reviewing the project, discussing the results,

providing recommendations and improving the project within the broader context.¹⁰⁴ This framing is important in “joining up” individual projects to increase coherence and hence leverage multipliers so that the whole becomes more than the sum of its parts, which is another way to think of the enhanced value of sustainable urbanization.

9.7. Concluding Reflections: Implementing the New Urban Agenda in Times of Uncertainty and Unprecedented Global Challenges

We are now firmly in the Decade of Action to deliver the SDGs by 2030. That ten-year time window has initiated a call to action and cultivated a sense of urgency, not least because the costs of inaction are already significant and escalating. The climate crisis continues unabated. Income inequality continues to ravage the world’s poor. Global



A school affected by Cyclone Idai in Mozambique. © UN/Eskinder Debebe

Ignoring the need for sustainable solutions to humanity's predominantly urban challenges is no longer plausible

migration and its consequences continue at record levels. Nationalism and populism threaten the rules-based international order, including the global economy that has created today's urban configurations. Amidst these pressing challenges of the last four years, the coronavirus pandemic has multiplied and exacerbated many of these interlocking issues. Ignoring the need for sustainable solutions to humanity's predominantly urban challenges is no longer plausible.

UN-Habitat has provided the global urban community with the normative tools and global platform necessary both to take decisive action and contribute to the international movement for better cities. As shown throughout this Report, governments at all levels and civil society globally are already acting decisively and impactfully to implement the 2030 Agenda for Sustainable Development and the NUA. However, progress still needs to be made with respect to overcoming the barriers that impede the effective implementation of the NUA in all contexts.

By drawing on how preceding chapters have explained the value created by sustainable urbanization while summarizing global efforts to galvanize support for sustainable urban development, this chapter has demonstrated how the effective implementation of the SDGs and the New Urban Agenda can strengthen the integrated economic, environmental, social and intangible value of urban areas. As an aid to sustainable policymaking and implementation, Table 9.1 synthesizes key messages and requirements discerned from the respective chapters for enhancing the value of sustainable urbanization through addressing the core integrated elements of sustainability. The relevant aspects of the effective implementation of the NUA to facilitate achievement of the value of sustainable urbanization are presented alongside these key messages. Several of these messages are crosscutting and apply to all elements of sustainable urbanization.

Enabling environments at all scales are key prerequisites to ensure policy coherence and effectively implement the NUA. Despite the progress highlighted throughout this Report, key elements of enabling environments, including adequate finance at all levels, capacity development and data availability, remain major gaps to be addressed. As shown in Table 9.1, this Report emphasizes several crosscutting issues central to achieving the NUA. These include concepts such as the need to mainstream and expand gender equality, cultural diversity, legal protections under the rubric of the "right to the city," the rights of marginalized groups more broadly, multilevel governance underpinned by equitable and collaborative planning and decision making processes, deployment of appropriate technology in urban planning and management, the critical role of local governments linked to international networks, and the need for sustainable financing and innovative data collection and application processes.

Despite the progress highlighted throughout this Report, key elements of enabling environments, including adequate finance at all levels, capacity development and data availability, remain major gaps to be addressed

The urgency—and profound challenges—of making rapid progress towards urban sustainability have been thrown into stark relief by the extraordinary speed with which COVID-19 spread to become a deadly pandemic due to our highly integrated global economy and mobile lifestyles. While the world scrambles to understand the disease's virology and epidemiology, deploy antigen and antibody tests, and ultimately develop an effective vaccine, efforts to control its spread required increasingly stringent restrictions on mobility and behavioural change. This pandemic spread along major transport corridors, initially within China and then worldwide. Urban areas became the epicentres of community transmission, followed by diffusion to peri-urban and rural areas. The challenges of imposing and maintaining lockdowns have also been greatest in urban areas, from maintaining food supplies, operational public utilities and adequate personal protective equipment for health and other key workers, to maintaining observance of social distancing and staying at home except for essential purposes.

Proactive, high-calibre urban leadership in implementing a comprehensive suite of countermeasures have been crucial, as demonstrated by Seoul, an early infection hotspot.¹⁰⁵ The pandemic has affected citizens across the socioeconomic spectrum, but nowhere have the challenges been more extreme than where poverty, inequality, exclusion and insecurity affect large sectors of urban populations, namely informal settlements and slums, as well as displaced persons and refugee camps, on account of high levels of overcrowding, the impossibility of adequate physical distancing, undernutrition and vulnerability to chronic environmental hazards and disease.¹⁰⁶

The global sustainable development agenda provides a unique framework and opportunity to invest for the future and build up resilience against pandemics as the world will have to adapt to and cope with COVID-19 and other highly contagious disease for the long term. COVID-19 is not the first, nor will it be the last, pandemic that cities will face. Cities have led the recovery and redesign after previous pandemics, and they will be required to do so in the aftermath of COVID-19. Given the ongoing pandemic's global nature, recovery will require a new kind of leadership from city governments; one that is proactive by developing policies and programmes to adequately build up resilience against future public health threats. Across the world, COVID-19 has clearly shown that it is in the interest of all countries to have a robust health system to cope with pandemics. Cities can help galvanize resources from multiple sources to invest in health infrastructure as part of city resilience development programmes and ensure that public health is an integral aspect of urban development, management and governance, especially in developing countries.

COVID-19 will most likely have long-lasting impacts on the design of the built environment. The pandemic has highlighted that the enormous amount of public space

The global sustainable development agenda provides a unique framework and opportunity to invest for the future and build up resilience against pandemics as the world will have to adapt to and cope with COVID-19

COVID-19 will most likely have long-lasting impacts on the design of the built environment

dedicated to private vehicles needs to be reconsidered and prioritized for safe public transportation systems and other uses like pedestrian walkways, outdoor seating for restaurants and display areas for businesses. Although some of these shifts may be challenging initially, they give cities an opportunity to plan and manage their urban environment based on the tenets of the NUA. For instance, COVID-19 provides a valuable lesson on having ample public space to enable physical distancing. Moving forward, an important lesson from COVID-19 is that safe and green transportation systems should be at the heart of cities' recovery plans.

COVID-19 provides cities a unique opportunity to build back better, by focusing on greener, more sustainable business and consumption patterns, digital economies and quality urban spaces

As cities reopen, authorities should devise creative ways to reduce congestion on roads and ensure that pollution is minimized. COVID-19 provides cities a unique opportunity to build back better, by focusing on greener, more sustainable business and consumption patterns, digital economies and quality urban spaces that are adequately designed to cope with future pandemics and looming climate-related crises. Globally, cities are already rethinking and reimagining the overall vision and design of their urban environments. Amsterdam has embraced the “doughnut economics” model to ensure that the post-COVID-19 city is sustainable, inclusive and circular.¹⁰⁷ Similarly, in Bristol, UK, the mayor has proposed a unified city plan with the Sustainable Development Goals as the basis for city planning. In Melbourne, Australia, urban planners are exploring ways to expand the greening of public spaces to better prepare for future pandemics.¹⁰⁸

The devastating effects COVID-19 have been inequitable (Chapter 1). In developed countries, millions of workers

in low-wage service jobs were rendered jobless and forced to make difficult decisions about putting themselves at risk by returning to the labour market. In developing countries, millions of informal workers fell into poverty with no social protection. Worldwide, it is difficult to accurately measure the economic, social and health impacts on the most vulnerable populations because many are undocumented, informally employed and lack safety nets or social protection. Moving forward, this social imbalance needs to be corrected.

Cities can play a leading role in developing the capacity and institutional framework to understand the lived realities of their most vulnerable residents and address the disproportionate impacts of COVID-19 and future pandemics at the local level. This role, for instance, can be in the form of developing new systems of social protection for vulnerable and marginalized groups. Such new systems can, for example, take the form of a citizen's basic income that is sufficient to meet essential needs in a given locality. This idea has emerging support which has already been piloted at different scales, with cities creating models that could scale up to the national level.¹⁰⁹ Along with safety net measures, cities should urgently address the economic, environmental and social infrastructure needs of slums and informal settlements to avoid the unbearable conditions faced by these areas during future pandemics.

COVID-19 has starkly reminded the world of the need for an effective coordination of multilevel governance and policy coherence at all levels of government as called for in the New Urban Agenda

COVID-19 has starkly reminded the world of the need for an effective coordination of multilevel governance and policy coherence at all levels of government as called for in the New Urban Agenda. Addressing the present and future pandemics has a strong territorial dimension. City-level governments, given their proximity to residents, are the best placed to address many pandemic-related issues in contextually appropriate ways. Cities have a critical role to play in creating pathways to how these challenges are met. The lessons from COVID-19 can be used in reimagining urban sustainability and human security as the basis for making the required systematic changes to public expenditure and investment. Indeed, how cities respond to these challenges will determine our urban futures and the perceived value of increasing urbanization for many years to come.¹¹⁰ Humans have always responded to pandemics by rebuilding their cities. The New Urban Agenda is the roadmap for the world's post-pandemic recovery. With locally appropriate pathways, we can build back better by implementing the New Urban Agenda across all contexts.

Table 9.1: Enhancing the value of urbanization: Key messages and implementation mechanism

Core Integrated Elements of Sustainable Urbanization	Key requirements and messages	NUA Means of Implementation
<p>Unpacking the Value of Sustainable Urbanization (Chapter 2)</p>	<ul style="list-style-type: none"> ▪ National prosperity and development are largely dependent on the economic performance of urban areas ▪ Harmonious and balanced development, actively preserving natural features, protecting biodiversity and reinforcing environmental assets ▪ Spatially just resource distribution that provides individual and group political agency, and social, economic and cultural diversity. ▪ A sense of individual and collective civic pride in the culture of a city, which provide a superstructure for the value of urbanization to be fully realized ▪ Coherent policy, proper planning, effective management and sound urban governance ▪ People-centred, inclusive and rooted in equity ▪ Priority focus to address the unique needs of underrepresented populations 	<ul style="list-style-type: none"> ▪ Urban areas must be planned and managed to enhance the value of sustainable urbanization ▪ Sustainable urbanization requires a coordinated effort across all scales ▪ Policy coherence is needed to enhance the value of sustainable urbanization

Core Integrated Elements of Sustainable Urbanization	Key requirements and messages	NUA Means of Implementation
<p>The Economic Value of Sustainable Urbanization (Chapter 3)</p>	<ul style="list-style-type: none"> ▪ High levels of efficiency and productivity and accelerators of economic growth ▪ Effective city financing is integral to equitable planning and development ▪ Inclusive prosperity and equal opportunities for all ▪ Clearly defined property rights and land use regulations ▪ Equitable access to well-functioning infrastructure and transportation systems ▪ Sustainability and productivity are closely interlinked ▪ Urban and territorial planning is crucial for the delivery of inclusive urban prosperity ▪ Effective multilevel governance systems generate increased economic activity 	<ul style="list-style-type: none"> ▪ Support the creation of robust legal and regulatory frameworks for sustainable national and municipal borrowing based on sustainable debt management, as well as sustainable municipal debt markets where appropriate ▪ Consider establishing urban and territorial transport infrastructure and service funds at the national level
<p>The Environmental Value of Sustainable Urbanization (Chapter 4)</p>	<ul style="list-style-type: none"> ▪ Equitable, collaborative and context-specific urban planning ▪ Recognition of urban commons and integration of ecological and social needs for feedback loops in long-term processes of urban development planning ▪ Urban optimism coupled with pragmatism whereby urban actors demonstrate the effectiveness of existing actions ▪ Addressing securitization and fragmentation to deliver benefits for all ▪ Mobilization of environmental data and delivering effective strategic action within current data constraints ▪ Addressing the structural drivers of environmental degradation and how they shape people's lives 	<ul style="list-style-type: none"> ▪ Develop vertical and horizontal models of distribution of financial resources to decrease inequalities across subnational territories, within urban centres and between urban and rural areas, as well as to promote integrated and balanced territorial development ▪ Implement integrated and balanced territorial development policies ▪ Implement sustainable multimodal public transport systems including non-motorized options
<p>The Social and Intangible Value of Sustainable Urbanization (Chapter 5)</p>	<ul style="list-style-type: none"> ▪ Urban economies of scale can foster social inclusion and integration ▪ The "right to the city" is a key policy instrument for supporting equal rights, opportunities and fundamental freedoms ▪ Good governance, regulations and appropriate institutions help support well-planned and managed urbanization through democratic and participatory processes ▪ Address inequalities within and between urban centres to foster inclusivity ▪ Equitable and appropriately implemented social policy promotes social integration ▪ Effective participatory multilevel governance fosters social cohesion and inclusivity ▪ Rights-based approach to housing supports access to adequate and affordable housing ▪ Prioritization of the needs of vulnerable and marginalized groups means leaving no one behind with a key focus on gender and cultural diversity 	<ul style="list-style-type: none"> ▪ Support the development of appropriate and affordable housing finance products and encourage participation by diverse kinds of external financial institutions to invest in all forms of affordable and incremental housing ▪ Support subnational and local governments in their efforts to implement transparent and accountable expenditure control instruments for assessing the necessity and impact of local investment and projects, based on legislative control and public participation ▪ Implement participatory, age- and gender-responsive approaches to urban policy and planning ▪ Achieve women's full participation in all fields and all levels of decision-making
<p>Innovation, Technology and the Value of Innovation (Chapter 6)</p>	<ul style="list-style-type: none"> ▪ Multidimensional role of innovation and technology in urban areas in (re)shaping social relations, labour markets and governance ▪ Innovation and technology help to enhance productive innovation systems ▪ Capacity building for strengthening government's ability to effectively manage, deploy and regulate the use of technology ▪ Smart city technologically-based initiatives need to be people-centred and people-driven ▪ Digital divides and exclusion need to be addressed 	<ul style="list-style-type: none"> ▪ Businesses should apply their creativity and innovation to solving urban sustainable development challenges ▪ Implement digital tools, including geospatial information systems to improve urban and territorial planning, land administration and access to urban services ▪ Implement digital tools, including geospatial information systems, to improve urban and territorial planning, land administration and access to urban services

Core Integrated Elements of Sustainable Urbanization	Key requirements and messages	NUA Means of Implementation
Local Governments and the Value of Sustainable Urbanization (Chapter 7)	<ul style="list-style-type: none"> ▪ Local and regional governments play a key role in localization and implementing global development agendas ▪ Enabling institutional environments are critical for urban governance ▪ Committed city leaders are key to the advancement of sustainable urbanization ▪ Fiscal decentralization and adequate financing flows are needed to support urban investments ▪ Strong multilevel governance frameworks are needed to foster vertical and horizontal cooperation ▪ Strengthened and locally appropriate monitoring and evaluation is key ▪ Mainstreaming localization and streamlining goals of various global strategies from national to local levels ▪ Effective decentralization policies are key to fostering an enabling institutional environment for enhancing the value of sustainable urbanization ▪ Proactively address the disconnect between available funds and lack of financing for sustainable urbanization ▪ Integrated planning is crucial to create inclusive cities and strengthen linkages between urban and rural areas ▪ Establish a new culture of participation by acknowledge every citizen's rights, especially their right to the city 	<ul style="list-style-type: none"> ▪ With appropriate support, subnational and local governments should register and expand their potential revenue base in a socially just and equitable manner, e.g. through multi-purpose cadastres, local taxes, fees and service charges ▪ Promote sound and transparent systems for making financial transfers with performance-based incentives from national to subnational and local governments based on the latter's needs, priorities and functions ▪ Build capacity of local governments to effectively monitor the implementation of urban development policies ▪ Build the capacity of local government to work with vulnerable groups to participate effectively in decision-making about urban and territorial development
Investing in the Value of Sustainable Urbanization (Chapter 8)	<ul style="list-style-type: none"> ▪ Greater and more sustainable funding is required to achieve the NUA, the SDGs and other development goals relevant to sustainable urbanization ▪ There is a shortfall in funding required to achieve the SDGs, the NUA and other development goals relevant to sustainable urbanization ▪ Accelerated action on closing finance gaps and investment in the value of urbanization is urgently required ▪ Urban areas have divergent investment needs and varying abilities to mobilize financial resource ▪ Local governments face interlinked challenges of inadequate and unpredictable transfers from central government, poor tax collection and weak fiscal management ▪ High social, economic and environmental cost of inadequate infrastructure ▪ Investment in various aspects of human development/capital is vital for inclusive and sustainable urbanization in rapidly growing urban areas ▪ Multiple and diverse actors and collaborative ventures are required for adequate funding of urban infrastructure ▪ Realignment of financial frameworks with local public goals and priorities is key 	<ul style="list-style-type: none"> ▪ All levels of government should deploy context-sensitive approaches to financing urbanization and enhancing financial management capacities through the adoption of specific instruments and mechanisms to achieve sustainable urbanization ▪ Mobilize endogenous resources and revenues generated through the capture of the benefits of urbanization, along with the catalysing effects and maximized impact of both public and private investments ▪ Promote best practices to capture and share increases in land and property value generated through urban development processes, infrastructure projects and public investments ▪ Sustainable financing requires an impact-focused ecosystem of actors including the private sector, public sector, development partners, civil society, residents and communities ▪ Ensure policy coherence: inter-jurisdictional across cities, intergovernmental across levels of government and globally with internationally-supported investments

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