The key role of cities for the SDGs

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Going local with the SDGs. Why a Territorial Approach?

- The **OECD Action Plan** on the SDGs acknowledges the critical role of cities and regions in achieving the 2030 Agenda, although they were not designed by and for them.
- It also stresses the importance of tracking the progress of regions and cities, because the experience of the MDGs taught us to **look beyond national averages**[i].
- The UN Sustainable Development Solution Network has estimated that **65% of the 169 targets underlying the 17 SDGs will not be reached** without proper engagement of, and coordination with, local and regional governments.
- Why? **Most people currently live and work in cities**, and urbanisation continues to grow all over the world, with 70% of the global population expected to live in cities by 2050.
- OECD data from our unique Metropolitan Database also shows that the 327 OECD metropolitan areas above 500,000 inhabitants concentrate 63% of GDP
- In many countries, cities and regions have core competencies for most policy areas underlying the SDGs such as water, housing, transport, infrastructure, land use or climate change.
- This is evidenced by data from our **World Observatory on Subnational Government Finance and Investment**: subnational governments are responsible for almost 60% of total public investment in 2016 in OECD area, and for almost 40% worldwide.
- Therefore, while SDG 11 on "cities and communities" is central, most of the **other SDGs also hold implications for cities and regions**.
- So, rather than selecting only the most relevant SDGs for cities, we need a city lens for each SDG. In turn, the SDGs can provide a valuable framework to foster a **holistic and integrated approach** to cross-cutting urban challenges.
- Some countries are already taking action in this direction: in recent years, some national governments such as **Germany** and **Japan**, have started to work directly with their cities and regions to "localise" the SDGs, by providing financial, technical or capacity building support.
- Some cities have also started to develop "**local voluntary reviews**", following the model of "national voluntary reviews" on SDGs progress that countries submit voluntarily the UN. This is the case for New York and Kitakyushu (in Japan) for example.

An OECD programme to localise the SDGs

- To accompany governments in this process, the OECD programme I mentioned on *A Territorial Approach to the SDGs*, has three primary objectives:
  - The first objective is to **measure** where cities and regions stand vis-à-vis their respective national average and their peers;
  - The second objective is to **analyse** how cities and regions use SDGs as a tool to rethink sustainable development from the ground up
  - And finally, the aim of this programme is help **facilitate** a dialogue between lower and upper levels of government to build consensus on who does what, at what scale and how;
- Several regions and cities are actively involved in this programme, as pilots, and we have already carried out several field missions. These are the region of Southern Denmark (Denmark), the city of Kitakyushu (Japan); the region of Flanders (Belgium), the City of Bonn (Germany), the municipality of Kópavogur (Iceland), the county of Viken (Norway) and the province of Córdoba (Argentina).

Preliminary messages from the work

- Let me now share with you some early findings.
- First, as I mentioned, **many cities and regions are already using the SDGs as a tool for strategic visioning, planning and budgeting**.
- This is the case of **Southern Denmark** for example. Although the SDGs are not formally included in the current Regional Development and Growth Strategy (2016-2019) "The Good Life" (Det Gode Liv), the six priority areas and the policy themes covered are linked to the SDGs framework[1]. The region of Southern Denmark will now use the SDGs in the development of the next Regional Development Strategy (2020-2023).
- The City has used the SDGs in its *Sustainability Strategy* to address clean urban mobility, energy efficiency in buildings and competing demands for affordable housing and green spaces. This Sustainability Strategy is also expected to guide funding and budget allocation in the city.
- Second, we see that **cities and regions provide a convenient scale to manage some of trade-offs and complementarities** across interdependent SDGs, which is not always possible at national level.
- Addressing these trade-offs is important to avoid having decisions taken for one SDG lead to detrimental effects on other SDGs
- For example, taking a holistic view, the City of Bonn identifies SDG 11 as a guiding theme for the city, in particular for generating synergies with SDG 7 and SDG 13. Energy-efficient building standards, provision of clean and affordable energy and low-carbon means of transport are key to meet the required CO_2 emission standards while at the same time developing the city sustainably. Moreover, SDG 4 (education) is central to keep the employment rate high in a labour market characterised by high-skilled jobs. The city thus uses the SDGs to analyse and address interlinked challenges.
- Third, **disaggregated data and evidence** on where cities and regions stand against their national average can guide more evidence based and context specific policies.
- For example, by looking at disaggregated data on SDG 5 on gender, we learn that, in **Kitakyushu**, the proportion of women in the City Assembly (19%) is double the proportion of seats held by female legislators in the national parliament (9%).
- We need more of this disaggregated data, to cover all areas relevant to cities and regions, and we have come up with more than **80 indicators.** They come from our unique Regional and Metropolitan databases, UN statistics and other sources such as the Gallup World Poll.
- We are also looking at which indicators can be produced using **geospatial and satellite public data** – for instance on the share of protected areas and share of green areas.
- We are also exploring which ones can be **collected directly from Member countries**, such as the share of women that has experienced physical or sexual violence.
- These indicators will be an important **push forward** in terms of sub-national statistics on the SDGs. They will also **expand the evidence base** on cities and regions' performance vis-a-vis the SDGs.

Moving Forward: Opportunities and Challenges

- Let's be clear, cities and regions are starting to see the benefits of localising the SDGs, much more work remains to be done before the SDGs become a widely-used planning, budgeting and policy tool at subnational level.

Moving forward, the key challenges and opportunities are:

- Cities and regions have identified the **measurement of progress** as one of the key priorities

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[1] i.) Knowledge in motion; ii.) People with potential; iii.) Business in development; iv.) Green opportunities; v.) Vibrant urban regions; and vi.) Strong connections

- ✓ LRGs are identifying a number of targets and indicators to measure SDGs: e.g., 80 indicators for the Basque Country, 45 indicators for the city of Bonn, etc.

- ✓ The coordination between local and national statistical offices is key to measure progress in a coherent way (e.g. Southern Denmark with Statistics Denmark)

- ✓ A comparable localised indicator framework is still missing

In terms of **policies and strategies**, cities and regions are starting including the SDGs into their development plans.

- ✓ The region of Flanders into the Flanders 2050 Strategy, the city of Kitakyushu into the Basic Environmental Plan, Southern Denmark into the Regional strategy for growth and development.

- ✓ Despite these efforts to link existing development plans to the SDGs, the 2030 Agenda is not used in its full potential as a planning and budgeting tool

- ✓ Cities and regions still have to undertake this further step and they need tools and guidance to effectively implement the SDGs.

Governance and institutional frameworks: LRGs are creating mechanisms to address the SDGs through an integrated approach (e.g. city of Kitakyushu, Bonn, etc)

- ✓ In Germany and Japan, the national government is promoting the localisation of the SDGs by financially supporting cities (15 in Germany and 10 in Japan) in developing local SDGs strategies

- ✓ Despite these examples, vertical coordination and dialogue on SDGs across levels of government needs to be improved

Key opportunities for actions for the localisation of SDGs are:

- ✓ Use the SDGs as a tool to address concrete local issues (e.g. mobility and affordable housing in Bonn, social inclusion in Cordoba, depopulation and aging society in Kitakyushu, etc.);

- ✓ communicate with and engage citizens and civil society;

- ✓ integrate the SDGs in local budgeting;

- ✓ use the SDGs as a means to involve the private sector in public policies and use public funds to leverage private investments,

- ✓ develop comparable quantitative indicator frameworks and use indicators as a tool for policy dialogue,

- ✓ use the SDGS to discuss shared experiences with citizens

- We trust our work on a territorial approach to SDGs can help local and national governments get there.
- The programme will conclude in 2020 at the 10th World Urban Forum where we will deliver three outputs :
    - A new **localised indicator framework on the SDGs**, with key data from a sample of cities and regions;
    - A series of city or region-specific reports; and
      A final OECD synthesis report.
- Thank you.