

# Implementing the SDGs in cities

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The world has agreed to implement 17 ambitious Sustainable Development Goals by 2030. Due to the scope of the global urban transition, major successes or failures will hinge upon progress made on the urban goal (SDG 11), as well as on the ability of global actors to localize all 17 SDGs. This briefing sheet describes how a new governance regime and means of implementation can enable different stakeholders – from frontrunners to followers – to drive change.

### **Key Messages**

- The Sustainable Development Goals (SDGs) are universal and international in their scope, but will be implemented locally. While there is a separate Urban Goal (SDG 11), all 17 goals are immediately relevant to the roles and responsibilities of local governments.
- Transitioning to SDGs will require a change of perspective across all levels of governance. Well-coordinated work – through both vertical and horizontal integration – can give rise to bottom-up approaches and encourage breaking through sectoral silo-structures in planning and implementation.
- While different regions and different urban areas develop in their own way and at their own pace, local capacity development, city-level finance and technology exchange has the potential to boost sustainable development and drive innovation for the whole agenda.
- By coherently embracing the challenges set out in the SDGs, developing cities can leapfrog an environmentally harmful development trajectory and progress directly to sustainable infrastructure and lifestyles. At the same time, front-running local governments can lead and show examples of change, focusing on the most transformative agendas and on quality of life.

## Background

The Sustainable Development Goals were launched in September 2015 as an overarching set of 17 themes and 169 targets that provide a pathway for transforming our world by 2030. It will still take time for multiple international negotiations, partnerships and collaborations to determine how all goals and associated targets are to be delivered, by whom and through which financial means. An enduring question in regard to implementation, however, is whether the global agenda – which is still mainly steered by international organizations and implemented by national governments – will be able to evolve to give the necessary impetus to local and subnational governments and to empower them to make a difference.

## Moving from paper to practice: the dawn of new governance

The successful implementation of the SDGs means fostering cutting-edge governance and smart, innovative means of implementation. As the experience of the MDGs demonstrates, tackling emerging challenges requires transformative actions from different stakeholders, individual and social "soft skills" and new adaptive decisionmaking. As such, there is an increasing need to foster coordination at local, national and international levels (vertical integration), as well between the same levels of governance – ministries and economic sectors (horizontal integration). Although some of these processes are already accelerating in many parts of the world, they remain stagnant in others, as reluctant actors continue to idly rely on frontrunners to lead the way.

**1. Vertical integration**, also known as a multilevel governance concept, implies that different levels of government – from national/federal to state/provincial and local – better connect local and regional agendas with national policies. In an effective multi-level governance framework, actors exchange, plan and coordinate activities that relate to planning, implementation and reporting, while also sharing financial resources and responsibility for outcomes. By strengthening local leadership, generating bottom-up approaches for decisions and consultative processes, vertical integration can identify and implement solutions collaboratively.

2. Horizontal integration is defined as collaboration between different regulatory bodies at the same level of governance. It is about breaking the silostructures and mentalities in international, national and local administrations. Thus, instead of being the exclusive function of a particular sector, the 2030 Agenda has to be embraced collaboratively. This not only implies that no single institution should "hijack" the goals, but also that no single institution should have to engage with the Agenda alone. In practice, the creation of a system of "sustainability checks" or "tick-boxes" for each department, as well as spaces for exchange and cooperation between ministries and departments, would reflect how horizontal integration can stimulate collaborative solutions.

### Embracing Means of Implementation: Capacity Development, Finance, Technology

While governance defines the underlying agenda, key questions persist in regard to mobilizing the resources necessary to achieve the necessary level of sustainable development set out within the SDGs. In order to realize the world envisioned by the 2030 Agenda, pertinent issues surrounding capacity development and financing must be addressed.

#### **Capacity development**

Regardless of their level of development, modern cities are complex structures with a multitude of intertwined

problems and solutions that require the flexibility of local actors to manage this data and to make adequate collaborative decisions. The ability to make these decisions, however, requires being able to attain, strengthen, and maintain skills and knowledge over time. Supporting the production of local knowledge, community trainings and the establishment of urban observatories is key to developing the capacity necessary for different local actors to make collaborative decisions.

#### Financing

In addition to the established mechanisms of international financing – such as the 0.7 percent of developed countries' gross national product which is directed to Official Development Assistance - novel financial mechanisms are required to address new sustainable development issues. A selection of emerging financing models was explicitly outlined in the recent Addis Ababa Action Agenda (AAAA), an outcome document of the Third International Conference on Financing for Development held in July 2015. With respect to urban areas, the document acknowledges the need for expenditures and investments at the sub-national level and promises to scale up international cooperation, strengthen local government capacities, support them with appropriate revenues, reinforce debt management, foster municipal bond markets, and help local authorities receive crucial investments.

# Upscaling commitment: From 'Billions to Trillions'.

In April 2015, the World Bank Group, the International Monetary Fund and a number of regional Multilateral Development Banks (African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development, European Investment Bank, Inter-American Development Bank Group) presented a joint document on their commitments to help move from billions to trillions and scale up financial support for international development. The donors involved are explicitly considering the investment needs of cities and acknowledge the importance of augmenting subnational finance and mechanisms for intergovernmental fiscal transfers.

# Technology - accelerating and scaling up solutions

In addition to investment, technological exchange is a core requirement for successful implementation of the SDGs. Because different regions and different urban areas of the world develop at their own pace, some regions invariably fall behind in technological development. Technology exchange and transfer of affordable, scalable solutions that are available can therefore increase collaboration between regions and provide a sustainable boost to both developing and developed economies. To support this effort, a technology facilitation mechanism aimed at increasing the creation and use of innovative technologies for the SDGs was established at the 2015 United Nations Sustainable Development Summit. As urban areas are key places of technology uptake in e.g. housing, transportation and mobility, technology transfer through public-privatecommunity partnerships is of paramount importance to accelerate the replication and scaling up of solutions.

# Transforming challenges into opportunities in cities

The implementation of the sustainability agenda will not be an easy and straightforward process and will face a number of challenges. However, if smart and flexible management approaches are applied, these challenges can be transformed into opportunities – not only in the urbanizing developing world, but in the developed and highly industrialized urban areas.

# 1. Applicability of the agenda for different types of urban areas

Cities throughout the world experience different levels of urbanization, socio-geographic landscape and prosperity. To achieve significant results in sustainable development will require the ability to address different realities. This, however, is not simply about financing new technologies or fostering only economic growth. Rather, it is about balancing the demands of local social and economic development with smart environmental management and innovative leadership, including tailor-made and customizable approaches that can distinguish between city-types.

#### 2. Challenges for financing

Achieving the vision of the 2030 Agenda requires significant financial resources, with currently projected costs being as high as trillions of dollars. Unfortunately, many local governments do not have mechanisms in place to access development financing. For instance, of the 500 largest cities in developing countries, only 4 percent have an internationally recognized credit rating, while only 20 percent of have domestic credit ratings. This poses a significant obstacle to taking out loans to self-finance projects. Additionally, municipal bonds issued from higher



government entities are usually focused on the largest cities and are often not an option for smaller communities. That being said, even large prosperous cities frequently lack adequate funding for delivering sustainability projects.

These financial obstacles can be translated into opportunities for local governments that adopt administrative changes, improve transparent planning and bookkeeping, and implement effective fiscal administration. Strengthening cooperation with national governments, partnerships with private sectors and research, and involving citizens in crowdfunding schemes will also help create local solutions to financial challenges.

#### 3. Data availability

A major impediment to implementing the SDGs is the lack of available data for measurement, monitoring and evaluation at the local level. As most social and environmental indicators are aggregated concepts defined by statistical authorities for the national level, a variety of approaches are needed to disaggregate existing indicators while advancing development of bottom-up indicators locally. Fortunately, innovative practices of data collection – from citizen science to satellite images – can create large quantities of new data while simultaneously giving rise to new interpretations of challenges. Such a paradigm shift can unlock new perspectives and opportunities for both local and national governments, and allow cities to leverage their socio-cultural strengths, new partnerships and new types of financing.

## The power of networks and tools

A number of networks and international organizations are already facilitating city-level action in areas such as low carbon development and nature-based solutions. These organizations act as multipliers for good practice exchange, methodologies, frameworks, and tools to mainstream and scale up the results achieved at the city-level. For example,

#### Providing support for city-level action

ICLEI supports local and subnational governments through the following guidance frameworks, reporting platforms, protocols and tools including:

Global Protocol for Community-Scale Greenhouse Gas Emission Inventories (GPC); carbonn® Climate Registry (cCR); HEAT+; ADAPT; Local Government GHG Emissions Analysis Protocol (IEAP); Clean Air and Climate Protection software; City Biodiversity Index (CBI); EcoMobility SHIFT methodology; Eco-efficiency Challenge; ecoBUDGET®; EcoProcura; Local Energy Action Plan (LEAP) Wizard; Procura+ Exchange; SWITCH Training Kit; and many more. the Compact of Mayors is a global coalition of mayors and city officials committed to reducing local greenhouse gas emissions and enhancing resilience to climate change. The Compact uses the carbon*n*® Climate Registry (cCR), a free global reporting platform for local and subnational governments which facilitates structured reporting on climate change mitigation and adaptation, thereby increasing the visibility of city-level action.

# More about implementing SDGs in cities in other ICLEI Briefing Sheets from this series:

- # 01: From MDGs to SDGs
- # 02: Cities and the SDGs
- # 03: Introducing the Urban SDG Goal 11
- # 04: The importance of each SDG for cities
- # 06: Measuring, Monitoring and Evaluating the SDGs in Cities
- # 07: Towards the New Urban Agenda (Habitat III)

Available at www.iclei.org/briefingsheets

#### **Further Reading**

- European Commission (2013) COM(2013) 280 final Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes. <u>Available online</u>.
- Global Taskforce of local and regional governments for Posts-2015 development agenda towards HABITAT III. (2014) Post 2015: How to localize targets and indicators. UCLG Inputs. <u>Available online</u>.
- Helgason, K. Sv., Weinlich, S. (2015) Post-2015: recharging governance of United Nations development. Bonn. German Development Institute. <u>Available online</u>.
- Olsen, S.H. et al. (2014) Implementing the Sustainable Development Goals (SDGs): An Assessment of the Means of Implementation. ISAP Conference Paper. Japan. Institute for Global Environmental Studies. <u>Available online</u>.
- United Nations (2015) The Addis Ababa Action Agenda of the Third International Conference on Financing for Development. <u>Available online</u>.
- Wennubst, P., Mahn, T.C. (2013) Post 2015: what it means for the United Nations development system. Bonn. German Development Institute. <u>Available online</u>.

More briefing sheets here

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