

1st OECD Roundtable on Cities and Regions for the Sustainable Development Goals (SDGs)

7 March 2019, OECD Headquarters, Paris

HIGHLIGHTS



As part of the OECD Programme on <u>A Territorial Approach to the SDGs</u> that was launched during the UN High-Level Political Forum in July 2018, the **1st OECD Roundtable on Cities and Regions for SDGs** took place on 7 March 2019 at the OECD Headquarters in Paris. It brought together 140+ representatives from a wide range of cities, regions, national governments, and from the European Commission (DG REGIO, DG DEVCO, JRC), alongside international organisations (UN Habitat, UNESCO, UN Global Compact, World Bank), the private sector (Shell, AXA, Airbus, Arup), networks of cities and regions (UCLG, Eurocities, CEMR, Platforma, C40, Committee of Regions) and other stakeholders such as the World Council on City Data, World Citizens Association, Brookings Institution, Social Progress Imperative, SDSN, various water institutions and the Universities of Pennsylvania and Stanford (see the <u>Agenda</u>, <u>List of Participants</u>, <u>Presentations</u> and <u>Issue Notes</u> for discussion).

The objectives of the OECD Roundtable were to:

- Provide a multi-stakeholder forum to share knowledge, experience and best practices
 on how to use the SDGs to design and implement better policies across levels of
 government, public, private and non-profit sectors in OECD and emerging economies;
- Advise cities, regions and national governments in taking the needed steps for
 effective policy reforms from the ground up to mainstream the SDGs in local and
 regional planning, investment, priorities and strategies;
- Provide a global co-production mechanism to design a localised SDG indicator framework to measure cities and regions' performance and distance to targets and use that evidence to raise the profile of their contribution within and across national and global agendas;
- Discuss preliminary findings from ongoing OECD pilots on the localisation of the SDGs with the City of Bonn (Germany), the City of Kitakyushu (Japan), the Province of Córdoba (Argentina), the Region of Flanders (Belgium), the Region of Southern Denmark (Denmark), the County of Viken (Norway) and the Municipality of Kópavogur (Iceland);
- Provide for a coordination tool across different initiatives on localising the SDGs from cities, regions, countries, civil society, academia, private sector, donors or philanthropy.

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Summary of Outcomes

The 1st OECD Roundtable on Cities and Regions for the SDGs was organised at the OECD Headquarters in Paris on 7 March 2019, bringing together 140+ stakeholders working on localising the SDGs. Participants were from local and national governments (including the seven pilots of the OECD Programme), businesses, academia, grassroots organisations and leading international organisations, as well as representatives from across OECD directorates (see the <u>Agenda</u>, <u>List of Participants</u>, <u>Presentations</u> and <u>Issue Notes</u> for discussion).

The Roundtable was organised as part of the OECD programme on <u>A Territorial Approach</u> to the <u>SDGs</u>, which aims to support cities and regions in fostering a territorial approach to the <u>SDGs</u> through:

- **Measuring** where they stand vis-à-vis the national average and their peers, which implies localising and adapting the global indicator framework;
- Engaging a multi-level dialogue with their lower and upper levels of government to build consensus on who can do what, at what scale and how; and
- **Sharing best practices** and lessons from international experiences, supported by a technical peer-to-peer network or community of practice.

The sessions of the Roundtable were organised according to four key themes that have emerged from the preliminary findings of the OECD programme, namely: i.) the use of the SDGs in strategic visioning and planning at regional and city levels; ii.) the SDGs as a framework to manage complementarities and trade-offs; iii.) the role of the private sector and civil society in the 2030 Agenda; and iv.) the need for an indicator framework to track progress on the SDGs in cities and regions. These were further elaborated through the presentations and debates with the OECD Roundtable participants. The meeting showcased how several cities and regions are starting to use the SDGs to rethink their local and regional policies from the ground up, manage trade-offs between sectoral policies, better assess their performance and engage with a broader range of stakeholders.

The opening remarks clearly stated the important role of cities and regions in the 2030 Agenda and highlighted the need for support from national governments and adequate measures to understand progress and inform action. International networks and gatherings, including forums like the OECD Roundtable, are important for raising the profile and voice of sub-national stakeholders in national and global debates. The SDGs can help to re-define the way that sustainable development strategies are conceived through multi-level, multi-stakeholder and cross-sectoral governance structures.

<u>Session I</u> showed that many cities and regions see the value of **the SDGs as a tool for strategic visioning, planning and budgeting.** The 2030 Agenda provides a useful framework to rethink sustainable development policies in a coherent and integrated way, from the ground up. Many cities and regions have thus started to include the SDGs to improve their development plans, coordination and alignment within their territories and with national strategies. For example:

• In the **Region of Southern Denmark, Denmark,** the SDGs provide a shared language in the development of the next Regional Development Strategy (2020-2023).

- The **County of Viken, Norway**, is adopting the SDGs as a framework to implement a national territorial reform, merging three counties, while shaping their next regional planning strategy as "the mother of all other plans to come".
- The City of Bonn, Germany, has gone through a comprehensive process to localise the SDGs through its new Sustainability Strategy, supported by the German national government through BMZ. The city uses the SDGs as a framework to address concrete challenges (e.g. mobility, affordable housing) as well as to promote the global responsibility dimension of the agenda. There is strong political commitment by the Mayor.
- Los Angeles, New York City and Pittsburgh, USA, are adopting the SDGs as a planning tool.

Yet, to seize the full potential of the 2030 Agenda as a planning, prioritisation and budgeting tool, relevant competences and "soft infrastructure" for adopting a territorial approach to SDGs are needed. **Continued awareness-raising, especially to bring local citizens on board and create a civic spirit of action**, is essential. Another challenge will be to disseminate and upscale these initiatives, based on lessons learned from success and pitfalls to avoid.

<u>Session II</u> looked at **the SDGs as a framework to manage complementarities and trade-offs** between sectoral policies at city and regional levels. Regional and urban policies are well equipped to manage policy trade-offs and complementarities at the appropriate scale, as opposed to policies that are "spatially blind" or sector-specific. The panellists in the session demonstrated this through concrete examples:

- The **Province of Córdoba, Argentina,** is developing a matrix to identify the drivers of social inclusion and to measure the links between to environmental and economic SDGs (Planet and Prosperity) and the social SDGs (People), considering them indivisible.
- The City of Kitakyushu, Japan, builds on its green city strengths to deliver better
 economic outcomes for people, exploring how economic sectors connected to the
 environmental dimension, such as eco-industry offshore wind power generation,
 eco-tourism and culture, can offer additionally attractive job opportunities to youth
 and promote social cohesion through intergenerational solidarity.
- The Regions of Flanders, Belgium, and Catalonia, Spain, as well as the Province of Barcelona, Spain, are aligning sectoral priorities to avoid a race to the bottom and split incentives when advancing towards the SDGs. The Region of Flanders further highlighted how the SDGs can be used to develop a long-term vision responding to mega-trends at local level, while putting high hopes on new technologies, innovation and experimentation to "face this challenge to humanity with confidence".

The Education and Cities programme by IIEP-UNESCO further illustrated how goals in one sector can be part of an integrated strategy for urban development to generate spill-over effects on other goals. Again, the debate among participants highlighted the **need for multi-level governance**, while highlighting that national governments can learn from subnational governments in for example **innovative ways to use budget processes and public procurement** to link sectors and objectives towards the achievement of the SDGs.

<u>Session III</u> showcased interesting **initiatives to engage the private sector and civil society** beyond Corporate Social Responsibility (CSR) and green-washing. Exchanges between participants highlighted that Decentralised Development Cooperation (DDC) – in

particular **partnerships of territorial networks** – is increasingly recognised by institutions such as DG DEVCO and UN Habitat as a key tool to localise the SDGs. Private companies like Shell are starting to do their part as well. The **SDGs provide cities and regions with a tool to effectively engage in multi-stakeholder dialogue**. The session highlighted the unique proximity by local and regional governments to multiple stakeholders and thus underlined their political legitimacy and strength in terms of building bridges and "connecting the dots". Businesses that go beyond CSR when addressing the SDGs and invest seriously in sustainable development have an essential role to play in achieving the 2030 Agenda, including by contributing with intellectual capital to inform policy-making, like for example through dedicated City Programmes.

Public policy signals and policy tools must be used to facilitate and help de-risking investment in new markets and testing of new sustainable solutions. Current levels of public investment will not be sufficient to fill the various investment gaps to meet the 2030 Agenda, including in urban infrastructure. Not only will innovative financing mechanisms and new sources of finance be essential, but the impact of investments must be ensured (e.g. through outcomes-based investment) and steered towards where the needs are greatest, so as to "fix" current inconsistencies in financing for sustainable development.

Informed citizens can further change their daily habits to contribute to the SDGs, while civil society can act as social agents for change. Citizens and communities should also have their own voice in policy consultations, and not be equated with civil society. In several cities and regions, youth have an increasingly strong voice in the local policy arena as keen advocates for the SDGs and should be included in policy processes. Elderly, disabled persons and migrants are other groups that require attention in inclusive policy-making. Finally, as pointed out by the Women's Economic Imperative, citing Christine Lagarde, SDG 5 cuts across all goals since "women's economic empowerment is not only a moral imperative, it is an economic no-brainer".

<u>Session IV</u> pointed to the need for **better data to track progress on the SDGs in cities and regions**, including a localised indicator framework that allows for international comparisons to complement context-specific indicators used and developed by cities and regions. Measuring where cities and regions stand against the SDGs (and their national average) is not an end in itself, but primarily a tool for policy dialogue that can shape better policies across levels of government. **The OECD is using existing regional and metropolitan data and developing new indicators**, including proxies, to measure progress on the SDGs. This work goes beyond measuring indicators relevant to SDG 11 and SDG 10, but embraces the whole framework at different territorial levels. As such, it sheds light on regional disparities and go beyond the national average reported to the UN under the UN Global Indicator Framework.

Some common challenges among institutions addressing data and indicator issues are: data coverage, comparability (including having times series data to track progress over time) and relevance for sub-national governments. Proxy indicators and modelling techniques using geospatial data are used to complement existing data. Another important challenge with creating a holistic measurement framework is that the SDGs targets include a mix of drivers, inputs, outputs and outcomes, which must be kept in mind when developing localised indicators.

Many regions and cities are defining place-specific targets and indicator frameworks.

The Municipality of Kópavogur, Iceland, is developing a comprehensive SDGs indicator system based on the Social Progress Index and ISO 37120 data, linking these to the performance management systems of the city administration with the aim to boost internal efficiency.

• The Association of Flemish Cities and Municipalities (VVSG), Region of Flanders, Belgium, supports municipalities to develop their own monitoring frameworks based on a core set of indicators identified by VVSG. The indicators fit into their holistic approach to support implementation of the SDGs at a local level, including political involvement and awareness-raising activities, where the indicators serve as an additional lever to integrate the SDGs at a municipal level. Rather than imposing any standard metrics, this approach helps to promote ownership and autonomy at local level. Nevertheless, one difficulty remains the alignment with higher-level reporting (e.g. national and UN levels), where indicators are often too much at the macro-level for municipalities. It is therefore key to understand who the main users are when developing indicator frameworks.

Many attempts are thus made to go more granular, more disaggregate, more local in SDGs data and evidence. There is a **call for a harmonised and comparable framework that can help cities and regions** see where they stand vis-à-vis the SDGs compared to each other and their national average. OECD and partners are very well-placed to move forward that agenda.

<u>The conclusions</u> reiterated the importance of bringing local voices to national and international debates and suggested that the need for multi-level governance implies a "territorial imperative" when it comes to implementing the SDGs. The many good examples from the ground that were showcased in the OECD Roundtable point to the need to co-develop and build on the complementarities offered by the SDGs through multi-stakeholder processes. Forums like the OECD Roundtable are institutional innovations that can help bringing relevant actors together to jointly define the way forward for localising the SDGs.

Box 1. Social Media Highlights

The OECD Roundtable provided a great opportunity to promote the messages of institutions working on the localisation of the SDGs and raise awareness on the key role of cities and regions for the 2030 Agenda. Hundreds of participants followed the Roundtable via a webcast. The outreached strategy yielded the following results:

Key figures from Twitter: 194K impressions; 118 retweets; 180 likes; 530 clicks through to oe.cd/sdgs-local; 45 Downloads of the issue notes (from twitter); 45 followers gained

Top tweets:

- https://twitter.com/OECD_local/status/1103615540491362305
- https://twitter.com/OECD_local/status/1103622586678865922
- https://twitter.com/OECD_local/status/1103232098394144768

Top influencers who tweeted about the event: UCLG, Emilia Saiz, Bonn, Viken, Swedish Ambassador, Swiss Delegation, David Conner, Japanese Delegation, International Water Association, ECB Network, Slovakia Ambassador, Oslo Region, Netherlands Delegation.

Selected Pictures from the 1st OECD Roundtable on Cities and Regions for the Sustainable Development Goals (SDGs)



Opening Remarks

Ms. Lamia Kamal-Chaoui, Director of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), OECD, welcomed all the participant to the OEDC and to the 1st OECD Roundtable on Cities and Regions for the SDGs, which is the first in a series of meetings organised as part of the programme on a Territorial Approach to the SDGs. Ms Kamal-Chaoui recalled that the series of Roundtables aims to provide a platform for local, regional, national and international stakeholders to learn from each other and discuss how we can work together to meet the SDGs. She went on to introduce the three distinguished guests Mr Ulrik Vestergaard Knudsen, Deputy Secretary-General; H.E. Hiroshi Oe, Ambassador of Japan to the OECD; and Emilia Saiz, Secretary General of United Cities and Local Governments (UCLG).

Opening remarks by the Deputy Secretary-General

Mr. Ulrik Vestergaard Knudsen, Deputy Secretary-General of the OECD, recalled that the previous day, 6 March 2019, the OECD Meeting of the Members of the Council for the 2030 Agenda and Sustainable Development had taken place to discuss where counties stand on the SDGs and their implementation. On that occasion, the OECD Secretary-General Angel Gurría repeatedly referred to the 17 SDGs as the most ambitious goals ever set by countries at all stages of development, while recognising that progress is still needed to reach these goals by 2030. In 2016, the OECD Action Plan on the SDGs was adopted to structure its contribution towards the 2030 Agenda. Given the breadth and interconnected nature of the SDGs, the framework relates to all areas of OECD work. The OECD Action Plan thus serves as a "GPS" to direct the organisation's efforts. The Action Plan underlines the importance of sub-national level data to track progress on the SDGs. In this regard, the OECD regional wellbeing statistics cover 395 regions helps tailor policies to regional circumstances. In addition, the Action Plan specifically points to the role of local and regional governments in achieving the SDGs.

Citing research by the Cities Alliance and the Sustainable Development Solutions Network (SDSN) estimating that 65% of the 169 targets will not be achieved without proper engagement and coordination with sub-national governments, Mr Knudsen also pointed to the OECD-UCLG World Observatory on Sub-national Government Finance and Investment, which shows that local and regional governments account for about 60% of public investment in OECD countries and 40% worldwide. Local and regional governments have core competencies for most policy areas underlying the SDGs. This includes water, housing, transport, infrastructure, land use or climate change.

In response to the importance of "going local", the OECD programme on a Territorial Approach to the SDGs provides a platform for collecting, analysing and sharing experiences from cities and regions that have started localising the SDGs, including the seven pilots attending the 1st Roundtable¹. The series of OECD Roundtables aim to: i.) create a multi-stakeholder forum to share knowledge, experience and best practices on localising the SDGs; ii.) to advise cities, regions and national governments in taking the

¹ The City of Bonn (Germany), the City of Kitakyushu (Japan), the Province of Córdoba (Argentina), the Region of Flanders (Belgium), the Region of Southern Denmark (Denmark), the County of Viken (Norway) and the Municipality of Kópavogur (Iceland).

needed steps for effective policy reforms from the ground up to mainstream the SDGs in local and regional planning, investment, priorities and strategies; and iii.) provide a global co-production mechanism to design a localised SDGs indicator framework to measure cities and regions' performance and distance to targets.

To conclude, Mr. Knudsen highlighted the importance of measuring progress, while underlining the pressing need to move from words to action: the second worst thing that could happen after the risk of no action would be actions that are not informed by data and sound measurements. He thus underlined that we need to continue to build trustworthy data and share knowledge to inform action. To this end, the early work of the OECD Programme on a Territorial Approach to the SDGs has identified some key areas that the Roundtable will address. Mr Knudsen concluded by quoting a US delegate during the OECD SDGs Council Meeting on what is needed to achieve the 2030 Agenda, namely: "cities and responsive governments".

Opening remarks by Ambassador of Japan to the OECD

H.E. Hiroshi Oe, Ambassador of Japan to the OECD expressed his pleasure to be in the opening panel of the Roundtable and stressed that the SDGs are one of the most important elements in the G20 process, where Japan will be hosting the next summit in June 2019. H.E. Oe also underlined the importance of OECD as a forum to collect, discuss, and share good practices on the SDGs and offered three perspectives on their localisation from the point of view of Japan. First, the national government of Japan is supporting the localisation of the SDGs in Japanese cities. The government's action plan for regional revitalization adopted in 2018 provides for the creation of 29 SDGs Future Cities. Out of the 29, 10 cities will further be awarded as SDGs Model Projects, receiving grants of up to 400,000 USD. Second, the ambassador noted that beyond the national support, local and regional governments themselves are quite active in Japan. He mentioned the City of Kitakyushu, one of the pilot cities in the OECD programme, as one of the top achievers. Third, the importance of cooperation between sub-national governments cannot be overstated. In Japan, 93 local governments have come together to sign a so-called SDG "model statement" together with the private sector, which aims to promote good practices in Japan and internationally. H.E. Oe was also pleased to see OECD and UN Habitat attendance in the SDGs Forum organised in Tokyo in February 2019.

Opening remarks by Secretary General, United Cities and Local Governments (UCLG)

Ms. Emilia Saiz, Secretary General, United Cities and Local Governments (UCLG) started by congratulating the organizers of the Roundtable and reaffirmed the strong commitment of UCLG members and partners of the Global Taskforce of Local and Regional Governments, such as C40, to the Localization of the SDGs. She also acknowledged the presence of long-time partners such as UN-Habitat and the European Commission. She then recalled that when the 2030 Agenda was first being negotiated, it was not an agenda that local governments identified with immediately. In raising awareness on the SDGs, UCLG as well as local and regional government associations emphasize that daily activities of their members already contribute to the achievement of the SDGs. A clear message from sub-national governments is that these agendas are shared and that, in the process of transformation, local and regional governments are not mere "implementers" of policies decided elsewhere, but governments in their own rights, responsible towards their local citizens. As such, they want to sit at the negotiation table. Ms. Saiz highlighted that in the annual shadow reporting facilitated by UCLG and

the Global Taskforce, they have found that less than half (45%) of national governments actually held consultations with local governments when preparing the National Voluntary Reviews for the UN High Level Political Forum (HLPF). Yet, there are good examples and national governments, such as Spain and Ecuador sponsoring the Seville Commitment, which show that countries are starting to take localisation seriously.

In the second part of her opening remarks, Ms. Saiz provided **three key actions** deemed crucial to succeed with a localised 2030 Agenda.

- First, the profile of local and regional governments in the 2030 Agenda can be raised through organised networks, like UCLG and other associations. This can help them to gain more significant place in for example the HLPF. To this end, she welcomed meaningful multi-level dialogues with national and international interlocutors on occasions like the Roundtable.
- Second, redefining financing will be crucial to realise the potential of subnational governments to contribute to the SDGs. While the OECD-UCLG World Observatory on Sub-national Government Finance and Investment mentioned by the OECD Deputy Secretary General indeed points to a high share of public investment being done by sub-national governments, it also shows that those latter remains significantly underfunded.
- Third, the Territorial Approach to the SDGs needs to be better understood, especially at UN level and recognised in national policies.
- Finally, in addition to the call for support to sub-national governments in their efforts to localise he SDGs, Ms Saiz stressed **the importance of sub-national governments themselves to "connect the dots"**. One reason why previous efforts may have fallen short is that they have tended to overlook the interconnected nature of sustainable development, while the SDGs offers a new vision able to break policy silos. By connecting the dots, she sees the possibility of making the SDGs the agenda of people, where local and regional governments have an essential role to play.

Ms. Lamia Kamal-Chaoui underlined that UCLG can continue to count on the OECD to bridge the gap between national and local authorities. She also mentioned that recent efforts have been stepped up in this regard, such as through the 4th Meeting of the Champion Mayors for Inclusive Growth and the Fourth Ministerial Meeting of the OECD Regional Development Policy Committee, both held in Athens on 18-20 March 2019, with over 50 ministers, deputy ministers and mayors attending.

Session I: From SDG-proofing to strategic visioning – how can cities and regions mainstream the SDGs in local and regional policy-making and planning?

Moderator Ms. Lamia Kamal-Chaoui, Director of the OECD Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), opened the first session by recalling that the SDGs represent new opportunities for local and regional governments to address global challenges, rather than a constraint imposed by global agendas and agreements. **The SDGs provide a unique framework to re-think completely sustainable development from the ground up and to design regional and local policies in a more holistic and integrated way.** The SDGs can be used to guide decision-making, budget allocation and strategies on the ground, representing a new state of mind that provides new opportunities for citizens' well-being. Many regions and cities have already embraced the 2030 Agenda and use the SDGs in this way. Ms. Kamal-Chaoui introduced the aim of the session as two-fold: to **take stock of existing good practices** on how to use the SDGs as a visioning and planning tool in strategy-making; and to **discuss common obstacles and possible solutions to make the most of the 2030 Agenda for better local and regional policies**.

Region of Southern Denmark, Denmark: SDGs as a tool to shape the regional development strategy

Mr. Soeren Rasmussen, Chairman of the Committee for Regional Development in the Region of Southern Denmark, Denmark, started his presentation by providing a brief introduction of Southern Denmark. With 1.2 million inhabitants and 22 municipalities, it is a relatively small region by OECD standards. The region borders with Germany and Hamburg is a two-hour drive from the border. The SDGs were identified by the region as providing a shared language to help structure its regional policy dialogue and **development early on**, both in relation to its current strategy "The Good Life" (2016-2019) and to develop its next regional development strategy for 2020-2023. The decision to use the SDGs as a basis for the new regional strategy development was thus easy to make. Actionable knowledge is at the heart of Southern Denmark's regional development. Mr. Rasmussen pointed out the value added by participating in the OECD programme in this regard. 10 SDGs have been identified as priorities in the region, however, these are not set in stone. Through the data-driven approach to the SDGs, shared knowledge will be translated into shared actions. Partnerships are also at the core of the regional strategy for the SDGs. By way of example, Mr. Rasmussen explained how the issue of green transport and education are being tackled simultaneously in response to a trend of growing use of individual motorized vehicles (many students use a car to get to school). The region thus envisions to provide green options and nudge people to opt for these. The case of Southern Denmark illustrates that the inter-dependencies between the SDGs are more easily reconciled at territorial level.

County of Viken, Norway: SDGs as a tool to implement territorial reforms

Ms. Hilde Reine, Future Director for Planning, County of Viken, Norway, presented the approach taken jointly by the three counties of Akershus, Østfold and Buskerud to use SDGs as a tool to implement territorial reforms. Her title reads "future" director, since Viken will officially become a new country as of 1st of January 2020, merging the present counties of Akershus, Buskerud and Østfold. Viken will be the most populous county in

Norway, with an estimated 1.2 million residents and 51 municipalities. Following the parliament's local and regional government reform, Norway will have 11 counties as of 2020, including Oslo as a county and municipality. The SDGs are going to be the new framework for policy-making and serve as foundation for the new organisation of Viken. This work is carried out along three main tracks: i.) Build multi-level dialogue about the SDGs in Norway; ii.) Integrate the SDGs into the day-to-day work and culture of the new organization; iii.) Create a policy planning system that promote transversal work and promote the SDGs in a holistic manner. The new regional strategy based on the SDGs will thus become the "mother of all future plans to come", guiding all future policies. Although the work has just started, some anticipated challenges in the process include creating broad awareness and foster a culture of change that breaks down policy silos, and integrating the SDGs throughout the policy, planning and operational layers of the county and in all the municipalities.

Federal Ministry for Economic Cooperation and Development (BMZ), Germany: National support to cities and regions in implementing the SDGs

Ms. Carolina Kern, Deputy Head of Unit from the Federal Ministry for Economic Cooperation and Development (BMZ), Germany, presented an example of how the German national government is providing technical and financial support to municipalities to implement the SDGs, through a multi-level government structure. The rationale for this is that the German government strongly believes that the 2030 Agenda cannot be achieved without engaging cities and regions. Through its Service Agency for Municipalities, the government is supporting around 800 municipalities in many areas, including procurement, migration, as well as the showcase project on localising the 2030 Agenda. Currently implemented in five of the States (Länder), the government plans to expand the project to three more in 2019. BMZ is further promoting local and regional governments to sign a declaration by municipalities to support the 2030 Agenda, which is so far signed by 101 municipal councils. One of the key features of the SDGs project pointed out by Ms. Kern is the involvement of all levels of government: from national through state to local, further connecting with international governance forums like the UN. The key challenge moving forward will be the implementation of the action plans developed by participants to the project, which will require financial resources and further collaboration. While the government provided some funding to kick-start the process, local and regional governments need to finance the implementation. Motivation on the ground is thus key. Another ongoing challenge is getting all ministries on board and work together.

City of Bonn, Germany: from sustainability to a SDGs strategy for the city

Ms. Verena Schwarte, Coordinator in the Department of International Affairs and Global Sustainability from the <u>City of Bonn</u>, <u>Germany</u>, <u>provided an overview</u> of the comprehensive efforts carried out by the city over the past three years to develop its sustainability strategy incorporating the SDGs, through participation in the central government project. One of the most important steps in the process was to map the **2030 Agenda against the 12 fields of municipal actions**, which provide the organisational structure for the work of the city administration. In the strategy, six fields were selected as first focus areas, namely: i.) Mobility; ii.) Climate and energy; iii.) Natural resources and environment; iv.) Work and business; v.) Social participation and gender; vi.) Global responsibility. Another key feature of the work on the SDGs was the fact that departments that usually do not meet got to work together, like for example those working on climate and social affairs. As such, the efforts to align both vertically and

horizontally opened up new opportunities. For example, trade-offs related to the need for housing and the desire to maintain the city's protected green areas were made visible and could be tackled through new solutions. The strong political commitment demonstrated by the mayor of Bonn towards sustainable development is another success factor. Among other international commitments, the mayor has joined the <u>OECD Champion Mayors network</u>, currently consisting of 60 mayors committed to inclusive growth and sustainable development.

Brookings Institution: Community-led implementation of the SDGs

Mr. Tony Pipa, Senior Fellow of Global Economy and Development at the **Brookings Institution**, who led the U.S. delegation at the United Nations during the intergovernmental negotiations of the SDGs, welcomed the OECD Roundtable as an opportunity to highlight and raise the profile of local leaders. He then outlined what he believes to be three crucial incentives, or "value propositions" for local governments to adopt the 2030 Agenda and work on the SDGs. First, it provides an opportunity to align city strategies to a global agenda and integrate multiple dimensions of development. For example, the city of Los Angeles has mapped all its policies and programmes to the 169 SDG targets, which allows for identifying trade-offs and seeking reconciliation of these. Second, the SDGs offer an opportunity to work across internal departments and even different levels of government, prioritizing efforts in new ways and providing local governments with a voice in global governance. For example, New York was the first city to present its own Voluntary Local Review (VLR) to the UN, based on the format of Voluntary National Reviews presented by member states. Mr Pipa encouraged more cities to do so, and to generate a standard tool to facilitate VLRs. Finally, Mr. Pipa provided examples of innovative multi-stakeholder models created using the common language of the SDGs. For example, the city of Orlando has proposed the SDGs be used as the framework for a regional planning council (consisting of 8 counties and 40 municipalities) to develop a regional economic resilience plan, an example of multi-level governance. The Hawaii Green Growth initiative provides an impact dashboard where actors can see how the state is performing, and a platform for private and public actors to develop partnerships and make contributions to the goals. Finally, Pittsburgh is bringing together universities, local philanthropies and businesses in a platform outside the government itself, to provide a structure that lasts beyond election cycles.

Debate with participants

The debate highlighted some important aspects of localising the SDGs in cities and regions:

- The urgency to implement the SDGs and applying the transformative approach of the 2030 Agenda. Research from the Social Progress Imperative has shown that it would take the world until 2094 to achieve the SDGs, considering a business-as-usual scenario. As stressed by UCLG, three things that are vital to achieve this system transformation are: i.) governance; ii.) finance; and iii.) soft infrastructure, meaning competences to implement the agenda. The agenda is not for one sphere of government, but a quest for citizens just like human rights.
- **Institutional support,** both by national and international actors, plays a key role. For example, DG-REGIO has published the reflection paper "Towards a sustainable Europe by 2030" outlining the role of cities and region in the 2030 Agenda. Moreover, over 1000 local sustainable development strategies are funded through the EC, with mobilised investment estimated at EUR 35 billion. DG DEVCO supports localising the SDGs through Decentralised Development

Cooperation (DDC), focusing on partnerships between Local Authorities for SDGs achievement, while other examples include **capacity-building** for local and regional governments by the <u>Council of Baltic Sea States (CBSS)</u> and the <u>Association of Flemish Cities and Municipalities (VVSG)</u>.

- Awareness-raising was another key aspect highlighted by the participants, recalling that people generally know quite little about the 2030 Agenda (around 30% have heard of the SDGs compared to around 95% of people who can generally cite 3-4 human rights). This is particularly important for localising the SDGs and for creating a civil spirit for action, which is impossible to achieve without knowledge. The City of Mannheim, Germany, shared the city's experience of having a "circle of friends" that can also become critical friends in explaining why the SDGs are relevant in the local context.
- The need for straightforward figures to communicate to the public and to hold governments accountable emerged, such as a "next generation" monitoring system contributing to local imaginaries for the SDGs and the need for simple figures rather than complicated dashboards. Several participants further underlined the importance of simplifying messages to the public around the complex 2030 Agenda, using innovative communication tools and sustainability games proposed by for example The 2022 Initiative Foundation and making the goals "relatable" and a quest for citizens.
- The need for international forums to exchange good practices and common challenges like the OECD Roundtable was stressed by the participants, as a means to raise the profile and voice of local and regional governments on the 2030 Agenda.

Wrap-up by the discussant

Discussant Mr. Mario Pezzini, Director of the OECD Development Centre, provided his wrap-up comments, where he pointed to the territorial approach as a "revolution" that allows us to re-think policy-making and adapt it to diverse contexts. In the field of development economics, there has long been a struggle to address long lists of issues, fighting at various fronts at once. A territorial approach helps us think about how to organise and sequence strategies and address sectoral policy silos and can help to address information asymmetries. In Austria, for instance, the consensus building process "forces" all authorities to talk to each other and share information. Second, responding to the call for action by UCLG, networks of ministries and mayors are an important force. Through networks like UN bodies and UCLG, we can bring sense to sharing strong evidence-based arguments, which can be used everywhere. Third, Mr. Pezzini pointed out that while countries are equal in their commitments to the SDGs, they are not equal in their starting conditions. It would be mistaken to think that Africa will follow the same path of for example urbanisation that we have witnessed in other parts of the world. The world has changed, as he put it, and therefore, we cannot apply for example a Danish logic to urbanisation in Africa, where the rapid rate of urbanisation leads to challenges that are unprecedented - they are on a different growth path. Between 2000-2010, 83 countries outside the OECD area have growth rates that are twice the OECD average, including China, India and Malaysia. We therefore need to think of a new type of international cooperation, not in a donor-recipient relationship. They are asking e.g. "how do we do urban development?". As OECD, directorates like CFE and initiatives like the OECD Development Communication Network (DEVCOM) can help to frame the dialogue with partners.

Session II: Interlinked, interdependent and indivisible: how to identify synergies and trade-offs between the SDGs at city and regional levels?

Moderator Ms. Aziza Akhmouch, Acting Head of Division for Cities, Urban Policies and Sustainable Development, OECD, opened the session recalling how Session I had demonstrated cities and regions' commitment to use the SDGs as planning tool, moving beyond seeing the 2030 Agenda as a "compliance" mechanism. She explained that Session II will dig further into the trade-off discussion related to the SDGs as a holistic framework. Ms. Akhmouch also highlighted some findings from previous work carried out by the OECD on energy affordability and the detrimental impact some energy incentives can have for example on water use. She pointed out the potential risk of a "race to the bottom" stemming from silo-thinking and the opportunity of addressing complex interlinkages at the local level. She further introduced the director of OECD's Governance Directorate as discussant, who is dealing with national governments and their SDGs implementation. She then introduced the first panellist, Ms. Silvina Rivero from the Province of Córdoba, Argentina, and took the chance of highlighting some previous collaboration between the OECD and Córdoba, such as a Territorial Review in 2016 and work on regional Wellbeing through the initiative "How is Life in The Province of Córdoba, Argentina?". Their participation in the SDGs programme is seen as a next logical step in this collaboration, not the least in light of ongoing dialogue with Argentina to become an OECD member country. The Moderator further noted that many cities and regions seem to be accelerating their efforts towards implementation and that the OECD Roundtable wanted to give an illustration of how a sector and a specific goal could be a hook for policy coherence and interlinkages.

Province of Córdoba, Argentina: Towards a polycentric matrix for SDGs to promote social inclusion

Ms. Silvina Rivero, Secretary General of the Provincial Government of the <u>Province of Córdoba, Argentina, provided some background</u> context of the province as the second most populous (3.5 million inhabitants) and the fourth largest economy in the country, with the key sectors being agri-food and metal industries. She then presented the evolution of work done by the province, from producing social responsibility reports in 2010-2015 to prioritizing and linking the SDGs to the axes of governmental action and mapping all government actions to the SDGs.

- The province sees in the 2030 Agenda an opportunity to advance and strengthen its management model because: i) it promotes evidence-based policies and the monitoring of people's well-being and living conditions, ii) it is based on globally agreed long-terms goals and targets; iii) it promotes the cooperation with and the engagement of territorial stakeholders; iv) it is a tool that allows to coordinate with the national level.
- The strong focus on social inclusion and wellbeing in the Province of Córboba, as witnessed through the collaboration with the OECD on well-being, has led the provincial government to prioritise SDGs 1 to 5 and 10. At the same time, the province will develop a matrix that will be used to identify goals with the largest impact on the "People/Family" goals by measuring the interlinkages with

the economic and environmental SDGs and to develop the pillars of the **Vision 2030 for the province**, which is to be developed together with key stakeholders.

- The province has signed a Cooperation Agreement with the National Council
 for the Coordination of Social Policies, which has been tasked with providing
 technical support to local and regional governments on the adoption of the SDGs
 and to which the province will report on progress in this regard.
- To engage with civil society and local citizens, the province has launched the
 Open Government Roundtable (Mesa de Gobierno Abierto) composed of civil
 society organizations, including representatives of some universities, where the
 Open Government Data Platform is co-created to provide "data with sense"
 both to the government and the public.

Finally, Ms. Rivero presented the preliminary recommendations based on the first OECD mission as part of the OECD programme on a Territorial Approach to the SDGs, focussed around the **development of a vision for 2030** and **developing the Matrix** as well as engaging with both **civil society and private sector stakeholders** in the strategic visioning process. In 2018, the Province of Córdoba hosted the <u>Y20 youth forum</u>, in parallel to the G20 hosted by Argentina in 2018, as a further leverage to citizen engagement and awareness.

City of Kitakyushu, Japan: Using "Planet" SDGs to achieve better outcomes for People.

Mr. Yoshifumi Ogawa, Assistant Manager from the <u>City of Kitakyushu, Japan, started by presenting</u> the city's history of becoming a centre for steel and manufacturing industry in Japan and how it transformed "from Grey to Green City", triggered by a civil society movement led by Women's Associations who were pushing for stricter regulation in terms of pollution. Partnership between the local government, civil society and the industries eventually helped to clean up the skies and sea surrounding the city. The city has a population of almost 1 million, in a declining trend as many other municipalities in Japan. Mr. Ogawa also described the Japanese national governance system for the SDGs, headed by the Prime Minster in the SDGs Promotion Headquarters in the Cabinet's Office.

The Japanese government supports localisation of the SDGs in two main ways. First, 29 cities are part of the SDGs Future City Programme, in which Kitakyushu is one of 10 Model Cities that receive financial support to develop its SDGs Future City Plan. Second, the government has created a "Public-Private Partnership Platform for Regional Revitalization", chaired by the Mayor of Kitakyushu. The City of Kitakyushu's own governance structure consists in three main structures. It was one of the first cites to put in place an SDGs Headquarters, headed by the Mayor, which gives directions to the rest of the city administration regarding the SDGs. Two other important bodies established recently are the "Kitakyushu City SDGs Council", an advisory board with 8 members representing academia, as well as economic, environment, and social sectors (50 % are female, reflecting an important focus on Gender equality in all the city's elected boards). The other one is "Kitakyushu SDGs Club", open to anyone in the city, with nearly 200 members already registered.

Three examples where provided of where the city promotes synergies between the SDGs, linking environmental, economic and social outcomes.

1. First, Mr Ogawa presented an example on "International environment contribution" linking Planet to People and Prosperity. Recalling the history of Kitakyushu, Mr Ogawa pointed to how the city is utilizing the know-how on

- solving pollution in projects to solve environmental problems in the world, contributing to preventing climate change or aim at low carbon society through partnerships with other cities. It also helps expanding overseas business opportunities of local companies in Kitakyushu.
- 2. Second, "Kodomo Shokudo" (meaning "Community restaurant for children") provides a good example of how the city is tackling social, economic and environmental issues simultaneously. Given a growing trend of single parents or households where both parents are working, many children are left alone after school, resulting in poor nutrition and lack of contact for those children. Kitakyushu City is one of the first municipalities to tackle this problem in Japan. Kodomo Shokudo provides home-made dinner to those children, as well as a comfortable and safe place to stay after the school until parents come home. The programme brings together non-profit organizations, elderly volunteers who cook the meals, university students to help with homework and local supermarkets provide food that are close to expiration date. This way, children are helped, elderly feel a sense of purpose and food waste is saved (including costs).
- 3. Finally, the city is conducting environmental assessments to install its offshore wind power generation farm near the Kitakyushu coast, aiming to grow the renewable energy industry and revitalize the regional economy. This project aims to create synergetic outcomes such as providing job opportunities for women, youth and elderly.

The City of Kitakyushu has been recognized for its efforts when it comes to creating social outcomes for its inhabitants, including the 1st SDGs Award in 2017 by the national SDGs Promotion Headquarters. The city was also ranked number one in the Sustainable Cities Ranking among the 815 targeted cities done by Nikkei Newspaper (a major media outlet in Japan) in 2019, for the "Social" Dimension (it gained 2nd place in the total ranking). It was particularly praised for its measures on child poverty, bullying, gender and diversity. In addition, Kitakyushu was one of the first cities to present a "Local Voluntary Review", alongside New York in the High-Level Political Forum in 2018.

Region of Flanders, Belgium: Vision 2050 and Focus 2030 to align sectoral priorities

Mr. Mathias Vanden Borre, Advisor for General Government Policy at the Cabinet of the Minister-President of the Region of Flanders, Belgium, started his intervention by briefly describing Flanders, highlighting that sustainable development, in particular climate change, is high on the political agenda and that we must take this call for action seriously. He then outlined two main caveats for his intervention: first, that we must face this challenge to humanity with confidence. Innovation and new technologies may prove to be a silver bullet for solving some of the most pressing challenges of our times. For example, the University of Leuven just released hydrogen-producing solar panels, which are highly efficient. Second, in the spirit of leaving no one behind, we must not forget about the weakest. And while economic growth must benefit all segments of society, it also needs to be decoupled from environmental impact.

- Flanders has developed a **long-term vision for the region**, <u>Vision 2050</u>, using systems thinking and investing in experiments and social innovation to meet current challenges. The first results of the region's **seven transition priorities** look very promising and a report will soon be available to demonstrate this initial success.
- The region has also translated the 2030 Agenda and the SDGs into "Vizier 2030" (Targets 2030). This is a challenging undertaking for various reasons: i.) the

encompassing nature of Vizier 2030 means it will influence all existing and future plans and strategies; ii.) the number of actors involved; iii.) the reform of Statistics Flanders in line with an EU Directive for decentralised statistics means that they will have operational autonomy. The regional government have thus decided that Vizier 2030 will be a **living document** so that new long-term plans, like for example that for transport, can be added. With regards to indicators, he acknowledged their importance in that **what you measure also impact the goals**. The criteria applied in the selection of indicators were robustness, international comparability and to favour the use of existing indicators already in use. Around 100 indicators have been selected and are currently being negotiated with social partners.

Region of Catalonia and Province of Barcelona, Spain: SDGs as a tool to align sectoral priorities

Mr. Marc Darder Solé, Chief of Action in Urban Habitat in the **Region of Catalonia**, **Spain**, thanked the OECD secretariat for inviting him to speak on behalf of the regional ministry of territories and sustainable development. He briefly presented the context of Catalonia and explained that the regional government has adopted an Urban Agenda for the entire region, which his ministry understood as a strategic tool to implement the 2030 Agenda in the region. The fact that 8 out of 10 people in Catalonia live in cities (50% in Barcelona) makes this agenda highly relevant. Mr. Darder Solé also highlighted that **implementing a holistic agenda requires rethinking governance and particularly in terms of local and regions governance to ensure implementation**. He explained what the region has done in this regard. For example, an Urban Assembly with about 60 members was set up with representatives across levels of government and society, where a declaration was made to commit to the implementation of the 2030 Agenda. Action was defined along 6 thematic pillars and 18 goals in the Urban Agenda. **The Urban Assembly combines political commitment with action**.

Ms. Olivia Patón, Manager, International Relations, **Province (Diputació) of Barcelona, Spain,** explained that the province is a second tier local government body, representing 74% of the population and 24% of the territory of Catalonia. It is a very diverse territory composed by 311 municipalities. The City of Barcelona is the capital, but 40% of the municipalities are rural. 50% of the population in concentrated in 7 cities, but 60% of the municipalities have less than 5,000 inhabitants. The objective of the provincial government is to provide technical, economic and financial resources to all municipalities with the aim of giving equal access to services to all citizens. She informed that the province has adopted the 2030 Agenda and wants to be an example for the municipalities on how to localise it. The province has a **strategy for the 2030 Agenda**, which is composed by **3 main axes**: i) integrate the SDGs into the administration, ii) support municipalities in implementing the 2030 Agenda, iii) contribute to the global movement on sustainability, in collaboration with UCLG and other networks of local and regional governments.

Three examples show how the SDGs are helping the administration in improving the planning. First, they have aligned their strategic plan and they have created the basis as the new plan of the new government that will be formed in May 2019 can be formulated through the SDGs. They see a great opportunity for the SDGs to bring a change of paradigm on how they are currently working internally, but also on how they are working with the territory and with other actors. It is about applying the principles of the agenda, such as the integrated nature, participation in all the policies. They started working with the internal team and have selected four projects analysing how, for example, climate change, territorial management or food security are affecting the health of citizens

and how to improve the quality of life in cities intervening on those issues. They have gathered various relevant departments, so they feel engaged in those objectives. At the same time, they are working with some other actors on the definition of local SDGs indicators, which is very interesting as these **indicators allow to identify the synergies among various SDGs**. This working group on indicators works also at municipal and metropolitan level and includes also the private sector, the civil society, UCLG and Metropolis. Finally, thanks to the 2030 Agenda and with the support of the Spanish Association of Provinces and Municipalities, the province was able to work with the Spanish government to jointly define the SDGs Agenda for Spain, going beyond a silo approach and having a common language.

IIEP-UNESCO: Education (SDG4) as a tool to promote policy coherence in cities

Ms. Candy Lugaz, Programme Specialist at **IIEP-UNESCO** presented their recently launched research on integrated urban education strategies as a promising means to achieve the 2030 Agenda. She illustrated how education is linked with many relevant sectors at the city level, including housing, urban planning, health, etc. There are also specific tools used in the education sector that can help to improve urban development in light of the SDGs, such as school mapping to ensure that the poorest facilities have access to schools. The school environment also has impacts on sanitation and health outcomes and for social inclusion of e.g. disabled children. Finally, education is key to integration of migrants, as integration relies on education. Realising this important role of integrated education strategies, IIEP-UNESCO detected a knowledge gap in this domain. They therefore launched the research programme City and Education 2030 to explore how cities can ensure successful planning to achieve SDG 4. Their analytical framework focuses on the role of education planning and management (EPM) in the planning cycle of a city and looks at what competencies and resources are available at central and local levels. It further looks at the coordination mechanisms between local education professionals, citizens, civil society and private sector. The research provides an interesting contribution to understanding how a traditionally quite centralised sector in OECD countries is integrated into the local ecosystems of actors to promote learning. Starting in five cities in France in 2019, the programme seeks to expand to cities worldwide in 2020-21 and with the objective to build on the knowledge generated to provide trainings for city planners and exchange of good practices between cities.

Debate with participants

Some key highlights from the debate on the interlinkages between the SDGs were:

• Cities and regions are "connecting the dots" when it comes to integrating and mainstreaming the SDGs in local and regional strategies, as seen in examples from the pilots of the OECD programme, as well as other participants' accounts. The City of Kitakyushu, Japan, deals with trade-offs in choosing the location for the new offshore windmills within the next-generation energy pilot area, while protecting marine eco-systems and fisheries in the conservation area. Another good example of mitigating trade-offs is that implanting projects such as "Community Restaurant for Children", providing child-care support for working mothers especially, while promoting women in workforce. The City of Strasbourg, France, have developed an "SDGs profile" for their 2019 budget, which led them to the creation of an 18th Goal on culture, considering that 25% of the budget is earmarked for culture, which is crucial for achieving change from the bottom up and to build trust among actors. Tools to help urban development to integrate the

SDGs were suggested like the <u>CEMR reference framework</u> for sustainable urban development.

- Education acts as a multiplier for achieving the SDGs. This was mentioned by several participants, as well as its role in promoting human rights and active citizenship. Examples from both universities, primary schools and awareness-raising activities underlined this connection, teaching both the overarching elements of the agenda and how to take individual action. Like Greta Thunberg shows us, students are important agents of change eager to contribute to the 2030 Agenda. There is also scope to further tap into existing tools and knowledge provided by research projects and academia, like the Natural Capital Project of Stanford University.
- Bringing global commitments to the local level is both a key challenge and opportunity, since the 2030 Agenda needs progress at all levels of government: UN, EU, national, regional and local. The SDGs provide an opportunity to connect external actions of decentralised development cooperation with internal actions, for example in the Region of Andalusia, Spain.
- Some **challenges** faced by local and regional governments to localise global and national agendas are: finding the right benchmarks and **indicators at local level**, **relating the SDGs to local managerial responsibilities and ability to influence, and identifying areas where multi-level partnerships are needed.** Here, the 2030 Agenda can serve to progress with multi-level dialogue.

Wrap-up by the discussant

Discussant Mr. Marcos Bonturi, Director of the Public Governance Directorate (GOV), OECD, underlined that everything he had heard during the session resonates with what he hears from national government counterparts. He further acknowledged the rich perspectives shared by local and regional governments in light of their proximity to local issues. Some of the different themes raised by the speakers relate strongly to the work of his directorate, such as Open Government presented by the Province of Córdoba, Argentina. Monitoring and evaluation is also interesting in relation to the work carried out by the Public Governance Directorate on the role of auditing institutions in the SDGs. The systems approach in Flanders also resonates with conversations held with national stakeholders, while the examples of stakeholder engagement and local needs assessment from the Catalonian government and the province of Barcelona provide inspiring examples. The IIEP-UNESCO presentation echoes with work on leadership skills for public officials and the importance of these skills when it comes to the SDGs.

Mr. Bonturi provided an overview of issues discussed with national governments part of the various networks of the OECD Public Governance Directorate.

- 1. Through the Network of Centres of Government, the role of centres of government, such as the Prime Minister's office, is helping to co-ordinate SDG responses across government. One reason for this is their convening power, the mandate that stems directly from the head of government, and their experience in cross-sectoral coordination. There is a clear parallel to be found here, with the responsibility for the SDGs being placed in the mayor's office in cities.
- 2. The 2030 Agenda and its time frame requires adaptation to different political cultures and at the same time it needs to span across political administrations. This applies to both national and local and regional governments.

- 3. Governments have important tools that can help SDGs implementation. For example, budget processes as "the mother of all policy tools" are increasingly used for societal outcomes, like for example gender equality (around half OECD countries have some type of gender lens to budgeting). In this sphere, local and regional government practices have often been pioneering. The OECD has launched Paris Collaborative on Green Budgeting to assess and drive the alignment of national budgetary processes with the Paris Agreement and other environmental goals. It is important to get the perspective from local and regional governments on how this can work in practice, considering that many sub-national governments experiment with innovative practices. A second important tool is procurement, which is calculated to represent around 12-14% of GDP in OECD countries and for which sub-national governments are responsible for a large chunk. Procurement can be used more systemically to achieve societal outcomes, such as for SMEs and minority groups. Audit institutions can also play a role in the implementation of the SDGs. The OECD is working on how to move from ex post to ex ante evaluations and how to use for example regulatory impact assessments to advance SDGs implementation.
- 4. Stakeholder participation is an essential element to achieve the SDGs. The **Public Governance Directorate will soon launch its Open Governance network to discuss involvement of civil society and citizens in the 2030 Agenda**. In this regard, the Discussant noted that many of the OECD Roundtable participants are not government representatives.
- 5. The fifth area of governance discussed among national government representatives is the "elephant in the room": corruption, for which robust integrity systems are needed around the world as nobody is immune to corruption.

Finally, the Discussant presented the upcoming Global Hub for the Governance of the SDGs, a multi-stakeholder initiative that the OECD is launching alongside UN agencies and other international organisations such as the African Peer Review Mechanism. This initiative stems from request by a broad range of countries for advice on the governance mechanisms to implement the SDGs. These include for example policy coordination or how to integrate the SDGs into budgeting processes. In response to requests from OECD and non-OECD experts alike, the SDGs Hub will be a place where governments can turn for support based on their specific needs, including through the deployment of experts. The Hub will likely be launched in time for the UN General Assembly in September 2019.

The Moderator closed the session by pointing to some ongoing work by the OECD programme on a Territorial Approach to the SDGs to advance the knowledge base on cities and regions' work on the SDGs. These include a joint OECD-CoR survey with over 400 responses, as well as the **in-depth reports from each of the pilot cities and regions**. Preliminary findings are summarised in the Issue Notes distributed at the Roundtable.

Session III: Everyone's business – beyond governments: how do private sector and civil society contribute to a territorial approach to the SDGs?

Moderator Ms. Patricia Purcell, Head of Partnerships at the UN Global Compact (UNGC) City Programme opened the third session by thanking the OECD secretariat for organising the Roundtable and expressed her recognition to Mr. Jorge Moreira Da Silva, Director of the OECD Development Co-operation Directorate, for joining the session, as well as to the Secretary-General of UCLG for her presence. She also recognised the contribution by the speakers in the previous sessions, which had served to highlight the important role of cities and regions to contribute to the 2030 Agenda, not the least the pilots participating in the OECD Programme on a territorial approach to the SDGs. Ms. Purcell then went on to underline that in addition to local and regional governments, the private sector and civil society have an important role to play. She introduced UNGC as the largest corporate sustainability initiative in the world, with 10,000 member companies and partners. It is officially part of the UN and the UN Secretary General is one of its chairmen. UNGC members report annually on its 10 principles based on four pillars: Human Rights, Environment, Anti-corruption and Labour. In 2015, these were aligned with the SDGs. Moreover, over a dozen governments integrated businesses' progress on the SDGs in their Voluntary National Reviews presented at the 2018 HLPF. UNGC is now working with key partners, including the OECD and UCLG, to integrate businesses' progress with subnational government actions.

One key challenge ahead is to scale solutions for transformative change. For this, it will be essential to close the finance gap. The Moderator noted a USD 90 trillion gap for resilient and low carbon infrastructure alone. Small and Medium Size enterprises (SMEs) will have a great role to play in the transformation, especially in developing countries where they are key to incubating new and innovative solutions. Indeed, as pointed out in the first session by Mr. Pezzini, solutions cannot be copied and many developing countries are already leap-frogging with new technologies and e.g. energy solutions. The Moderator highlighted the importance of providing policy signals to steer investment in new markets, including innovations that lead to new markets and new "best" products evolving.

DG DEVCO, European Commission: Implementing the SDGs through Decentralised Development Cooperation

Ms. Carla Montersi, Director of Planet and Prosperity at **DG DEVCO**, **European Commission**, started by recognising the importance of stimulating investments and collaboration between local governments and businesses. This has been clearly communicated by the UN, pointing to a **need of USD 2-5 billion yearly until 2030 to fill the funding gap**. This is why the DG DEVCO have acknowledged the need to go beyond traditional grant support to develop new tools to bring the private sector on board. Providing specific focus on local authorities, Ms. Montersi pointed to overall consensus that we need businesses, academia and civil society to work together to achieve the SDGs. **Local and regional governments are key in this arena, as elected organs that have democratic legitimacy to gather local stakeholders**. The European Union and its institutions are supporting policy dialogue, financial instruments and budget support to help decentralisation reforms in EU and partner countries. This is far from self-evident, but remains essential to address for example urban challenges and achieving SDG11. **DG**

DEVCO is planning to invest EUR 53 million in 2019 and 110 million in 2020 to foster partnerships between local authorities in EU and partner countries.

The European external investment plan is further aimed at providing local authorities with missing financial instruments and to support opportunities to invest in domains like energy and waste management. **The keyword here is de-risking, such as by providing loan guarantees.** A first guarantee is being implemented by the World Bank and IECD (Institut Européen de Coopération et de Développement) to lower risks in Public-Private Partnerships. DG DEVCO is also looking into providing loans to local authorities that are not state guaranteed, as a means to become more autonomous. Many requests come from local authorities for innovative financial tools to help them implement the SDGs.

Basque Country, Spain: Engaging stakeholders through Euskadi 2030

Ms. Estibaliz Urcelay Erguido, External Relations Officer at the Foreign Affairs Department, **Basque Country**, **Spain**, thanked the OECD for inviting the Basque Country to the Roundtable, as well as UCLG and other networks who support bringing the voice of local actors to global arenas. The Basque Country has a unique self-governance structure, with its own taxation base and responsibility for areas like education and health, among other things. **The Basque Country has adopted the Agenda Euskadi Basque Country 2030**, which bring together the local government's sectoral policies under one umbrella to implement the 2030 Agenda. The Agenda Euskadi Basque Country 2030 is coordinated by the office of the president, with leading roles played by the General Secretaries for external action and foreign affairs, but nonetheless involving all ministries. **The 2030 Agenda is seen as great framework to set priorities in a local context**. The Basque government has also used strategic tools developed by the European Commission to integrate policies that contribute to social, economic and environmental goals. They see the 2030 Agenda as providing a framework to create a favourable environment and ecosystem to foster joint ownership of the commitment to leave no one behind.

Ms. Urcelay Erguido described the way in which the Basque Country have used the agenda to analyse policies and mobilise different actors, including by providing training programmes for both internal and external audiences, at all levels of government and including senior politicians. A University summer school is planned and good practices are being disseminated. Examples of good practices include the Euskadi sustainability bonds, designed to address socio-economic challenges and the platform against food waste, which aims to save 350,000 tonnes of food from getting wasted per year. The Basque Urban Agenda focuses on a roadmap to achieve sustainable and resilient cities, whereas the Euskadi Open Governance Platform has been selected among 20 local government initiatives worldwide that aim to create a more open and responsible local government. In terms of multi-level governance, a working group has been set up to enhance collaboration and coordination between the Basque government, the provinces, thee three main cities in the Basque Country and the association of municipalities. Finally, an agreement with UN Global compact will help to ensure that resources for businesses to adopt and contribute to the 2030 Agenda are disseminated to Basque companies.

Many UNGC members highlight the importance of understanding the local landscape in order to invest locally, which links back to the issue of de-risking. Collaboration between local and regional governments and businesses is therefore key.

Shell: Sustainability and our business strategy

Mr. Alex Licha, Innovation and Start-up Manager, <u>Shell, presented</u> how the company works on the SDGs. He started by saying that some participants might have been surprised to see Shell among the participants and that he would like to convince them otherwise. He then presented the Dutch-British company, in 2017 Shell employed around 86,000 people in over 70 countries. Two years ago, the company started a new Business Unit on New Energies, in which they are investing massively to come up with new solutions to the production and distribution of energy.

Mr. Licha told the participants that in the 14 years he has worked for Shell, he has always seen a commitment to sustainability. As a tangible example, the **CEO salaries are linked to carbon footprint targets** – a practice that is now cascading to all levels of employees in the company². In terms of the SDGs, Shell has prioritised goals 7, 8, 9, 12, 13 and 17 and are looking at the SDGs in relation to all internal reports. Their key approach to sustainability can be understood by a three-level pyramid, with the profitable, safe and responsible business at the bottom and helping to shape a sustainable energy future at the top. At the middle layer is to share benefits locally where they operate.

Mr. Licha mentioned that while setting goals represent about 20% of the work to achieve change, more important is how to reach those goals. For example, educating and raising awareness among partners is key. Second, co-creating solutions with actors across society is necessary, including public and private sectors, academia, citizens and civil society. One reason for this is that it is impossible for one actor to predict how things will happen in practice. For example, two years ago the dominating shared vehicle fleet in Paris were bicycles, whereas today scooters and electric motorbikes can be seen everywhere. In terms of local impact, Shell is working with local communities, seeking to procure local products and employ and train local staff. They also have auditing processes to ensure the integrity of local business partners.

Finally, within the new energy business unit, they have developed the **City Solutions programme**. Within the scope of this programme, they are developing energy scenarios for cities, following the example of their global "sky scenarios", where they create forecast scenarios for carbon footprint for 2050 and 2070 based on different political decision scenarios. Starting in three cities in the Middle East, they are now starting to focus on European cities. In this programme, they **aim to create a common vision together with the cities and decide if they want to test solutions together**. They have also launched the "City-makers" programme, together with Renaud, Nissan, Europear, MAIF and the City of Paris. Through this initiative, they have tested new mobility solutions with in the "**test and learn**" **mind-set**.

Women's Economic Imperative: Civil society and woman associations as key actors to achieve the SDGs

Ms. Margo Thomas, Founder and CEO of the <u>Women's Economic Imperative (WEI)</u> briefly explained to the participants where the WEI originates. In 2017, at the UN Secretary General High Level Panel on Women's Economic Imperative, there was a strong willingness to continue working, which led to the creation of the WEI. Ms. Thomas then

² Current work by UNGC and its members on carbon pricing is similar to the case of Shell, whereby members voluntarily agree on reporting on internal carbon pricing mechanisms. The figure being worked out by UNGC is 100 USD per metric tonne, which would also be linked to remuneration policies for companies reporting to UNGC.

explained that the name of the initiative is through to evoke a sense of urgency and was founded on a quote by **Christine Lagarde** at the launch of the report on women's economic empowerment at the UN General Assembly in 2017, namely: "women's economic empowerment is not only a moral imperative, it is an economic no-brainer". The goal of WEI is to act as a catalyst for the transformative work on women's economic empowerment, in three key ways: entrepreneurship, advocacy and thought leadership. Ms. Thomas, who previously served for 30 years at the World Bank working on inclusive policy-making, strongly recognises the importance of the public-private sector nexus, and stressed the need to understand the political economy of reforms.

Coming back to the SDGs more specifically, she pointed to the words by **António Guterres** that **Women's Economic Empowerment is at the heart of the 2030 Agenda and that the SDGs won't be achieved without acceleration towards** it. As Ms. Thomas sees it, SDG 5 cuts across all the SDGs, and it not only about women. When women are empowered, the **whole society benefits**. A report by the McKinsey Global Institute from 2015 has estimated that if men and women were to be equal in the work place, a "full potential scenario", the global economy would grow by an additional USD 28 trillion in 10 years, whereas a partial gender parity would reduce the figure to USD 12 trillion. Ms. Thomas stressed that these kind of figures are helpful to visualise the magnitude of the issue. If we fail to ensure that women sit around negotiation tables, this will not only result in negative impacts on society's well-being, it will further impose a tax on future generations.

Ms. Thomas' next point mentioned that while **involvement of NGOs and civil society in policy-making is necessary it should not be seen as a substitute for the direct involvement by communities and citizen, especially under-represented groups.** In some parts of the world, with high levels of "demographic dividend", involving youth is absolutely crucial, whereas in other parts of the world experience ageing populations, we need to think about how to involve the elderly. Disabled persons is another group that need careful attention. **She therefore made a call to both national and sub-national governments to ensure systematic approaches to consultations** and not only apply a gender and green lens to policy-making but an inclusive one. Indeed, a **common denominator of failed development cooperation projects has proved to be the lack of sufficiently robust consultation mechanisms,** as shown by a World Bank funded study of why many UN and development cooperation projects fail in the long run. To do so, we need facts and evidence-based policies, broad-based consultation and capacities among governments to carry out these processes.

Finally, Ms. Thomas pointed to the importance of the right type of data, including gender-disaggregated and told the participants that WEI is working with the Japanese government on this issue within the framework of their presidency of the G20. When it comes to using data, she suggested national and sub-national governments to draw on key lessons learned from impact assessments of policies, so as to "put the money where our mouth is" in the sense of allocating resources effectively.

UN Habitat: Engaging Territorial Stakeholders to achieve the Goals

Ms. Diana Lopez Caramazana, Head of the Local Government and Decentralisation Unit at <u>UN Habitat explained</u> that she had deliberately **changed the title of her presentation** from the "importance" to the "NEED" for multi-stakeholder, inclusive approach in the implementation of projects and policies to achieve the SDGs (at local level). She highlighted that we need dramatic change when it comes to achieving the 2030 Agenda and that this can be seen across the globe. For example in the metro of the City of Dubai, she had recently seen a sign where the operators informed the passengers that equipment had

been switched off for energy saving purposes. She then pointed to the challenge of SDG 17 in light of the common gap between citizens on the one hand, and institutions (including governments, civil society and the private sector) on the other. The SDGs provide an opportunity to break this, as well as offering chances for citizens to "fix" the institutions. Local and regional governments are key to this as they are the closest level to the citizens. Another important aspect highlighted was that **OECD countries have never** been as close to a UN Agenda, as witnessed for example in Seville Commitment and as can be seen in Mayors' commitments across OECD countries. Ms. Lopez Caramazana pointed out that local governments are used to working in multi-stakeholder partnerships and close with their citizens - if they did not, they would not be able to deliver their services. We thus need decentralisation and local finance to implement the SDGs. They also need what she refers to as a sense of "dreaming and belonging" to the 2030 Agenda, which UN Habitat and UCLG have been supporting, and she believes that many are convinced. What they need now are the tools to better communicate with citizens and bring stakeholders on board, and these are rather scarce. For practical examples, she pointed the participants to the Localising the SDGs Platform developed jointly by UN Habitat, UCLG and UNDP and closed her intervention by highlighting the importance of building the Agenda 2030 for the next generations, who will be citizens of the future.

Debate with participants

The debate focussed on multi-stakeholder platforms, both for public-private partnership and for engagement with civil society and citizens. Some of the key messages that emerged were:

- The 2030 Agenda and inclusive growth cannot be achieved through business-as-usual. Several participants mentioned the key role of private companies to implement the SDGs, going beyond their financing role. For example, they can contribute to collective knowledge and information sharing, through city programmes launched in partnerships between private companies (e.g. Shell and Axa) and cities or city alliances, to advance knowledge on relevant topics like energy or resilience. A new logic of interventions is needed, as showcased for example by the changing nature of labour markets, where unemployment is no longer enough to indicate prosperous labour market conditions, but where quality of work and the "threat" of robots are highly relevant.
- Public procurement can also help leverage private sector partnerships towards the SDGs. One example is the Social Progress Imperative working with the local authority of Barking and Dagenham in London to localise the Social Progress Index, which the local authority have integrated into their public procurement policies to positively screen potential suppliers according to their contribution to the SPI and the SDGs.
- The SDGs have stimulated a trend towards outcome focussed investments, where cities often have an active role. For example in the US, many cities invest in green or social bonds, which generate a lot of impact investors' interest, while cities in Denmark are deliberately avoiding investment in companies operating in tax havens or trying to decouple investment from fossil fuels.
- The SDGs provide a shared language. This helps to build "unlikely alliances" not only across policy sectors, but with civil society and the private sector. One must not forget that the SDGs are also dealing with "old battles", such as climate change and gender equality and despite the fact that everyone around the Roundtable know what we are talking about, it can be more challenging to get the

message out on the "factory floors". What is new about the SDGs is that they provide a **tool for systemic change** and that they are widely recognisable.

- Multi-stakeholder platforms are crucial to address both the internal and external aspects of the 2030 Agenda. Multi-stakeholder partnerships should not only be in terms of implementation, but also in the design and reporting of policies and programmes. Cities and regions, being closest to the citizens, face the challenge of co-planning with citizens. Examples like the Aloha+ platform by Hawaii Green Growth shows how an open data impact dashboard can help to track many stakeholders contribution towards progress towards social, economic and environmental priorities for the island, using community-driven data, while the SDG Club in the City of Kitakyushu invites all actors in the city, from companies (over 50 have joined so far), academia to citizens, to join forces on the SDGs. This club provides a platform for building networks and exchange information among multi-stakeholders in the city, which may result in matching common interests, for example between companies that seek specific human resources and youth who are looking for jobs that match their skills.
- Civil society is diverse and does not represent one type of actor. Instead it is multi-faceted, ranging from NGOs to interest groups, to academia and philanthropic organisations. It is important to have representatives from the full range of civil society in multi-stakeholder forums. Special attention must be paid to migrants and refugees and people with disabilities.
- Water is essential to all the SDGs. Many Mayors in the UCLG network are embracing SDG 6 and safe access to clear water as a right rather than a commodity. The IWA Water-wise principles provide a checklist tool that can be used by urban leaders to promote good governance and management of water resources together with citizens and civil society.

Wrap-up by the Discussant

Discussant Mr. Jorge Moreira da Silva, Director of the Development Co-operation Directorate (DCD), OECD, underlined that the Roundtable is very relevant to the work by the Development Co-operation Directorate and the Development Assistance Committee (DAC). DAC brings together donors responsible for USD 152 billion of Official Development Assistance (ODA) and collects data from both OECD and non-OECD countries, as well as from the private sector and philanthropies. Mr. Moreira da Silva pointed out that the challenge related to the finance gap mentioned by the speakers is not only about going from millions to trillions of dollars, but to ensure impact of investment towards the 2030 Agenda. He further mentioned an alarming signal, namely that we are off track to achieve the SDGs. We are off track when it comes to targets, finance and policy coherence. Most importantly, this leads to being off track when it comes to leaving no one behind, as demonstrated in the 2018 Development Co-operation Report Joining Forces to Leave no One Behind. The report also showed that simply mobilising more financial resources is not enough: we need to do things differently.

Mr. Moreira da Silva illustrated some key figures from development cooperation that expose some paradoxes that need to be addressed. For example, while ODA has doubled between 2000 and 2018, it is still far from the 0.7% of GDP target set by the UN. At the same time, Foreign Direct Investment (FDI) in developing countries saw a significant drop of 30% between 2016 and 2017, while the Addis Ababa Agreement of Financing Sustainable Development call for increased investment. Mr. Moreira da Silva also pointed out that while blended finance for the SDGs has grown to USD 152 billion globally in

the past five years - "blending is trending" - only 7% of this amount is in least developed countries. Investments thus keep being channelled to the same places, typically infrastructure projects in middle income countries. Other paradoxical figures show that while it is estimated that 80% of poor people will live in fragile contexts by 2030, only 10% of FDI is in fragile contexts. With regards to remittances, the discussant pointed out that while USD 400 billion are mobilised in one year, the transaction costs for this financing mechanism remains as high as 20%. Finally, another paradox that needs to be fixed is the fact that ODA is not always compatible with the Paris Agreement.

While we must recognise progress made, Mr. Moreira da Silva further stressed the **need to speed up the pace of change, in which the role of cities and regions is vital,** *not additional*. Both local governments and civil society can play a role in fixing mentioned inconsistencies in finance and policy coherence. In the Global Outlook on Financing for Sustainable Development 2019, some key lessons can be drawn out. First, there is need for better measures for Decentralised Development Cooperation (DDC), where potential remains untapped. By way of example, 65 cities and regions in OECD countries together provide USD 2 billion through DDC. Since 2005, the number of members reporting on DDC figures have increased from 9 to 13, but there is still a call for more data to be shared and many large actors are missing. Second, there is increasing demand from local and regional government actors in terms of policies and regulations, especially for dealing with issues like urban growth and climate change, or other issues like for example water governance. As mentioned by Mr. Pezzini in the first session, there is no single path to follow and the supply of financing needs to be adapted to local and regional governments.

By way of showing the magnitude of the challenge, Mr. Moreira da Silva highlighted that two-thirds of investments in urban infrastructure needed by 2050 are yet to be done, and that among the 500 largest cities in developed countries, less than 20% are credit worthy in their local context. Moreover, only a fraction of credit worthy municipalities are able to issue bonds. This may be contrasted with US cities able to raise USD 110 billion in municipal bonds in only two months in 2018. In Africa, it would take 14 years to raise 1% of this amount. Mr. Moreira da Silva thus stressed that we need to fix these inconsistencies, for which the OECD has developed the DAC Blended Finance Principles. Another unexplored investment potential is social impact investment, where the lack of standardised metrics and comparability create barriers to the sector. There is thus need for better data to inform the field. Finally, Mr. Moreira da Silva pointed to the need of a new generation of partnerships, both in developed and developing countries and stressed the importance of using existing forums rather than the current trend of creating new institutions. For example, the Global Partnership in Effective Development Cooperation (GPEDC) could provide a platform to take advantage of in 2019. To conclude, Mr. Moreira da Silva highlighted that the OECD are joining forces to meet the 2030 Agenda challenges, including collaboration between his Directorate and CFE on for example DDC. Building on the first report launched in 2018 on Reshaping DDC, a new report will be released in the summer 2019, which he hope will help to influence the UN General Assembly.

Session IV: Measuring SDGs Progress in Cities and Regions: towards an OECD Localised Indicator Framework

The Moderator Mr. Rudiger Ahrend, Head of Economic Analysis, Statistics & Multi-level Governance Section at the Centre for Entrepreneurship, SMEs, Regions and Cities, OECD, opened the session. He expressed his gratitude to have the discussant Mr. Marco Mira D'Ercole from the OECD Statistics and Data Directorate in the room to share his perspective based on the extensive work done with statistics to measure progress on the SDGs at national level. He further explained a few caveats to the session that he would like to state from the outset: first, that internationally comparable indicators at city and regional level are useful to provide benchmarks among peers across countries, while country and city and region specific indicators are also needed to provide richer context-specific data. He pointed out that this should not be seen as contradicting but complementary data, serving different functions. Second, he raised the issue of functional and administrative data sets, and states that although a functional approach is extremely useful for analytical purposes, administrative data tends to be widely available and we thus need to be pragmatic. Again, depending on what needs to be measured, the two approaches can be useful and complementary. For international comparability, functional data provide some advantages. Finally, Mr. Ahrend pointed out that the SDGs have provided an opportunity to collect new data and improve statistical systems. As always when you want to improve something, you need to monitor progress and by monitoring progress you can improve even further. This aspect of the SDGs has thus helped to identify gaps and improve data collection, both at national and sub-national levels.

OECD: Towards an **OECD SDGs** localised indicator framework

Mr. Paolo Veneri, Head of the <u>Territorial Analysis and Statistics Unit in CFE, OECD, provided a short presentation</u> of the ongoing work done by the OECD together with the pilot cities and regions, with the main objectives to: i.) Provide a framework for (and with) regions and cities to use an SDGs approach in policy-making; ii.) Collect and produce SDGs indicators for regions and cities by **maximising coverage and international comparability and building on already existing OECD work**; and iii.) Enhance the use and impact of indicators through a data visualisation web-tool. Mr. Veneri also pointed out that the UN (IAEG-SDGs) has indicated the need to disaggregate data measuring progress on the SDGs, including by geographic location.

The OECD work seeks to embrace the entire framework of the SDGs at different government levels, building on existing OECD data for regions and cities. This goes beyond looking at SDG 11 and spatial inequalities captured in SDG 10, but further looking at a range of specific indicators where geographic disparities tend to be found, such as people living in relative poverty (1.2.1), or where local and regional governments have important competencies, like for example implementing disaster risk reduction strategies (1.5.4). The main databases used for this work are the OECD Regional and Metropolitan databases. The Regional database³ collects data annually from national statistics offices and includes a large set of well-being indicators. The OECD Metropolitan database includes Functional Urban Areas with more than 250,000 inhabitants and

³ The Regional database covers 400 OECD TL2 Regions, TL2 Regions of 5 LAC countries and 5 EU28 countries, Tunisia and Russia.

provides comparable data for 650 metropolitan areas in OECD countries. Mr. Veneri presented an example of the type of analysis made possible by the two databases, using the example of relative poverty rates. This analysis revealed large disparities within countries for both regions and cities.

Another important aspect of the work is bridging the data gap, since **indicator coverage remains a challenge**. Responding to this, CFE collaborates with other OECD Directorates to **extend surveys** administered to national statistics offices, for example to include obesity rate as an indicator for SDG 3. Mr. Veneri's unit also work with **modelling indicators from other sources, such as geospatial and grid data,** such as for measuring average built-up area (square metres) per capita (SDG 11). Finally, the OECD visualisation webtool for measuring progress on the SDGs at regional and city levels aims to allow citizens, policy-makers and other stakeholders to identify the distance of their region or city to the SDGs in an intuitive and easy way. One key feature of the tool will be to enable cities and regions to compare themselves to their peer and with national averages. Thus far, the tool is expected to cover over 400 OECD Regions and over 600 OECD Functional Urban Areas. Around 80 indicators have been identified for the Regions, whereas the number is still pending for cities, where the data availability is lower.

European Commission Joint Research Committee (JRC): Towards an EU SDGs localised indicator framework

Ms. Alice Siragusa spoke jointly with Ms. Claudia Baranzelli on behalf of the **Joint Research Committee**. They presented the **latest JRC activities** by the Territorial Development Unit, including the Community of Practice on Cities (CoP-CITIES) where they work with stakeholders from city level to international organisations. One area of work is territorial modelling of indicators in European and recently also in African cities. A report on the Future of Cities is being prepared as the first outcome of the CoP-CITIES, constituting a knowledge-based approach to understanding future challenges for cities. Ms. Siragusa demonstrated the <u>Urban Data Platform</u>, which has incorporated the SDGs and provides thematic visualisation of the goals. Another main activity carried out by the unit in collaboration with DG REGIO is the **preparation of a Handbook for local authorities in Europe to prepare Voluntary Local Reviews for the UN**. The handbook will include an overview of methods and data and indicators that can be used to report on local progress on the SDGs, as well as how to integrate the SDGs into strategic activities. The Handbook is planned to be launched at the <u>World Urban Forum 2020 in Abu Dhabi</u>.

The focus of JRC's work is on the European dimension of the SDGs, which implies translating the goals to local scale and taking stock of data provided by EC and other institutions to provide for good comparability. It also means looking at **proxy data at local level to monitor progress on the SDGs**. One example for this is an analysis of distance to health facilities at sub-regional and regional levels, using a 1 km grid analysis, providing a scientific approach that can be replicated elsewhere. Some key challenges encountered in their work resonate with those provided by the previous speaker, namely data availability in terms of coverage and for producing time series to track progress over time. Comparability and relevance are other challenges, the latter of which is not straightforward. Ms. Siragusa gave the example of traffic accidents, which although they happen at local level, road safety may be regulated at national level. She also pointed to the challenge of linking indicators to specific projects and investments, especially when it comes to understanding when to measure the effect of investments.

World Council on City Data: Measuring SDGs in cities

Mr. Nico Tillie, European Vice-President of the World Council on City Data (WCCD) in his presentation briefly explained the background and rational behind the WCCD and the ISO 37120 standard for sustainable development of cities and communities. In 2007, WCCD were approached by the World Bank who wanted to better understand the results yielded by their investments in cities. To take stock of performance indicators at city level, WCCD gathered seven cities in North and South America and looked at 11,000 indicators according to 17-18 themes and found that much of the data is not comparable. Therefore, they started to build a reference framework together with 255 cities, albeit still finding that data quality and comparability tended to be poor. This gave rise to the idea of building an ISO certification for cities, which they build together with cities from 35 countries.

The ISO 37120 standard was published in 2014 and includes 100 indicators organised in 17 themes (e.g. air quality, employment, connectivity, business creation and patents). They were thus "one year too early" compared to the SDGs, as Mr. Tillie put it. 63 cities in 23 countries are ISO certified, 40 of which are in OECD countries. What they do with the data is mainly to inform decision making, including for investment. They have for example created an Investable Cities Index and also worked on aggregating data to functional levels (in e.g. Toronto). Based on demand from cities, they are currently working on two news standards for "smart" and "resilient" cities. Finally, linking the ISO standard to the SDGs, WCCD has published a book to analyse the ISO data and indicators in relation to each of the SDGs. They further see interest among cities to create peer groups, such as for small cities or harbour cities facing similar challenges. The key advantage of the ISO standard approach is that it is verified by an independent third party (WCCD and externally audited), providing standardised international measures reported annually.

Municipality of Kópavogur, Iceland: From Social Progress Index to SDGs Index

Mr. Ármann Olafsson, Mayor of the Municipality of Kopavogur, Iceland, provided an overview of what Kópavogur has done in terms of using the Social Progress Index (SPI) and the ISO 37120 standard to connect these with the SDGs and their municipality's own information management system. In 2018, the town council decided to the use the SDGs to guide the vision of the municipality, agreeing on a mission statement and a set of values and principles to work according to. They are now in the process of developing performance measures linked with the identified priorities (34 SDG targets have been prioritised) with the help of SPI and ISO data. First of all, the municipality has mapped the SPI to the SDGs, to see how their work on social progress contributes to the SDGs. 16 of the 17 goals could be matched to the SPI. The SPI is built on 56 indicators and Kópavogur is currently working with two other municipalities in Iceland to expand the approach. The municipality is further in the certification process for ISO 37120 and have submitted data for 97 indicators to WCCD⁴.

Bringing all this work on data together, Kópavogur has put in place an information management system, MÆLKO, which allows the municipality to track its strategies in relation to set targets and further to aggregate data into composite indexes. The municipality wishes to develop one overall SDGs index and one specific to each SDGs that has been prioritised in their strategy. This is currently work in progress, with weights being assigned to different indicators in a consistent and transparent way. The municipality of Kópavogur see the SDGs as providing an opportunity to increase the efficiency of the

⁴ Kópavogur has subsequently been awarded with Platinum certification for ISO 37120

local administration, in that they provide easily recognisable targets that each staff member can relate to. They also allow the municipality to share its experience internationally, such as through the OECD programme and other forums like Nordregio and the Nordic Council of Ministries. Finally, Mr. Olafsson closed his intervention by highlighting that the ultimate goal of working with the 2030 Agenda is to leave no one behind.

Association of Flemish Cities and Municipalities (VVSG), Region of Flanders, Belgium: Local SDGs indicator framework for municipalities

Mr. Bert Janssens, European and International Coordinator at the <u>VVSG</u>, <u>Region of Flanders</u>, <u>Belgium</u>, <u>presented</u> the overall role of VVSG representing all 300 local governments in Flanders. He then resented some of the work that the association has done to raise awareness about the SDGs in the Flemish municipalities, including intensively working with 20 pilots in their SDGs project. One successful endeavour that will be repeated this year in a second edition is the "Week of the Sustainable Municipality", where municipalities work with introducing the goals to local citizens in different ways. **The work by VVSG on localising the SDGs indicators is thus part of wider SDGs toolbox**. Importantly, Mr. Janssens pointed out the opportunity in 2019 to include the SDGs in the multi-annual strategic plans developed by the new elected local councils (as of October 2018), especially in the 20 pilots with whom they have been working. The goal is to have at "overlapping" ambitions between the local goals and the 2030 Agenda, including in the measurements.

Regarding the indicator framework developed by VVSG to support municipalities to measure progress on the SDGs, they applied 4 main criteria for selecting the indicators: i.) relevance of the 169 targets to Flemish municipalities; ii.) whether data is available and easily accessible by municipalities; iii.) whether the indicator is in the sphere of influence by the municipality, and thus whether they are able to have an impact on the indicator; and iv.) to have all key indicators linking from local to regional, national and EU/global levels. Among around 100 indicators identified, 54 were selected for the key indicator set, which constitutes a "living document" organised by the 5Ps of the 2030 Agenda: People, Prosperity, Planet, Peace and Partnerships. They find that using the 5Ps provides an easier way to present the SDGs, especially to politicians and to illustrate interlinkages between the goals. The indicator set is currently an interactive excel database. When clicking on the target indicator of interest, a more detailed view appears providing further information on the indicator, including the data source. The set comes with a manual to guide users.

Mr. Janssens stressed that while indicators are important, they must be seen as part of a larger process and purpose. For example, while sustainable building standards can provide some information, they do not always tell the full story of for example where materials are sourced. To provide a bigger picture to their members, VVSG have been working a lot with the SDGs "Circle Exercise", where stakeholders can analyse their activities with regards to the internal and external impact, the latter of which implies both for the local community and how it links with global policy. They have found the circle exercise to be useful when it comes to breaking policy silos and facilitate discussions across sectors in a municipality. The main aim of the VVSG approach to SDGs indicators is to provide a tool for municipalities to auto-monitor their local strategies. Being a member-based organisation, their purpose is not to impose any accountability and/or reporting mechanism, but to advice their members. Hence, they do not see localising the SDGs indicators as providing neither a blueprint nor a one-size-fits all for municipalities. The key strengths of this approach include that it helps to foster local ownership and helps

to make the link between local policies and SDGs visible, while supporting local autonomy in a strategic way. On the other hand, it makes alignment with UN and EU reporting mechanisms more difficult and can result in an "ambition gap", especially with what concerns environmental goals.

Debate with participants

Some key issues discussed in the debate were:

- The need to support local and regional governments in the work on SDGs indicators and linking their strategies with the SDG. This also emerged from the results of the joint OECD-CoR Survey on the key contribution of regions and cities to sustainable development.
- Several initiatives on localising SDGs indicators are underway, like the OECD localised indicator framework, EC JRC framework, CEMR reference framework for sustainable urban development and ISO 37120. SPI has further been localised in an SPI for EU regions, with 50 key indicators that are very aligned with the SDGs. Participants stressed the importance of going beyond an exclusive focus on quantitative indicators, which is not always enough to allow for appropriate comparisons. For example, only measuring the distance to e.g. public transport says little of the actual quality of the service provided.
- Some participants preferred a "pick and choose" approach to local monitoring and reporting on the SDGs, while others preferred more holistic and standardised approaches. On the one hand, local authorities need to tailor indicators to the specific local context. On the other hand, standardised indicators at municipal level may be used not only by municipalities, but also but regional authorities that need to be able to compare (the same applies to national and EU authorities, etc). The need to strengthen the local dimension in Eurostat indicators and data was highlighted for follow-up action.
- The SDGs provide an opportunity to align budgets and develop new financing instruments, as well as the opportunity to put data at the centre of the public discourse. For example, the City of Madrid, Spain, is working on developing a local ecosystem for public policy innovation, around three pillars: partnerships, financing and data. With regards to the latter, they aim to have a policy cycle that is based on evidence and where citizens also contribute to collecting data.
- There is need to emphasise the costs when it comes to strategies and indicators by the public sector, especially in the conversations with private actors. The most recent report by IPCC has estimated the need for investment to stay within the 1.5 degree Celsius target to 600-800 billion annually. If the public sector does not start translating their strategies and indicators in "dollar" value, as seen in the private sector, it may be difficult to connect the two. This leads to the risk of losing out on their strategic contribution and cost-sharing for achieving the SDGs.
- There is also an **important role played by research institutions**, as witnessed in the OECD Roundtable, in particular in the development of methodologies for the monitoring and evaluation of progress on SDGs at local and regional levels.

Wrap-up by the Discussant

Discussant Mr. Marco Mira D'Ercole, Head of Household Statistics and Progress Measurement Division at the Statistics and Data Directorate (SDD), OECD, started by

explaining the role of his directorate in the 2030 Agenda. Their policy committee delegates come from national statistical offices and thus work mainly with national level data. SDD is also closely plugged into the UN global reporting processes, with specific roles in providing data on indicators like ODA and education and for improving the methodology for how some indicators are measured. Nonetheless, SDD's main contribution in the field of the SDGs is the study on where OECD countries stand vis-à-vis SDGs targets. Mr. Mira d'Ercole agreed with previous comments that the 2030 Agenda is comprehensive and that a measurement framework cannot pick and choose what to measure, but also stressed the importance of prioritization in each country. When it comes to quantifying the targets of the SDGs, the OECD report used both international conventions, agreements and best performers. They then normalise the distances to targets to be able to compare where countries stand. Some good news: on SDG 11, most OECD countries seem to be relatively close to the targets. However, data are available for only 5 of the 15 IAEG-SDGs indicators for SDG 11: is a one-to-one match with the UN indicator, for two OECD data is deemed of better quality than the UN indicator and two use OECD proxy indicators. There are some goals, like for example SDG 16, which are even more difficult to measure.

Another challenge with the SDGs measurement framework, highlighted by Mr. Mira d'Ercole, is that the SDG targets are mix a of drivers, inputs, outputs and outcomes. He suggested that efforts to localise the SDG measurement must keep these distinctions in mind. He also suggested that, while national statistics offices may not provide data on how different localities are performing on all the SDGs, they can systemically classify subnational areas like cities to allow for comparison between urban and rural areas, etc. He acknowledged the work by CFE together with the EU on this and noted that these issues will be discussed in next meeting of the OECD Statistical Committee. On the use of administrative data, Mr. Mira D'Ercole also pointed to the importance for benchmarking local estimates to official measures at national level. Finally, he noted the **opportunity for** using crowd-sourced data, for example through social media, as a cheap and accessible way to collect data and generating information for different localities. SDD and CEF have been discussing a so-called Urban Barometer, which would collect data from citizens on e.g. perception of service provision and user experiences, such as time spent in local transport or perception of security in the neighbourhood. This tool has been experimented with in the City of Paris, France, and the goal is to test this tool also in other contexts.

One final remark made was that, for most OECD countries, there are **no data allowing comparisons of price levels across regions and cities**. Hence, when looking for example at income poverty, the assumption made is that prices are the same in big cities and in rural areas, which we know is not be the case. Therefore there is a risk for big bias in such estimates. Mr Ahrend therefore invited all the participants to push for this issue with national statistics office.

Conclusion & Next steps

Concluding remarks

Mr. Joaquim Oliveira Martins, Deputy Director of the Centre for Entrepreneurship, SMEs, Regions and Cities (CFE), OECD, started by thanking all the participants and expressed how important it is to have local and regional government representatives around the table. He further explained that **CFE** is convinced that all the policies that are being discussed in the various committees at the OECD depend on local and regional governments for their implementation. Therefore, we need to bring their voices to the discussions. Meetings like the OECD Roundtable are important in this regard. He also noted that all the presentations provided a lot of learning for the Territorial Approach to SDGs. While the OECD is a natural "connector" of many different stakeholders, he also sees the **OECD Roundtable on Cities and Regions for the SDGs as an opportunity to bring the Directorates closer together,** as witnessed in the participation of the various directors throughout the day. This is truly helpful to foster the multi-disciplinary approach needed. Mr. Oliveira Martins also pointed to the importance of **good governance** illustrated in the various sessions and how we need all stakeholders, from businesses to citizens to academia, on board.

In the work by CFE on cities and regions, he would therefore like to suggest that **there is a "territorial imperative" when it comes to implementing the SDGs, especially when considering global mega-trends** like urbanisation, new technologies, etc. These mega-trends run the risk of exacerbating trade-offs in development, like for example that witnessed between digitalisation and labour market outcomes. Mr. Oliveira Martins suggested that it may be easier to link policies at the territorial level to face such challenges and informed the participants about the <a href="https://doi.org/10.1001/journal.

Mr. Oliveira Martins stressed that the various examples that have been shared at the meeting actually testify that **this "territorial imperative" is already happening** with several cities and regions using the SDGs to rethink their local and regional policies from the ground up, to better assess their performance and to engage with a broader range of stakeholders.

As a final remark, Mr. Oliveira Martins underlined that the **complementarities sought through the SDGs have to be constructed through multi-stakeholder collaboration** and mentioned the creation of the OECD Water Governance Initiative as an example of institutional innovation. The WGI was created from the realisation that policy dialogue around water needs to involve multiple stakeholders, not only government representatives. Thus, the WGI was created to provide such a forum, which has led for example to the development of the principles on Water Governance that have become an integral part of OECD's policy recommendations. Mr. Oliveira Martins suggested that the OECD Roundtables on Cities and Regions for SDGs could become a similar mechanism for cities and regions' role in implementing the 2030 Agenda.

Next Steps

The **main next steps and key milestones** of the OECD programme on a Territorial Approach to the SDGs in 2019 and 2020 are the following:

- Beginning of May 2019: Highlights of the 1st OECD Roundtable of Cities and Regions for SDGs published on the OECD website and shared with the Delegates of the OECD Regional Development Policy Committee, Working Party on Urban Policy and Working Party on Territorial Indicators.
- 14 May 2019, OECD Headquarters, Paris: joint Working Party on Urban Policy-Working Party on Territorial Indicators workshop *Towards an OECD localised indicators framework for SDGs*. The objective of the workshop is to present and receive feedback on the work developed so far on the OECD indicator framework for SDGs, to discuss good practices on city/regional SDGs indicators and to jointly define the way forward.
- **July 2019, New York:** possible side events on the Territorial Approach to SDGs organised at the High Level Political Forum, including in collaboration with the Local 2030 and with UNGC, Cities Programme.
- **November 2019 (location TBC):** 2nd OECD Roundtable on Cities and Regions for SDGs. The 2nd Roundtable will also review the final draft report *A Territorial Approach to the SDGs: A role for Cities and Regions to leave no one behind.*
- February 2020, Abu Dhabi World Urban Forum: Report Launch A Territorial Approach to the SDGs: A role for Cities and Regions to leave no one behind.