

A Territorial Approach to the Sustainable Development Goals



About the OECD

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

About the Centre for Entrepreneurship, SMEs, Regions and Cities

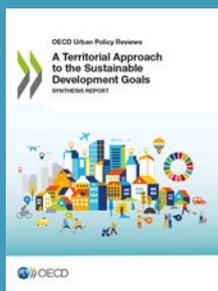
The Centre helps local, regional and national governments unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable cities and regions, boost local job creation and implement sound tourism policies.

About this policy highlights

This booklet reproduces highlights from the A Territorial Approach to the Sustainable Development Goals report, which falls within the Programme of Work of the OECD's Regional Development Policy Committee.

The full book is accessible at

A TERRITORIAL APPROACH TO THE SUSTAINABLE DEVELOPMENT GOALS



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We, Mayors, Governors, Ministers and Leaders from the nine pilot cities and regions of the OECD's Programme A Territorial Approach to the SDGs, are delighted to introduce the results of our collective engagement over the past 18 months.

As local and regional decision-makers, we are all grappling with similar challenges: climate change, demographic pressure, natural resources depletion, globalisation and social discontent, as well as steering digitalisation and managing its impact on the future of work. While future projections can sometimes depict a gloomy picture, we believe that bold and collective action, combined with political leadership and commitment, can drive the radical transformation of our societies and economies that is needed to transition to sustainable pathways for our people and the planet.

We have all experienced the powerful framework that the UN Sustainable Development Goals provide to design better local and regional policies for better lives. Being the closest political representatives to citizens, we have a critical role to play in achieving the SDGs. First, because we are responsible for key policies that are central to people's well-being from housing to transport, drinking water and sanitation, land use and spatial planning, urban mobility, local economic development, or even air pollution. Second, because the SDGs help us speak a common language, identify synergies and manage trade-offs; raise awareness; engage our citizens; (re)shape our local and regional development strategies from the ground up; and prioritise our investments, budgets and resources.

We have come a long way since our journey started at the UN High-Level Political Forum on Sustainable Development (July 2018, New York). Together, with the support of the OECD, we have carried out several policy dialogues to share our experience and produce the findings of this report. We have engaged over 800 stakeholders in our respective cities – Bonn (Germany), Kitakyushu (Japan), Kópavogur (Iceland), Moscow (Russian Federation) – and regions – Córdoba (Argentina), Flanders (Belgium), Southern Denmark (Denmark), Parana (Brazil) and Viken (Norway). And we have also worked with other dozens of institutions from public, private and non-profit sectors to build consensus, discuss best practices, and scale-up success stories.

This report summarises the important milestones achieved so far. It includes a comprehensive analytical framework to enhance a Territorial Approach to the SDGs in all places; a unique indicator framework to measure where cities and regions stand and foster peer-learning, and; an insightful checklist for public action to help policy makers at all levels of government on the SDGs journey. Nine additional pilot specific reports will be published over the coming months to summarise the findings and recommendations from the place-based dialogues in our cities and regions.

We are grateful for the process and dialogue underlying this report, whereby we listened and learned from each other, shared our experience, and welcomed respected advice and guidance from our peers and the OECD.

While we are aware that this is only a first step on the road to achieving the 2030 Agenda, we are particularly proud of the inclusive approach inherent to the development of these tools and recommendations and call for a massive and widespread use of them.



Ashok Sridharan,
Mayor of the city of
Bonn (Germany)



Juan Schiaretti,
Governor of the
province of Córdoba
(Argentina)



Martin Ruebens,
Secretary General,
Department of Public
Governance and the
Chancellery, region of
Flanders (Belgium)



Wim Dries,
President of VVSG and
Mayor of the city of
Genk (Belgium)



Kenji Kitahashi,
Mayor of the city of
Kitakyushu (Japan)



Ármann Kr. Ólafsson,
Mayor of the
municipality of
Kópavogur (Iceland)



Serguéi Sobianin,
Mayor of the city of
Moscow (Russian
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**Carlos Roberto Massa
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Søren Rasmussen,
Chairman of the
Committee for Regional
Development, region of
Southern Denmark
(Denmark)



Tonje Brenna
Chair of the County
Government of Viken,
(Norway)

Why a Territorial Approach to the SDGs?

Cities and regions are key players to achieve the SDGs

In the face of megatrends such as globalisation, climate and demographic change, digitalisation and urbanisation, many cities and regions are grappling with critical challenges to preserve social inclusion, foster economic growth and transition to the low carbon economy. The impact of these megatrends on people and societies is very much context-specific and requires place-based policies.

The 17 Sustainable Development Goals (SDGs), adopted by the United Nations in 2015, set the global agenda for the coming decade to end poverty, protect the planet and ensure prosperity for all. They outline a universal ambition and valuable framework to leave no one behind.

Cities and regions play a critical role in this paradigm shift and need to embrace the full potential of the SDGs as a policy tool. Beyond the compliance agenda, the SDGs provide a valuable framework to foster multi-level dialogues, enhance cooperation with civil society and the private sector, leverage investments and promote local and regional development around the globe.

In OECD countries, cities and regions have a hand in policies that are central to sustainable development and people's well-being, from water to housing, transport, infrastructure, land use and climate change, amongst others. Cities and regions are also responsible for almost 60% of total public investment in OECD countries, and for almost 40% worldwide.

The SDGs provide a powerful vehicle to implement the New OECD Regional Development Paradigm, which promotes a holistic, multi-sectoral, bottom-up, participatory and place-based approach to territorial development.

**At least
105 of the 169
targets underlying
the 17 SDGs will not
be reached without
local and regional
governments.**

SDGs to advance and implement the New OECD Regional Development Paradigm

Over the last three decades, the OECD has argued that the combination of factors leading to poor socio-economic and environmental performance is usually context-specific and needs to be tackled through place-based policies. Place-based policies are designed for a particular city or region, and stress the need to shift from a sectoral to a multi-sectoral approach, from a one-size-fits-all to context-specific measures, and from a top-down to a bottom-up approach.

THE SUSTAINABLE DEVELOPMENT GOALS

The report *A Territorial Approach to the SDGs* analyses how cities and regions are increasingly using the SDGs to design, shape and implement their development strategies, policies and plans; innovate and experiment; promote synergies, manage trade-offs; and engage public, private and non-profit stakeholders – in particular the private sector and the civil society – in the policy making process. The report also proposes an OECD Localised Indicator Framework for the SDGs that measures distance to SDG targets of 601 regions and 649 cities in OECD and partner countries, comparing them to national average and their peers. The report concludes with a Checklist for Public Action.

SUSTAINABLE DEVELOPMENT GOALS



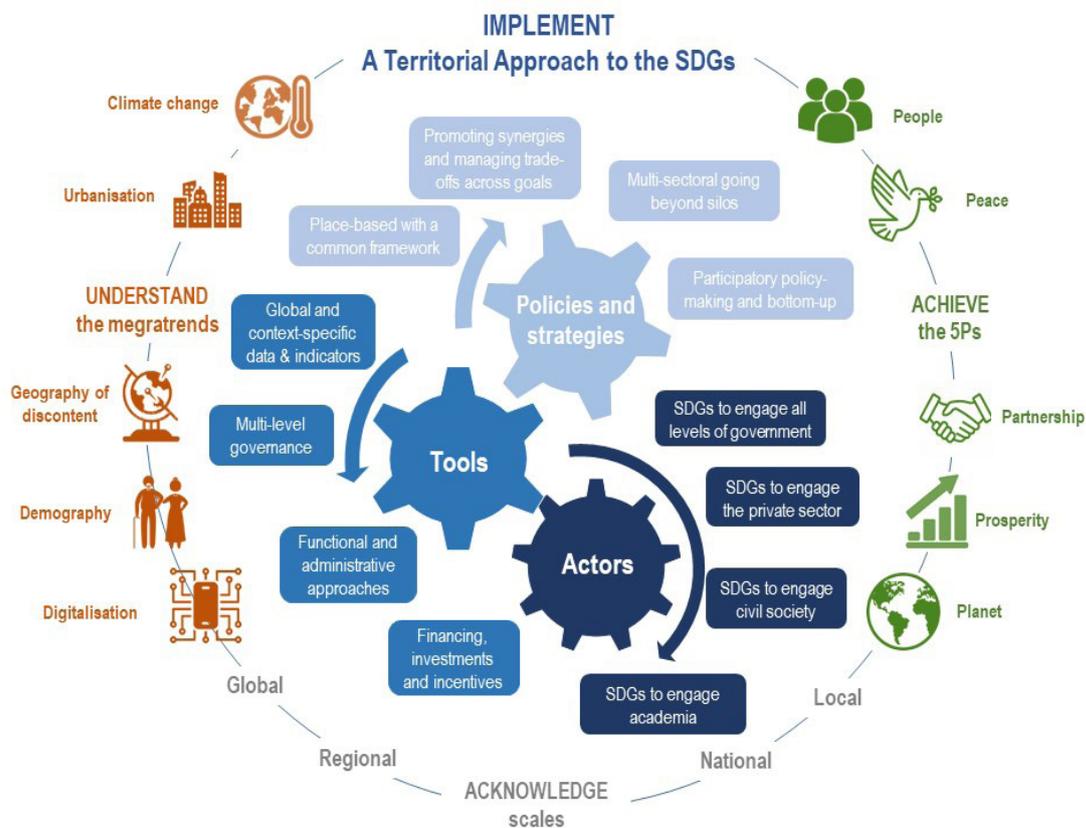
Place-based policies build on the endogenous development potential of each territory and use a wide range of instruments and actions, including targeted investment in human capital and infrastructure, support for business development, and research and innovation, among others.

The SDGs can help the shift towards a New Regional Development Paradigm and, in particular, to provide an implementation framework it because:

- » The SDGs provide a long term vision to design strategies, plans and policies with a clear and common milestone in 2030, while acknowledging that targeted action is needed since the exposure to challenges, risk and capacity vary widely within countries;

- » The 17 interconnected SDGs cover the social, economic and environmental dimensions in a systemic way and allow policy-makers promote complementarities and manage trade-offs;
- » The SDGs allow for better implementation of functional territories as they provide a common framework to strengthen collaboration and coordination between neighbouring municipalities;
- » The SDGs can promote multi-level governance and partnerships with all stakeholders, including the private sector, and help to engage the civil society in the policy-making processes.

OECD Analytical Framework for a Territorial Approach to the SDGs



OECD Programme on A Territorial Approach to the SDGs

A bottom-up and inclusive approach to implement the SDGs at all levels

Hosted by the OECD Centre for Entrepreneurship, SMEs, Regions and Cities, the Programme “A Territorial Approach to the SDGs” supports cities and regions to develop, implement and monitor strategies to achieve the Sustainable Development Goals (SDGs) by:

- » Learning from and engaging in a multi-level dialogue across local, regional and national levels of government to build consensus on who can do what, at what scale and how;

- » measuring how they perform and where they stand vis-à-vis the SDGs, compared with national average and their peers; and
- » sharing best practice and lessons from international experience and providing tailored guidance and policy recommendations.

Launched at the UN High-Level Political Forum on Sustainable Development (July 2018, New York), the programme counts nine pilot cities and regions. Overall, the consultation process has engaged 1000+ stakeholders as well as dozens of institutions from public, private and non-profit sectors.



Province of Córdoba | Argentina



Region of Flanders | Belgium



Region of Southern Denmark | Denmark



City of Kitakyushu | Japan



City of Bonn | Germany



Municipality of Kópavogur | Iceland



City of Moscow | Russian Federation



State of Paraná | Brazil



County of Viken | Norway

SURVEY “THE CONTRIBUTION OF CITIES AND REGIONS TO SUSTAINABLE DEVELOPMENT”

From 13 December 2018 to 1 March 2019, CoR and the OECD carried out an online survey on “The key contribution of cities and regions to sustainable development”. The survey gathered answers from 400 respondents from across Europe, 90% of which from EU Member States and the rest from Switzerland, Norway, Iceland and Turkey. Many responses were received from municipalities (39%), with 18% of the total sample specifically from small municipalities (under 50 000 inhabitants), 15% from medium-sized cities (50 000 to 500 000 inhabitants) and a further 6% representing large cities (more than 500 000 inhabitants). Significant shares of respondents also represent regions (17%), intermediary entities such as counties or provinces (9%) or other local and regional bodies (10%). The remaining 26% of respondents represent diverse categories of stakeholders such as academia, NGOs or public bodies, and the private sector.



OECD countries start acknowledging the key role of subnational governments to achieve the SDGs

Cities and regions are not systematically engaged in the policy debate at national level, however some OECD countries have put in place conducive frameworks to do so. According to United Cities and Local Governments (UCLG), only 34% of countries that reported to the United Nations High Level Political Forum on Sustainable Development between 2016 and 2019 engaged local and regional governments in national coordination mechanisms. For all other countries, engagement is either very weak (15%) or non-existent (43%). Moreover, the joint OECD-Committee of the Regions (CoR) survey highlights that only 23% of sub-national authorities collaborate with national government on SDG projects, while collaboration between sub-national levels (e.g. local and regional authorities) is more common. 60% of the 400+ respondents collaborate.

CONDUCTIVE NATIONAL FRAMEWORKS TO SUPPORT THE LOCALISATION OF THE SDGS

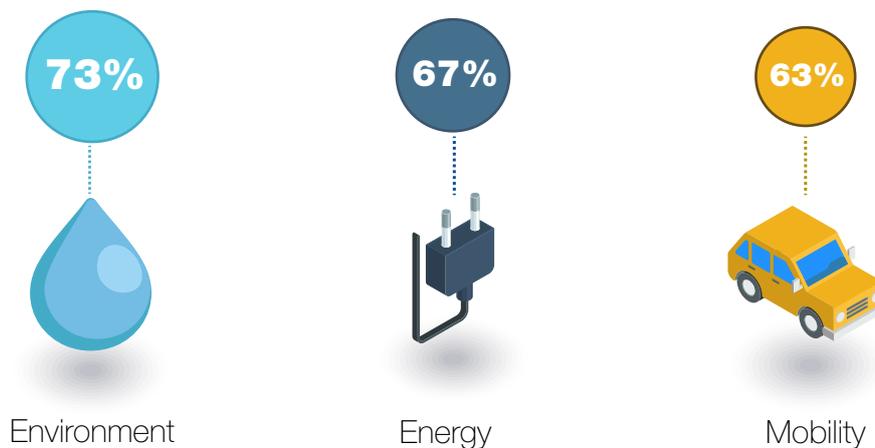
In Germany, the Federal Government provides technical and financial support to municipalities to implement the SDGs through a multi-level government framework. Since 2017, the Service Agency Communities in One World (SKEW) of Engagement Global has supported municipalities in eight federal states (Länder) to localise the SDGs through the lighthouse project “Municipalities for Global Sustainability” supported by the Federal Ministry for Economic Cooperation and Development (BMZ).

Japan’s expanded SDGs Action Plan 2018 is another example of national commitment to support local efforts. Its Future Cities Programme that comprises 29 local governments, out of which 10 were selected as SDGs Model Cities and received financial support from the government to implement their SDGs strategies. The initiative also promotes the establishment of SDGs governance structures at the local level.

Cities and regions are working towards the SDGs

Cities and regions have been increasingly vocal about the opportunity offered by the SDGs. The OECD-CoR survey shows that 59% of respondent cities and regions are familiar with the SDGs and currently working on their implementation.

Key priority sectors identified by the respondents



Cities and regions use the SDG framework as a “checklist” to assess the extent to which their programmes cover the span of sustainable development outcomes

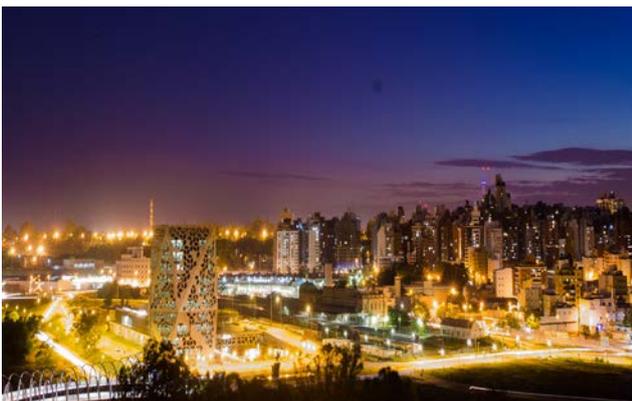
In **Moscow, Russian Federation**, the SDGs are seen as a tool through which to promote Moscow as an attractive place to live in the 21st century. The SDGs are used as a checklist to assess and highlight the contribution of various local programmes and initiatives, particularly its three main strategies for sustainable development over the next 10-15 years: i) Master Plan 2010-2035 promotes a “balanced urban development” between access to green areas, efficient transportation, and quality housing; ii) Investment Strategy 2025 works to create a favourable investment climate for urban development; iii) Smart City 2030 provides digital solutions to advance urban development, in particular to boost local living standards and ensure more cost-effective management and service-provision solutions.



Cities and regions revise and adapt existing strategies and plans against the SDGs to enhance more holistic, comprehensive, cross-sectoral and integrated actions



The region of Flanders, Belgium, has used sustainable development since 2006. Vision 2050 is the main strategic framework of the Flemish administration with seven priority transition goals. “Focus 2030: Flanders’ Goals for 2030” guides the implementation of the SDGs by the Flemish government by identifying 50 goals relevant to Flanders to achieve the 2030 Agenda. While not providing an exact fit with the SDGs, the goals in Focus 2030 are mapped to the SDG framework. In addition, objectives related to sustainable development have been updated.



The province of Córdoba, Argentina, aligned the three axes of governmental action to the SDGs and paved the way for localised SDGs indicators. The provincial government considers sustainability a key priority aiming to build a “sustainable state” so that all the inhabitants enjoy a better quality of life. The provincial government policy agenda has a strong focus on social inclusion and well-being. To make the most of the interconnected and holistic framework of the 2030 Agenda, the province has developed a matrix to identify and measure synergies and trade-offs among those SDGs driving social inclusion.



The state of Paraná, Brazil, is working to mainstream the SDGs in its budgetary planning. The Audit Court is leading this work by analysing the 2016-19 Multi-Annual Plan (PPA) and the 2017 Annual Budget Law and extracting lessons for the development of the PPA 2020-23. The court has developed a model to: i) examine the link between ongoing public policies and the SDGs’ targets; ii) evaluate budget expenditures; iii) generate evidence to improve decision-making and iv) analyse the official indicators related to budget-planning instruments.

Cities and regions develop new plans and strategies using the SDGs to build greater consensus and a shared vision for the future

The city of Kitakyushu, Japan, has developed its vision “Fostering a trusted Green Growth City with true wealth and prosperity, contributing to the world”, within the framework of the “SDGs Future City”. The programme focuses on three pillars – Economy, Society and Environment – and 17 specific measures for implementation. Kitakyushu has identified eight SDGs that represent the main strengths of the city, mainly linked to the environment.



The city of Bonn, Germany, has a long-term commitment to sustainable development. Bonn’s first sustainability strategy, developed in the context of the 2030 Agenda, was officially adopted by the city council in February 2019. The city has gone through a comprehensive process to localise the SDGs. The 2030 Agenda is seen as an opportunity to bring together the city’s global responsibility agenda with actions promoting sustainable development within the city itself. The sustainability strategy was designed to respond to key challenges and strengths of the city.



Quality of life, well-being and sustainability have long been part of the regional narrative in **Southern Denmark, Denmark.** Although the SDGs were not formally included in the current Regional Development and Growth Strategy (2016-2019) “The Good Life” (Det Gode Liv), the six priority areas and the policy themes covered are all directly or indirectly linked to the SDGs framework. For 2020-2023, the region has reshaped its Regional Development Strategy around the SDGs.



In 2018, the municipality of Kópavogur, Iceland, formally included the SDGs into its comprehensive municipality strategy. The municipality has put its focus on a total of 15 SDGs and 36 targets. Finally, seven context-specific targets relevant for Kópavogur were added based on ongoing commitments by the municipality, such as the UN Convention on the Rights of the Child and the participatory budget platform OKKAR Kópavogur.



In 2018, the county of Viken, Norway, decided that the SDGs should form the basis of regional development. The expectation is that the regional governments can act as “bridge builders” between policy sectors at national level and diversified local needs to take a stronger and more holistic role in regional development. The SDGs are used as an opportunity to link overarching strategic goals with the 4-year regional financial plan, annual budgets and operational planning. The SDGs will be included as a distinct managerial responsibility and trainings will be provided to managers, employees and elected politicians.



Viken has also developed an SDGs Knowledge Base as a baseline to prioritise actions and targets and to monitor SDGs. Viken has identified over 70 data sets that provide an overview of the current state of affairs in the region, using the SDGs as a framework.



Measuring regions' and cities' distance to the SDGs: an OECD localised indicator framework

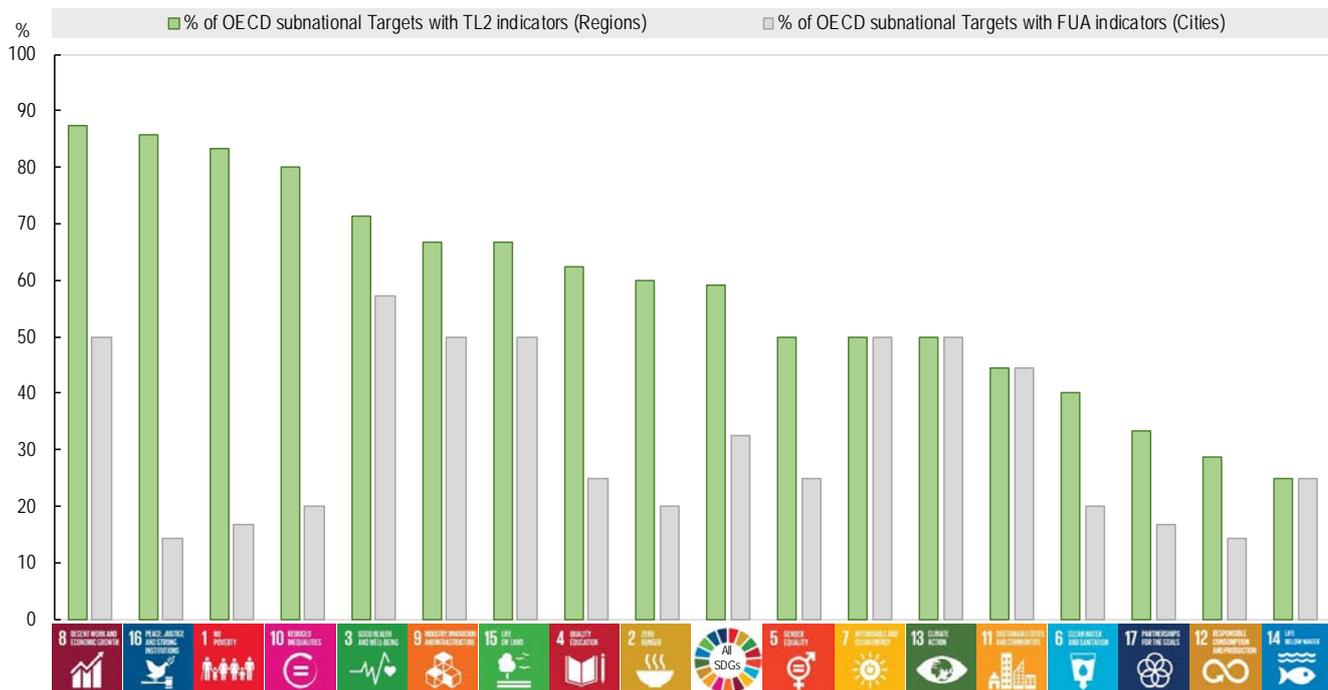
Localising SDG targets and indicators is key to going beyond national averages, unpacking regional disparities and driving place-based policies.

Evidence regarding regions' and cities' "distances" to each of the 17 SDGs is crucial to redefine priorities, strategies and budgeting. Monitoring progress is equally important to ensure policies are delivering the intended outcomes and to readjust actions when necessary.

The OECD has developed a framework to localise the SDG targets and indicators in regions and cities. As a result, 105 SDG targets have been identified as highly relevant for regions and cities of OECD countries (also referred to as the "subnational SDG targets").

With its 135 indicators, the OECD localised indicator framework covers at least one aspect of each of the 17 SDGs for both regions and cities. The coverage varies widely across the SDGs and is higher for regions than cities. The figure below presents the percentage of subnational SDG targets for which the OECD localised framework has available indicators. For instance, while SDGs 8 and 16 have indicators for at least 85% of the subnational targets, SDGs 12 and 14 have indicators for less than one third of the subnational targets.

The OECD localised framework supports regions and cities to measure the 17 SDGs in 65 out of the 105 subnational SDG targets that are place- and OECD-relevant.



80% of OECD regions have not achieved the end values for 2030 in any of the 17 SDGs

The average distance of OECD regions to the end values for 2030 ranges from 25% to 60%. For example, the distance to achieve SDG 10 (Reduced inequalities), 8 (Decent work), 11 (Sustainable cities) and 16 (Peace and Institutions) is on average less than 30% of the total possible distance (the total possible distance being the difference between the end value and the worst possible outcome in the sample of regions).



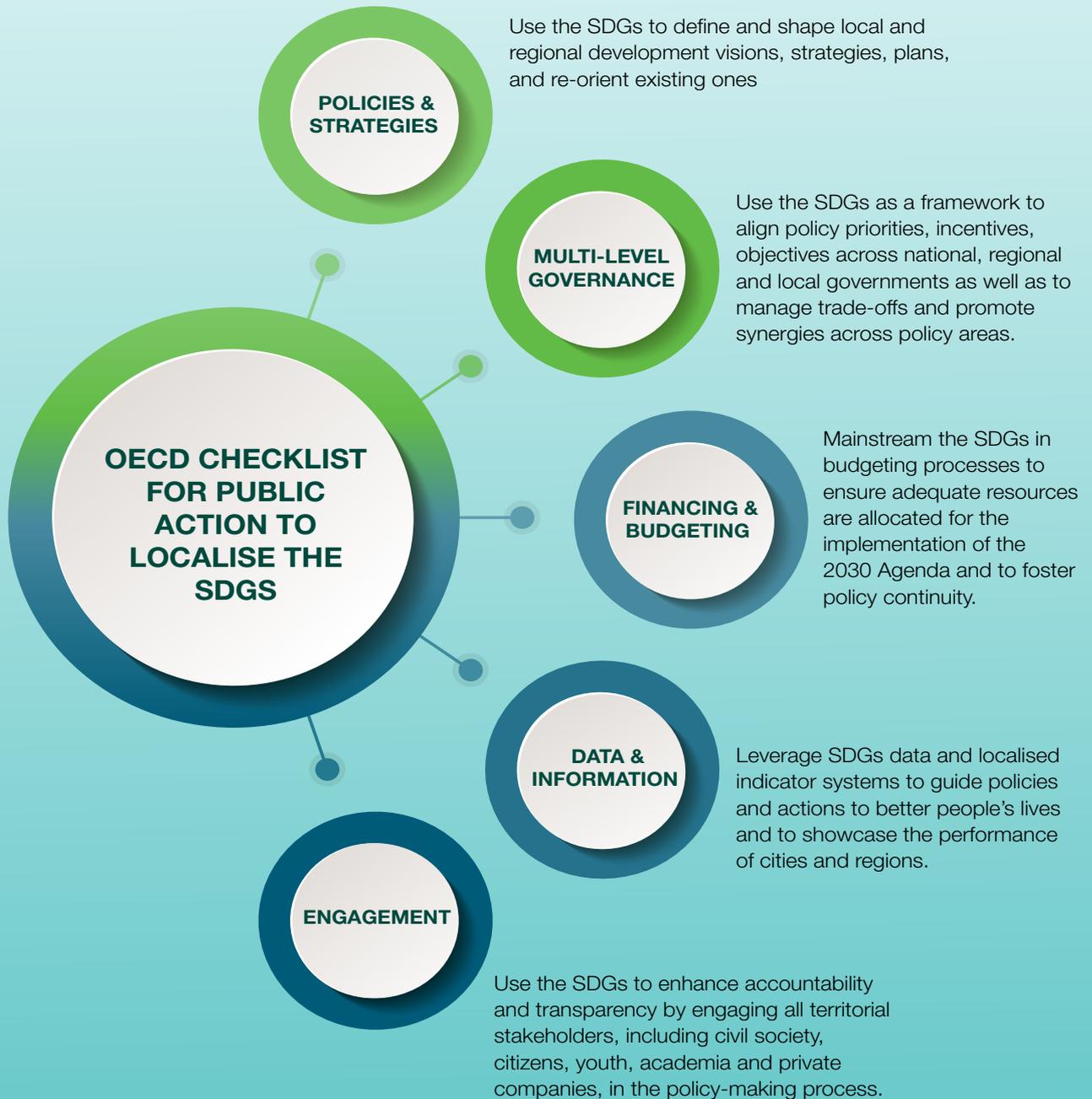
On the other hand, regions are, on average, halfway from the end values for SDG 9 on “Industry and innovation” and SDG 14 on “Life below water”. Regarding SDGs 17 (Partnerships and enablers for SDGs), 3 (Good health) and 1 (No poverty), regions are one third of the way to reach the suggested end values for 2030. The figure shows the average distances of regions towards each of the 17 goals.

Spotlight on SDG 7

Out of the 546 OECD cities that generate electricity, 166 are already producing more than 81% of their electricity using renewable sources and do not use coal or fossil fuels. They thus comply with the suggested end values for SDG 7. Nevertheless, around 70% of OECD cities have not yet achieved the goal and are halfway to producing their electricity with clean energy sources. Among the cities whose electricity production is a combination of low shares of renewables and a large share of coal and fossil fuels, are Jackson (MO, United States), Edmonton (Canada) and Kiel (Germany). In contrast, around 75% of the cities in France, Austria, Switzerland and Norway have already met the expected end values for SDG 7. In Austria, Switzerland and Norway, the cities that are still lagging behind, such as Vienna (Austria), Bern (Switzerland) and Bergen (Norway), have less than one third of the way to go before meeting the suggested outcomes.

OECD Checklist for Public Action to localise the SDGs

The OECD checklist aims to guide policy-makers at all levels of government and provide them with a tool to move from recommendations to concrete actions to achieve the SDGs.



Measuring the distance to the SDGs in regions and cities Webtool

To achieve the Sustainable Development Goals (SDGs), regions and cities need to know where they stand today with respect to the 2030 Agenda. The new OECD webtool allows selected cities and regions to measure their distance towards achieving the SDGs.



Visit our Cities and Regions for SDGs webtool at:
<http://www.oecd-local-sdgs.org>

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