

### **Economic and Social Council**

Distr.: General 14 October 2022

English only

#### **Economic and Social Commission for Asia and the Pacific**

Committee on Environment and Development

**Seventh session** 

Bangkok and online, 29 November–1 December 2022 Item 3 of the provisional agenda\*

Protecting our planet through regional cooperation and solidarity in Asia and the Pacific

## Trends in and impacts of urbanization in Asia and the Pacific \*\*

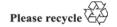
#### **Summary**

The challenges presented by rapid urbanisation and multiple crises create an opportunity for greater cooperation across the region among various public, private, and civil society stakeholders, yet require the elevation of the role of cities and increased capacities to address these challenges. Special attention will need to be focused on cities in developing countries that are growing in new and different ways in response to multiple interlinked crises so that they help drive a new practice of city building.

Multi-level governance, which builds on national and local integration and inclusive, participatory, bottom-up approaches, is essential as the social, economic, environmental, and spatial transformations needed to support sustainable urban development necessitate collaboration at all levels.

#### I. Introduction

1. Cities in Asia-Pacific are complex and dynamic networks of public, private, and community institutions and urban spaces which intersect across multiple dimensions and sectors. As local hubs of economic growth, innovation, technology, and knowledge, cities are ideally positioned to generate solutions to many modern demographic, socio-economic and environmental challenges. In 2019, the region turned majority urban, with more than 2.3 billion people, representing fifty-four per cent of the world's urban population, living in its cities. By 2050 the region's cities will house 3.5 billion people representing 60 per cent of the world's urban population. It has never been more urgent to guide the growth and evolution of cities in the region to address the needs of people and the planet to help achieve the global aspirations of the 2030 Agenda for Sustainable Development, the New Urban Agenda, and the Paris Agreement. Sustainable urban development requires a



<sup>\*</sup> ESCAP/CED/2022/L.1.

<sup>\*\*</sup> The present document is being issued without formal editing.

<sup>&</sup>lt;sup>1</sup> UN ESCAP (2019), The Future of Asian & Pacific Cities.

multi-dimensional approach to policy, planning, financing, and actions from various economic, social, spatial, and environmental perspectives.

Development challenges in the region emerge most sharply in its cities. As of 2018, Asia Pacific had the largest number of people living in slums (597 million), 2 higher than any other region. In addition to meeting the growing demand for adequate housing, basic services, infrastructure, energy, and mobility, cities must also deal with the challenges and impacts of climate change, disasters, public health emergencies, growing informality, food insecurity, economic upheaval, and poverty. All these factors further increase vulnerabilities and reduce the resilience and coping mechanisms of cities, their local economies, and their residents. Creating inclusive, safe, resilient, and sustainable cities requires a dual approach that supports basic human needs while creating more compact, resource-efficient, green, and liveable cities. Limited resources and the magnitude and complexity of the urban challenges can lead to competing development priorities. Finding solutions, for instance, to address the environmental challenges such as air pollution and solid waste, climate change, and biodiversity loss due to urbanisation cannot be addressed in isolation from the social, economic, and spatial aspects of cities and the needs of city residents. The rapidly urbanizing population and the scale of the development challenges in the Asia-Pacific region require more comprehensive urban development solutions that fully acknowledge and support the interdependence of planetary health, shared prosperity, and human well-being through the implementation of integrated policies and actions that cut across various Sustainable Development Goals.

#### II. Cities and the multi-crisis context

#### **Unmanaged Urban Growth**

- 3. There are wide variances across the region in urbanisation percentages and rates. Some countries have among the highest urbanisation rates in the world, for instance Cambodia. On the other hand, countries like Japan and the Republic of Korea are experiencing negative urbanisation rates and a decline in their urban population. Generally, the current urban population in the region and the continuing urbanisation trends demand significant investments in governance and a focus on quality of life. Given that national prosperity is strongly linked to the prosperity of its cities, the path to middle-income status for countries in the region can be fostered through sustainable urbanisation. Overall, urbanisation trends can be leveraged to create opportunities for economies of scale, productivity, innovation, and improved efficiencies, but only if urbanisation is managed proactively.
- 4. According to the World Bank, cities across Asia-Pacific are not sufficiently delivering infrastructure, jobs, and services to meet the rapid pace of urbanisation, contributing to increasing inequalities that may hinder economic growth and contribute to social divisions.<sup>3</sup> In many of the cities across the region, growth and expansion have been characterized by less infilling and more edge expansion and ribbon developments along major roads, contributing to urban sprawl, inefficient resource consumption, and the rapid conversion of valuable agricultural land. For instance, South-East Asia is

**2** B22-01061

-

<sup>&</sup>lt;sup>2</sup> ESCAP, data from United Nations Department of Economic and Social Affairs.

See https://www.worldbank.org/en/news/press-release/2017/10/03/better-infrastructure-jobs-services-in-cities-urgently-needed-in-east-asia-pacific-world-bank-report.

projected to double its urban land between 2010 to 2050. This expansion will require appropriate investments in infrastructure, including transport, energy systems, water and sanitation, and housing, which all necessitate adequate urban planning and land management, social and economic policies, and enhanced local government capacity and resources. From a planning perspective, more compact, mixed-use, green, and inclusive spatial urban patterns are more efficient and contribute to creating more sustainable cities. There is a growing consensus that sustainable neighbourhoods require a certain level of density, inclusiveness, and access to basic urban services and amenities within a walking timeframe of not more than 15 minutes. This includes well-designed streets and open spaces and the integration of renewable energy technologies and green infrastructure systems that minimize resource consumption and facilitate recycling. Post coronavirus disease (COVID-19) the '15-minute city' concept is gaining momentum.

- 5. Rural-to-urban migration is estimated to contribute to one-third of Asia-Pacific's urban expansion. Understanding the urban-rural continuum in Asia-Pacific requires consideration of the system of cities and their dynamics, interdependencies, and evolution. Managing urbanisation must move away from the traditional and outdated dichotomy of 'urban versus rural' to the benefits of developing across the urban-rural continuum and addressing both inequalities and enhancing synergies in tandem. Urbanisation increases demand for food, accelerates land use changes from agricultural, especially in peri-urban areas, and creates market linkages and opportunities for rural livelihood development. For rural areas, connectivity to urban centres is pivotal, especially regarding access to revenues, information, services, and off-farm employment.
- 6. According to the United Nations Human Settlements Programme (UN-Habitat), as of 2015, about forty-seven per cent of the region's urban residents live in intermediary or secondary cities, with populations of less than 500,000. However, secondary cities face many growth challenges and are underresourced in terms of infrastructure, urban services, and human capacity and must compete with metropolitan cities for resources. Secondary cities often perform an important role in contributing to national production, logistics, and the efficiency of supply chains and the flows of goods, services, and resources.

#### The Urban Informality Crisis – A Tale of Two Cities

7. Asia-Pacific has experienced steady economic growth in recent decades, with increasing job and livelihood opportunities. However, more than 320 million people in the region live in extreme poverty, living on less than US\$1.90 a day.<sup>8</sup> Recent data demonstrate that the overall percentage of the urban population living in slums has decreased, yet the absolute number of

<sup>&</sup>lt;sup>4</sup> See https://blogs.worldbank.org/sustainablecities/tigers-and-elephants-rise-cities-asia.

<sup>&</sup>lt;sup>5</sup> World Cities Report, 2022, Urban Planning for Future Cities.

Allam, Zaheer & Moreno, Carlos & Chabaud, Didier & Pratlong, Florent. (2021). Proximity-Based Planning and the "15-Minute City": A Sustainable Model for the City of the Future.

Asian Development Bank (2019), Internal Migration, Urbanisation, and Poverty in Asia: Dynamics and Interrelationships.

The Borgen Project. (2021). Economic Expansion and Poverty Reduction in Asia. Available at https://borgenproject.org/economic-expansion-and-poverty-reduction/ (accessed on 11 October 2022).

people living in slums, without access to adequate housing, and basic services, including water and sanitation, is growing across the region.<sup>9</sup>

- Cities are one of the major economic drivers in the region. At the same 8. time, globally urban economies are also characterized by high levels of informality, with over sixty-one per cent of employment in the informal sector. 10 This figure is higher in Asia-Pacific, with an average across the region of 68.2 per cent of the population being employed in the informal sector. This varies dramatically across the region, from below 20 per cent in Japan, and 30 per cent in the Republic of Korea to 90 per cent and above in Bangladesh, Cambodia, India, Lao People's Democratic Republic, and Nepal. 11 Informality in cities in Asia-Pacific is manifested economically through the contribution of informal workers and businesses, and socially and spatially through informal and slum settlements that co-exist with formal places and enterprises in the region but not sharing the same benefits. Informal settlements are areas where groups of housing units have been constructed on land that the occupants have no legal claim to or occupy outside formal or legal arrangements.<sup>12</sup> These include unplanned settlements and areas where housing is not in compliance with current planning and building regulations. National and local authorities may support the development of effective and inclusive urban economies by leveraging the informal sector in social and environmental urban initiatives. For instance, the experience of the Pune municipal waste management model, a waste cooperative in India, demonstrates how informal waste workers can be active and effective in recovering and valorising resources and contributing to economic, social, and environmental impacts. The informal waste pickers save the city an estimated 900 million Indian rupees (US\$12.5 million) each year in labour, transportation, and processing costs. This amount represents 46 per cent of the entire capital budget of Pune's solid waste management system. The Pune initiative is one example of cities fostering inclusion through support for both informal settlements and informal economies.
- 9. The unaffordability of housing impacts cities and the entire economy in Asia-Pacific. As the price of housing increases, low-income households are often forced to live further away from cities to find affordable accommodation and thus must commute long distances for employment. In cities where other living costs, especially related to food, healthcare, education, and transportation are high, households have less to spend on housing. With increasing house prices and interest rates, it is gradually more difficult for young adults to enter the housing market. An Asian Development Bank survey demonstrated that the problem of affordability is particularly severe in Asia and the Pacific. Of the 20 most expensive cities surveyed in the world, ranked according to the price-to-income ratio, 16 are in Asia and the Pacific. Affordability issues and limited supply cause a significant proportion of the urban population to reside in housing and settlements that are under-serviced and often located in precarious areas, making them more vulnerable to the impacts of climate change, natural disasters, and public health emergencies.

<sup>&</sup>lt;sup>9</sup> See https://data.unhabitat.org/pages/housing-slums-and-informal-settlements.

See https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS\_627189/lang-en/index.htm.

OECD/ILO (2019), "Portraits of informality", in Tackling Vulnerability in the Informal Economy, OECD Publishing, Paris, https://doi.org/10.1787/ee0642f5-en.

https://stats.oecd.org/glossary/detail.asp?ID=1351 (accessed on 11 October 2022).

Asian Development Bank Institute (2015), Housing Policies for Asia: A Theoretical Analysis by Use of a Demand and Supply Model.

Increasing informal settlements and slums are evidence of systemic failures and the absence of proactive urban policy, planning, financing, and socioeconomic investment to address the rapid growth of cities.

10. Creating inclusive, sustainable human settlements and cities cannot be disconnected from housing and urban services and require both rights to housing and an adequate standard of living to be considered when addressing existing substandard neighbourhoods as well as the development of new neighbourhoods. Housing is adequate only if it elevates standards of living. Substandard neighbourhoods may have 'affordable housing' but lack adequate public and green spaces, infrastructure, connectivity, land tenure, and building permits. A holistic approach to housing that considers as well basic urban services and amenities within an area may unlock economies of agglomeration and scope as well as improve the standard of living and quality of life of all urban residents.

#### Cities at the Centre of Climate Change and Disasters

Climate change and disasters have a significant impact on cities in Asia-11. Pacific and their residents. The Asia-Pacific region contributes to over 55 per cent of the global greenhouse gas emissions, which have grown continuously between 2010-2022.<sup>14</sup> The main culprits in cities are emissions from transport as well as existing buildings and industries. Efficient public transport systems enhance mobility and quality of life and are essential to reduce emissions and reduce congestion, which also contributes to poor urban air quality. Significantly reducing emissions from the building sector will require energy-efficient construction practices and the construction of buildings that are supplied with renewable energy. 15 Rising global temperatures and extreme weather events exacerbate existing urban challenges, especially when cities lack adequate infrastructure to respond to rising sea levels, flooding, and storms. In addition, cities in Asia-Pacific are increasingly more vulnerable to the impacts of climate change and disasters due to half of the population in Asia and the Pacific living in low-lying coastal areas, 16 the large number of people living in slums and informal settlements, the inadequacy of houses to extreme weather and flooding, and the poor quality of settlement environments. The demand for energy and water resources also continues to put pressure on the environment, increases the need for adequate urban services, and creates challenges for countries to meet climate and sustainable development targets. The way cities have developed has also exacerbated urban heat island effects in the region, which could be countered through green city design principles. Climate change strategies cannot be effective unless cities are built sustainably, including through higher densities, more energy-efficient buildings and renewable energy solutions, adequate infrastructure, and nature-based, adaptation solutions such as rain gardens and rainwater harvesting.

ESCAP model based on scientific data taken from GitHub, Inc., "Data on CO<sub>2</sub> and Greenhouse Gas Emissions by *Our World in Data*", 2022. https://github.com/owid/co2-data (accessed on 11 October 2022).

https://architecture2030.org/why-the-building-sector/#:~:text=The%20built%20environment%20generates%20nearly,for%20an%20additional%2020%25%20annually (accessed on 11 October 2022).

https://www.undp.org/asia-pacific/news/climate-change-asia-and-pacific-whatsstake.

#### The Urban Impact of the COVID-19 Pandemic

- 12. COVID-19 presented a dual health and economic crisis that has significantly strained urban households as well as the sustainability and resilience of cities. Cities were at the forefront of the pandemic and despite their centrality to post-pandemic recoveries, they have had fewer resources available for urban services, less revenue from local taxes, and are confronted with increased poverty levels. 17 The COVID-19 pandemic in effect laid bare some of the weaknesses in the socioeconomic systems of cities and exposed deep structural inequalities. The pandemic lockdowns highlighted the importance of building, revitalizing, and regenerating cities that provide adequate housing, sufficient green and public spaces, and digital infrastructure. The impacts of COVID-19 have been intensified for vulnerable populations, especially those living in informal settlements, slums, refugee camps, and on the streets. These populations were more affected due to the inadequacy of their housing, overcrowding, lack of access to water, sanitation, and basic health services, inability to store food for extended periods, and lack of access to the internet for information, online education, and employment in both formal and informal sectors.18
- Post-pandemic, cities in the region can improve their resilience to 13. socioeconomic and health emergencies. This includes advancing urban health initiatives, programmes to reduce inequalities, and tackling systemic failures around managing growth. Some municipalities in Asia-Pacific and worldwide developed urban Economic Resilience Building Plans, which recognize that municipal governments could deploy effective planning to respond more quickly to various shocks. The Economic Resilience Building Plans also reveal the commitments of municipal governments to use the opportunities presented by the pandemic to reflect on and reform their existing pre-pandemic policies and plans and strive towards building healthier, inclusive, greener, resilient, and sustainable cities. 19 In a post-pandemic era, the importance of inclusive access to basic services and adequate housing, flexible municipal financing mechanisms, people-centred approaches, safety nets, and partnerships to support sustainable urbanisation, urban recovery, and resilience against multiple crises can be elevated even more in the region.

#### Limited fiscal space to support sustainable urban development

14. Apart from the imbalances in powers and responsibilities, there are unfunded mandates caused by imperfect fiscal decentralization and related transfer rules. In some cases, central governments still wield major influence over municipal budgeting processes. The retention of power is compounded by the limited ability of municipal governments to raise finance (taxes) locally which were further restricted during the COVID-19 pandemic. Furthermore, there is considerable variation in the share of assigned revenues across and within Asia-Pacific countries, as well as in the predictability and timeliness of transfers. The extent of powers transferred is clearly a factor that affects the ability of cities to partner with the private sector to finance infrastructure. The effective devolution of fiscal authority to cities is also impacted by their limited

https://www.unescap.org/sites/default/d8files/knowledge-products/Regional-Partners-Forum-Outcome-Report-20220318.pdf.

Architecture 2030. Why the Build Environment? Available at https://www.frontiersin.org/articles/10.3389/fpubh.2022.1029394/full (accessed on 11 October 2022).

ESCAP 2022. See: https://www.unescap.org/kp/2022/building-urban-economic-resilience-during-and-after-covid-19.

creditworthiness and higher levels of risk. Reforms that improve the rationality of assigned sources, as well as the efficiency and buoyancy of own-source revenue sources supporting de-risking from an institutional point of view, are underway in many areas of the region, such as in Georgia; Karnataka State, India; and Punjab province, Pakistan. A relevant example from the Pacific is the case of Port Moresby, Papua New Guinea, where the transfer of a general goods and service tax to the city has provided it with a buoyant revenue source, enabling greater spending per capita than Honiara, for example.

15. Institutions like Grameen Bank's microfinance scheme were hugely successful in providing small loans within impoverished local communities without requiring collateral and have provided 8.4 million borrowers, 97 per cent of whom are women.<sup>20</sup> Another example of financial inclusion is through the Community Organizations Development Institute Baan Mankong City-wide Upgrading Program which provides group savings support and revolving loan fund to poor communities in Thailand to construct and upgrade homes and purchase land. Recent experiences in China and India reveal the potential of digital financial inclusion as compared to traditional financial inclusion methods. Digital financial initiatives have demonstrated better success due to mobile technology increasing access, cloud computing reducing the costs of financial inclusion, and big data technology helping assess risk. Achieving financial inclusion and financial security are recognized as critical to reducing poverty and achieving inclusive economic growth.

# III. Opportunities for achieving sustainable urban development

Strengthen local government's ability to respond to a multi-crisis 16. context: Confronting multiple crises in the context of rapidly changing local and global environments requires a high level of intergovernmental, vertical, and horizontal collaboration, combined with clear responsibilities, synchronized actions, place-based approaches, flexibility, and adaptability. In a multi-crisis context, adaptive spatial plans aligned with development strategies and effective monitoring and evaluation focused on planning outcomes are required. Over the last few decades, one of the most prominent public reforms in Asia-Pacific has been decentralization, which has varied across the region in terms of levels and types of devolution to local authorities. Much of this reform has been linked to rapid urbanisation and the growth of megacities in the region.<sup>21</sup> With decentralization, subnational governments have gained additional responsibilities in key areas linked to transportation, economic development, energy, education, health, social protection, housing, water, sanitation, and more. However, it is essential to ensure that decentralization is not accompanied by unclear assignments of responsibility across all levels of government and weak fiscal authorities.<sup>22</sup> This new context requires many governments across the region to strengthen their multi-level

See https://beijing20.unwomen.org/en/news-and-events/stories/2014/10/oped-muhammad-yunus.

OECD/KIPF (2019), Fiscal Decentralisation and Inclusive Growth in Asia edited by Kim, Junghun; Dougherty, Sean, OECD Fiscal Federalism Studies, OECD Publishing, Paris/Korea Institute of Public Finance, Seoul, Available at https://dx.doi.org/10.1787/25cf7545-en (accessed on 11 October 2022).

Allain-Dupré, D., I. Chatry and L. Phung (2021), "Subnational capacity building: An international perspective of the Asia Pacific region", in Kim, J. and S. Dougherty (eds.), Local Public Finance and Capacity Building in Asia: Issues and Challenges, OECD Publishing, Paris, https://doi.org/10.1787/4fe4a6d3-en (accessed on 11 October 2022).

governance systems, re-evaluate their policy mechanisms, and reassess their regional development priorities.

- 17. Create a more enabling policy environment for sustainable urban development: Creating an enabling environment for sustainable urban development across the region requires understanding national and local urban policies and the related barriers, constraints, gaps, and opportunities across various sectors. The interconnected Sustainable Development Goals provide a framework to respond to multiple policy objectives and the intersecting crises that cities and national governments are confronting. Localizing Sustainable Development Goals will leverage better information on local conditions and needs, allowing for greater participation of citizens in decision-making, and enhancing transparency and accountability of public officials.
- 18. Strengthening National Urban Policies can increase coherence between national and sub-national levels, as well as regional and global development agendas and related opportunities for addressing sustainable development issues. One of the main pillars of the New Urban Agenda, adopted by member States in 2016, is the call to expand and strengthen National Urban Policies, which can support an integrated-systems approach that coordinates sectoral actions, for example in mainstreaming climate change and disaster risk reduction into key urban policy areas. They can also be effective tools to improve coordination across municipalities, especially within megacities or continuous urban conglomerations, or between neighbouring municipalities faced with environmental and development risks that require actions beyond their municipal limits, for example across a common watershed. Such policies can provide a mid-to-long-term overarching framework beyond local and national election and funding cycles.<sup>23</sup>
- 19. Enhance local climate actions: Local climate actions are essential to achieving national climate strategies and commitments in Nationally Determined Contributions. They are also critical to building the resilience of communities to natural disasters, such as flooding, droughts, and severe weather events. Integrated approaches to plan and manage urban growth that holistically consider environmental challenges such as air pollution and waste, and facilitate energy transitions, nature-based solutions and low-greenhouse gas emissions development are important to creating sustainable cities. As many of the pollutants affecting urban air quality are also contributors to global warming, integrated local climate and clean air action plans can effectively generate multiple benefits.
- 20. Strengthen monitoring and reporting through integration of Voluntary National Reviews and Voluntary Local Reviews: A key component of measuring progress toward the achievement of the 2030 Agenda is through Voluntary National Reviews, which document experiences, successes, challenges, and lessons learned to accelerate the implementation of the Sustainable Development Goals. Inspired by such reviews, local and regional governments are increasingly engaging in Voluntary Local Reviews, which have proven useful for cities and subnational jurisdictions to foster Sustainable Development Goal localization and demonstrate local governments' capacities and commitments. Developed by the Economic and Social Commission for Asia and the Pacific (ESCAP) in partnership with the Penang Platform for Sustainable Urbanisation, the Asia-Pacific Regional Guidelines on Voluntary

ESCAP and UN-Habitat (2018). See: https://repository.unescap.org/handle/20.500.12870/4208.

Local Reviews<sup>24</sup> provides practical guidance to local governments and other stakeholders for reviewing local progress against the Sustainable Development Goals. The guidelines illustrate how the voluntary national review can support other local development strategies, including resilience building and investments in sustainable urban development.

- 21. Strengthening the integration of Voluntary National Reviews and Voluntary Local Reviews can serve numerous benefits to this end. An integrated process can fill data gaps, incorporate more nuanced disaggregated data, and allow useful lessons and best practices to be scaled up nationally. Integration can also provide space to enhance coordination, for example when consolidating inputs from local governments to national reviews in the absence of any formal mechanism, overcoming pre-existing information silos and opening new lines of communication. Additionally, integration could strengthen the legitimacy of subnational/local actions and in turn validate local governments' future requests for support from the national government regarding Sustainable Development Goal implementation.
- 22. Mobilise and de-risk urban finance: Reforms to improve assigned and local own-source revenues are important in themselves for de-risking, and they are also important to empower local governments to take proactive decisions on infrastructure, rather than continue as passive responders to scattered grants. Intergovernmental fiscal transfer rules need to be rational and predictable or local planning becomes impossible, especially in cities where the reliance on assigned revenues is large. Financial inclusion, of the informal sector and the delivery of financial services at affordable costs to low-income populations, in addition to addressing structural issues related to the municipal financing system in countries are key actions required to fight poverty, empower communities, and contribute to sustainable urban development.
- 23. Leverage technologies: The digital revolution sweeping across Asia must also be harnessed to leverage innovation and smart solutions. Cities in Asia-Pacific are well-positioned to take advantage of new technologies within the smart cities sector, especially with widespread levels of digital literacy, smartphone penetration, and information and communications technology (ICT) infrastructure to underpin smart solutions. Smart technologies can help cities address the challenges presented by rapid urbanisation, improve overall efficiency and quality of life, and provide better mechanisms to respond to various shocks and stresses including natural disasters, climate change, and public health emergencies.
- 24. Governments are increasingly turning to technology solutions to manage and monitor their cities and support urban efficiencies. Investment and prioritisation of cybersecurity safeguards and trusted health data can assist local governments to monitor cities better. Smart city policy goals and action plans have become mainstream in Asia-Pacific, but there are gaps and barriers in the supply of sustainable smart city products and services to support sustainable urban development. With innovation occurring at pace, powerful new technologies are redefining how people live, work, play, and learn in cities. Smart City solutions use technology to enhance people's lived experience and touch upon every aspect of urban life, such as governance and society, natural and built environments, safety and security, health and wellbeing, and industry and innovation. In response to this challenge, ESCAP is

<sup>24</sup> See https://www.unescap.org/resources/asia-pacific-regional-guidelines-voluntary-local-reviews.

<sup>&</sup>lt;sup>25</sup> https://www.unescap.org/kp/2021/future-asian-pacific-cities.

leveraging its unique regional perspective, position, and networks to generate insights that can support the coordination of these smart city innovation efforts for sustainable urban development.

25. Promote interregional collaboration and sharing of best practices: Sharing successful examples of integrated spatial planning, municipal finance instruments, capacity building, urban data, innovation, and smart cities can help cities in the region enhance their own policy and planning instruments. There are several examples of regional bodies that are focusing on supporting sustainable urbanisation, including the Regional intergovernmental bodies in Asia-Pacific who have highlighted the importance of sustainable urban development, for example through the Sustainable Urbanisation Strategy of the Association of South-East Asian Nations (ASEAN) and the Pacific Urban Agenda under the Pacific Island Forum Secretariat. Multisector partnerships are necessary vehicles to solve complex and dynamic problems or opportunities especially when transformational change and desired results require and affect multiple stakeholders. The Penang Platform for Sustainable Urbanisation is an example of a multisector partnership bringing together partners to develop solutions to multifaceted issues and supporting the implementation and review of the Sustainable Development Goals. The platform provides for the integrated use of tools, models, research, and good practices and transforms access to innovative sources of urban financing through new partnerships and increasing political commitments for sustainable urbanisation.

#### IV. Issues for consideration by the Committee

26. The Committee may wish to review the present report and provide guidance on policy priorities for sustainable urban development to address multiple challenges and in support of the region's recovery from the COVID-19 pandemic. The Committee is also invited to provide guidance to the Secretariat's future work programme on sustainable urban development.