

Expert Group Meeting: “Leveraging Sustainable Development Goal Localization to strengthen cities’ role in addressing interlinked crisis in the post-pandemic era to leave no one and place behind”

Asia-Pacific Regional Observance of World Habitat Day 2022

3 October 2022 | UN Conference Centre, Meeting Room G (Hybrid Event)

1. An Expert Group Meeting was held in person with online participation on 3 October 2022 to share the experience on Voluntary Local Review (VLR) development, SDG localization and development challenges in the context of interlinked crisis – heightened risk, uncertainty and instability in the post pandemic era in the lead-up to the 8th session of the Asia-Pacific Urban Forum.
2. The Meeting was also held in keeping with the global observance of World Habitat Day with the theme of “Mind the Gap. Leave No One and No Place Behind” – and contribute to the discussions taking place around the world. The observance was especially acknowledged during the opening session with remarks from:
 - Armida Salsiah Alisjahbana, Executive Secretary, UNESCAP
 - H.E. Antonio Guterres, UN Secretary-General (written remark)
 - Maimunah Mohd Sharif, Executive Director, UN-Habitat (video remark)
3. The meeting discussed the following items:
 - Presentations and discussion by ESCAP and Penang Platform for Sustainable Urbanization (PPSU) members on good practices to recover and develop sustainable cities and communities by utilising VLRs and other local instruments for SDG acceleration
 - City experiences session on developing and implementing VLRs during and post pandemic
 - Discussion on overcoming persistent gaps cities are facing in localizing SDGs
 - Announcement of Suwon City as the host of the 8th session of the Asia-Pacific Urban Forum

I. Good practices to recover and develop sustainable cities and communities by utilising VLRs and other local instruments for SDG acceleration

4. The session was moderated by Mr. Sangmin Nam, Director, Environment and Development Division, ESCAP and the following speakers served as panelists:
 - Mr. Curt Garrigan, Chief, Sustainable Urban Development Section, ESCAP
 - Mr. Azmizam Abdul Rashid, Deputy CEO, Urbanice Malaysia (online)
 - Mr. Bruno Dercon, Officer in Charge of the Regional Office for Asia Pacific, UN-Habitat (online)
 - Ms. Bernadia Tjandradewi, Secretary General, UCLG ASPAC (online)

Issue discussed:

5. Mr. Curt Garrigan of ESCAP, explained how the COVID-19 pandemic has drastically impacted all aspects of life – especially in urban areas. Multiple interlinked crisis is impacting the whole Asia-Pacific region, and cities have been on the frontline of the crises and challenges. Emphasis was put on VLR as a practical tool to enhance multi-level governance and urban policy coordination as well as facilitate multistakeholder and private sector partnerships for financing municipal SDG priorities.

6. Efforts on SDG localization is rapidly progressing. They are in line with Malaysia SDG cities engagement model, Malaysia SDG council and SDG framework. Mr. Azmizam Abdul Rashid of Urbanice Malaysia, shared the national experience of Malaysia – elaborating the good practices of pilot cities, and presented the progress as well as achievement of Malaysia on localizing the SDGs.
7. Mr. Bruno Dercon of UN-Habitat Regional Office for Asia Pacific discussed the current situation of human settlement and the impact of climate change to environment. He emphasized the importance of well-planned and managed urban development to enable cities to rebound and thrive in the face of environmental and housing challenges whilst mitigating the impact of nature disasters and social risks.
8. Ms. Bernadia Tjandradewi of UCLG ASPAC stated that collaboration between local and national governments is an important solution to address and overcome social and environmental challenges. She shared examples of cities who are involved in global platforms to meliorate the collaboration in the region. For instance, Jakarta, Indonesia, has created an online collaborative platform to attract and connect stakeholders from different sectors. Ms. Tjandradewi advocated for city governments present in the meeting to have productive dialogues, enhance the collaboration between regions and countries, and find solutions to challenges faces urban areas.

II. City experiences session on developing and implementing VLRs during and post pandemic

9. The session was moderated by Ms. Paavani Reddy, Senior SDG Localization Advisor, Environment and Development Division, ESCAP and the following speakers served as presenters:
 - Mr. Jiroj Rojchanaoowapak, Deputy Mayor of Chiang Mai Municipality, Thailand
 - Mr. Ashok Kumar Byanju Shrestha, Mayor, Dhulikhel Municipality, Nepal
 - Ms. Mariani Yanti, Head of Cooperation Division, Jambi City Local Government, Indonesia
 - Mr. Nelson S. Legacion, Mayor of Naga City, Philippines
 - Dr. Kanop Ketchart, Mayor of Nakhon Si Thammarat City Municipality, Thailand
 - Mr. Binayak Kumar Chakraborty, Administrative Officer, Singra Municipality, Bangladesh
 - Mr. Johary Anuar, Mayor of Subang Jaya Municipality, Malaysia
10. Mr. Jiroj Rojchanaoowapak of Chiang Mai Municipality presented Chiang Mai's experience and challenges in developing its VLR, especially in the context of COVID-19. To help the city recover from the pandemic, Chiang Mai developed a Low Carbon City, Innovation City and Smart City (LIS) project. The city government considers SDGs as a tool for its development, and VLR was also useful in helping shape the future development of the city.
11. Mr. Ashok Kumar Byanju Shrestha, Mayor of Dhulikhel Municipality, shared good practice based on Dhulikhel's experience in developing its VLR. While sharing the importance, methodology and benefit of Dhulikhel in developing VLR, Mr. Shrestha also pointed out that Dhulikhel has faced several challenges such a data and funding deficiencies during the VLR development process.
12. Ms. Mariani Yanti, Head of Cooperation Division from Jambi City, shared the critical measures and structure of SDG localization in Jambi City. As a pilot city of SDG localization, Jambi City made several actions and designed local regulations to support the implementation – aligned with the city's vision. For example, Jambi City has created Jambi Operation Center to support monitoring the Area Traffic Control System as part of the smart city progress. Jambi City also created *Bangkit Berdaya Program* for poverty reduction (SDG 1, 10, 17), *Kartu Jambi scholarship* to help achieve SDG 4 and SDG 14, and *Kampung Bantar Program* to create clean and healthy community and environment (SDG 3, 8, 10, 15, 17). Furthermore, Ms. Yanti addressed that VLR has the potential to bring more opportunities to the development of city while also solving some data and administrative challenges.

13. Mr. Nelson S. Legacion, Mayor of Naga City shared the Naga City VLR with an SDG-focus. Naga City developed Naga City Statistical Committee (NCSC) in order to define the development indicators while also deploying SDG data collection during the VLR preparation. The goal is to better align SDGs implementation with the existing national policies and frameworks.
14. Dr. Kanop Ketchart, Mayor of Nakhon Si Thammarat City Municipality introduced the city's VLR process and SDGs implementation that are aligned with local priority actions. Nakhon Si Thammarat City has successfully deployed several SDGs related programmes such as the Community-Based Flood Early Warning System, Smart City Platform, Metaverse and Education Project as well as the Mayor Classroom.
15. Mr. Binayak Kumar Chakraborty, Administrative Officer of Singra Municipality, shared the city experience of developing VLR in the context of the COVID-19 pandemic. As the first city in Bangladesh to develop VLR, Singra City faced challenges during the VLR development, especially on data availability, data collection, stakeholder engagement and the limited awareness as well as understanding on SDGs. The VLR report has become a baseline scenario for Singra City in addressing gaps between awareness and capacity building in relation to development and SDG localization. Furthermore, the VLR will also be considered in drafting the Municipal Development Plan and will further contribute to the future development of the city.
16. Mr. Johary Anuar, Mayor of Subang Jaya Municipality, shared the city experience of developing Subang Jaya VLR. For Subang Jaya, VLR has become an intensive tool to measure the effectiveness of programmes and support the economic as well as social recovery from COVID-19. As an outcome of SDGs implementation, Subang Jaya has developed several high impact SDGs projects such as Subang Jaya Smart City Initiatives, Women Friendly City and Barrier Free City.

III. Overcoming persistent development challenges cities are facing in localizing SDGs in the post pandemic era

17. To set the scene for deeper dive discussions, four experts were invited to present on:
 - Legislative and policy reform: Heinrich Gudenus (GIZ)
 - Fiscal autonomy and fiscal administration: Dmitry Pozhidaev (UNCDF)
 - Data for evidence-based policy making: Alexei Trundle (Melbourne University)
 - Open governance: Chris Di Gennaro (CityNet)
18. Mr. Heinrich of GIZ presented on how cities can overcome challenges in legislative and policy reform. The enabling environment, such overlapping and/or conflicting mandate of governance. Municipal laws tend to be outdated and in conflict with the dynamic nature of urbanization. Addressing informality will be very challenging within this context. To manage the gaps, two suggestions were presented. First, improve the enabling environment for city authorities – such as the case study shared by Jambi City. Second, transform to a more adaptive policy pathway – adaptive municipal law which lead to adaptive operation. For instance, Naga City with its statistical commission, on how there is good vertical and horizontal integration between national and local governments. Specific suggestion on no-regrets-solution was explored, especially in managing risk and making decision in a timely manner.
19. Mr. Dmitry of UNCDF made intervention on fiscal autonomy and fiscal administration, which allows city governments to play an essential role in planning. Four features of local government finance include the large share of recurrent finance versus capital finance, dominance of conditional (earmarked) finance over discretionary finance, high degree of reliance on central government transfers and a low proportion of own source revenues, and lastly, low share of total public sector expenditure. These are driven by the lack of legal and regulatory frameworks that would offer enough autonomy to local governments – which includes budgetary and fiscal autonomies. The Malaga Global Coalition for Municipal Finance focuses on five essential reforms that are needed to trigger the required capital flows to make work the financial ecosystems for cities and local governments:
 - Increase fiscal transfers to local governments, particularly for the deployment of climate finance
 - Enhance scope for local government taxation fees and asset management
 - Expand domestic capital markets

- City friendly equity finance
 - Global guarantee funds for cities to defray sovereign liability on subnational finance
20. Dr. Alexei of Melbourne University presented on SDG Data for evidence-based policy making. Based on the experience of developing Melbourne VLR, when it comes to data, one of the lessons learned is to start from policy makers, not SDGs data. For instance, one local government department on community service with a unit on health and wellbeing, the unit's work actually crosses almost all of the SDGs. Another methodology on measurement, "Shifting the SDG Dial" help explain how action/progress in one SDG affects another SDG(s). For instance, the reduce of carbon emission on Goal 13 is complimented by increase in Goal 7 on clean and affordable energy. Data is to be used for learning and not rankings – it should be a city-city partnerships instead of competition. The Melbourne Principles for SDG Localization include establishing a common language on the SDGs, engaging local governance and politics, as well as adapting as necessary only.
 21. Mr. Chris of CityNet presented on the open governance in cities. Open governance reorganizes the collaboration between a variety of actors in the city. One of the important aspects explained was on the different roles, where some actor(s) is always governing, and therefore, to develop sustainably, city governments and stakeholders must work together. Several examples of open governance from the Urban SDG Knowledge Platform – Citizen Participation in planning, environment, and data were shared, including projects in Dhaka, Subang Jaya, Galle, Jambi and Quezon.
 22. Following the expert presentations, three breakout groups were to present challenges and recommendations based on learnings and local experiences. After the breakout, designated speakers share the outcome from the discussion and the session was moderated by Mr. Curt Garrigan, Chief, Sustainable Urban Development Section, ESCAP.
 23. Group 1: Legislative and policy reform and Fiscal autonomy and fiscal administration.
 - Mr. Jiroj Rojchansaowapak, Deputy Mayor of Chiang Mai Municipality
 - Ms. Mariani Yanti, Head of Cooperation Division, Jambi City Local Government, Indonesia
 - Mr. Binayak Kumar Chakraborty, Administrative Officer, Singra Municipality
 - Mr. Johary Anuar, Mayor of Subang Jaya Municipality, Malaysia
 24. Group 2: Data for evidence-based policy making and Open Governance.
 - Mr. Nelson S. Legacion, Mayor of Naga City
 - Dr. Kanop Ketchart, Mayor of Nakhon Si Thammarat City Municipality
 - Mr. Ashok Kumar Byanju Shrestha, Mayor of Dhulikhel Municipality
 - Mr. Surendra Thapamagar, Chief Administrative Officer, Dhulikhel Municipality
 25. Group 3: Online audience discuss all 4 thematic areas, facilitated by Ms. Paavani.

Reaching consensus on key recommendations

26. The mayor of Subang Jaya Municipality, Mr. Johary Anuar, represented Group 1 on legislative and policy reform as well as fiscal autonomy and fiscal administration. On policy reform, the group discussed aspects such as the importance of local plannings to be reflected on reforms in urban planning, the need to strengthen civil society engagement in development plans, science-based data collection for target initiatives, and establish a standard for localization agenda implementation and monitoring. In Subang Jaya, the Smart Gen programme aims to improve the understanding and awareness of SDGs among the younger generation, as well as to enhance the partnership between the public and private sectors. For data collection, it is suggested to use science-based target initiative – moving from manual data collection to digital while ensuring the data collected are science-based.
27. On fiscal administration, the group emphasized the importance of co-funding, resource mobilization, building up fiscal reserves to meet economic challenges, devolution accompanied by financial autonomy as well as budgetary autonomy. With respect to co-funding and resource mobilization, the smart city transition presents a significant opportunity for cities to mobilize resources, while digitalization could be utilized for service delivery, policy reform and fiscal management. Budget flexibility and fiscal reserves were instrumental in mitigating the impact of COVID-19 on cities – empowering local governments to address economic challenges. Gender needs are also cross-cutting for both legislative and policy reform as well as fiscal administration.

28. Intervention from Ms. Madeline (online) on the importance of community involvement in the legislative review as well as policy reform.
29. Actions to overcoming barriers in implementation: In Jambi, the master plan and short-term planning – in the context of budget are reallocated towards COVID-19 – need new way to manage and access the fund/finance. In Nepal, special right, in the context of constitution, is needed to adopt and implement SDGs should be given – and therefore it does not only stay at the national level but can be localized.
30. With fiscal autonomy comes responsibility in the establishment of fiscal reform but does not automatically provide access to finance, some of the challenges and actions include: 1) Jambi City relies heavily on national government when it comes to any changes to its budgetary. To respond to COVID-19 for instance, while waiting for national government approval, Jambi City hosted charity project to support its people. Therefore, there needs to be some autonomy – to facilitate coordination between local and national government. To that extent, capacity building is also necessary to aid the people to transition out of heavy reliance from national government. 2) In the Philippines, for COVID-19, national government gave full devolution to respond to the pandemic. But in reality, now many local governments are asking for more involvement of national government – because the need for capacity building and time for transition, instead of a sudden change.
31. Mr. Srinivas Popuri, Senior Human Settlements Officer, UN-Habitat noted that when it comes to the capacity of the local level it becomes very prominent. Budget are mostly pre-approved and with minimum flexibility. This is very true in developing countries. On the other hand, for instance with Japan, they have reserves for disasters – certain instrument within the Ministry of Finance to respond to natural disasters. There are many champions that have emerged at the city level, where the relief funds would also come through partnerships with private sector. There are also few governments that have relocated budget because their constitution to do so. But without that, it is very hard for national government to allow local government to move their budget beyond their planning.
32. Group 2 was represented by Mr. Nelson S. Legacion of Naga City. Reflecting upon the outcome of breakout group 1, he explained that while the devolution of fiscal autonomy and budgetary autonomy has been implemented by the local governments, the capacity gaps remain a challenge for the local governments. Building the capacity of local governments to manage fiscal administration autonomously may be one of the most significant tasks for cities.
33. Mayors from Group 2 who discussed the topics of Data for evidence-based policy making and Open Governance stated that the accessibility and applicability are the main challenge of data monitoring in the local level. Several proposed key solutions include creating application for data collection and storage (data center), integrating data that is streamlined with national policy, managing the update of service-related data and improving collaboration between stakeholders. With respect to managing the update of service-related data, Dr. Kanop Ketchart of Nakhon Si Thammarat City Municipality explained the challenge of updating data, for instance, relating to people's dynamic migration which strongly impacted the data and policy accuracy and efficiency. For Nakhon Si Thammarat, the technology is not the main problem, but the challenge is in getting the people to use said technology. Digital transformation is not only about technology but also about people's participation.
34. In addition to capacity building, the group also discussed the diversity of characteristic on how local governments would conduct work in comparison to other departments or national government and how it impacts data management. Furthermore, incentives such as financial rewards, may be very desirable for cities – there is low incentive to conduct any programme that is not mandated by the national government. At the moment, SDGs are not yet mandated by the national government, and during this time, financial rewards may be effective to spur action at the local level.
35. In terms of open governance, vertical and horizontal collaboration, third party monitoring and communications can help enhance transparency. There are however also challenges associates with many of these strategies, predominantly, the capacity of stakeholder. Good governance, transparency and integrity are non-negotiable for the success of open governance approaches. Though sometimes capacity can be a weak point of the development, data for evidence-based policy making and collaborations between private and public sectors can help support greater transparency and right to information in this regard.
36. Group 3 was represented by Mr. Chris of CityNet, summarizing the online breakout group discussion on all four areas.

37. The overarching question is “how do we strengthen SDG localization” was addressed by Group 3 and there was consensus over bottom-up approach to localizing SDGs, the urgent need for approaches that do not leave anyone behind, and lastly, the need to avoid trend of over-centralization. Several recommendations from Group 3 include stronger partnerships at the local level, along with greater awareness of SDGs and sustainable development – including recognizing grassroots community leaders and activists as experts, provide institutional framework participatory citizen science as a legitimate source of indicator data – including ownership of the goals monitoring and implementation. Community can be used to vet data or frameworks – including the involvement of young people and other neglected groups.

IV. Key recommendations

38. The final discussion as well as key recommendations was moderated by Mr. Curt Garrigan, Chief, Sustainable Urban Development Section, ESCAP.

39. Key recommendations on legislative and policy reform as well as fiscal autonomy and fiscal administration: stress the importance of local development plans to guide future growth, strengthen partnerships and public engagement processes, enhance science-based policy interface to build data and evidence-based decision making, support for normalization/standardization of guidance, enhance gender equality in policy development, enhance local and national integration of policies – which will also facilitate access to financing, building fiscal reserves and owned-source of revenues, establish fiscal reforms at the local level, fiscal autonomy must be part of devolution and decentralization processes.

40. Key recommendations on data for evidence-based policy making and open governance: establish local data system (data center) to collect and interpret and utilize local data, integrate local data with national policies (vertical integration), develop the mechanism to manage and update service related data, enhance SDGs literacy and knowledge at the local level, establish third party data monitoring mechanism, establish a local unit responsible for SDG implementation and monitoring in local government, create incentives – such as SDGs competition and rewards, improving data and publicly available information.

V. Conclusion

41. Mr. Azmizam Abdul Rashid, Deputy CEO, Urbanice Malaysia reflected on the discussion on the importance of city action in SDG localization. While it is a complex procedure, today’s discussion showcase how cities are addressing the challenges and tapping into opportunities especially in the context of COVID-19. Today’s city-to-city peer learning on SDG localization also showcase the importance of engaging global organization as well, especially to support for the transition from planning to actual implementation at the city level.

42. Mr. Srinivas Popuri, Senior Human Settlements Officer, UN-Habitat reflected on the discussion in the context of the three Cs of the global challenge, climate, COVID-19 and conflict, but also capital – as mentioned throughout the sessions. Building resilience is even more so important, and it has to be people centric. The relationships that need to be established at the local level is important to promote inclusion but also gather buy in from the community. Without people being the partners in the development process for themselves just makes no sense – we have to make sure we leave no one and no place behind. The convergence map shown by the City of Melbourne showcase that it is not only vertical and horizontal – but also diagonal integration – to truly localize the SDGs.

43. Mr. Curt Garrigan, Chief, Sustainable Urban Development Section, ESCAP reflected that local and subnational actions are essential not just to achieve the SDGs and the climate targets, but also to lead recovery from the pandemic, build resilience at the local and national levels, and to drive transformation in energy use and technology. Cities are also most aware on who is being left behind – they can help identify who are specifically being left behind and engage them in policymaking to ensure the gap is closed. It is not a coincidence that when we talked about the interconnected of the SDGs and the interlinked crises, it is prevalent

that the SDG in focus today is not only on SDG 11, but on all the 17 SDGs. The future will be bright if we are able to highlight and raise awareness on what local leaders and community can do. Emphasizing the role of local government in achieving national targets and goals is a key piece to taking SDG localization forward. The next action should be on how cities can accelerate actions. One consideration that cities should take forward is to not only identify areas that are on track, but also focusing on the actions that cities have not yet addressed and find mechanism to do so – albeit this may not position political leaders in the best position. But by doing so, problems can be solved not just at the surface level but addressing the root of it – which is more beneficial for the city.

VI. Announcement of the host city for the 8th session of the Asia-Pacific Urban Forum

44. Video message by the Mayor of Suwon City, Mr. Lee Jae-jun to invite city governments to participate in the upcoming Asia-Pacific Urban Forum in October 2023. The video message was followed by a promotional video of Suwon city.
45. The EGM concluded with the Official World Habitat Day 2022 Networking Reception.

Annex: List of Participants

MEMBER STATES

Bangladesh

Mr. Binayak Kumar Chakraborty, Administrative Officer, Singra Municipality

Indonesia

Ms. Mariani Yanti, Head of Cooperation Division, Jambi City Local Government

Yusriati, SE., ME, Jambi City Local Government

Nepal

Mr. Ashok Kumar Byanju Shrestha, Mayor, Dhulikhel Municipality

Mr. Surendra Thapamagar, Chief Administrative Officer, Dhulikhel Municipality

Malaysia

Mr. Johary Anuar, Subang Jaya

Mr. Ismail Muhamad, Town Planner, Subang Jaya City Council

Philippines

Mr. Nelson S. Legacion, Mayor of Naga

Thailand

Chiang Mai

Mr. Jiroj Rojchanasaowapak, Deputy Mayor of Chiang Mai Municipality

Mr. Trinnawat Suwanprik, Sanitary Researcher as City Coordinator for Smart and Innovation City Program

Nakhon Si Thammarat

Dr. Kanop Ketchart, Mayor of Nakhon Si Thammarat City Municipality

OTHER ENTITIES AND ORGANIZATIONS

Citynet secretariat

Mr. Chris DiGennaro, SDG Program Officer, CityNet Secretariat

Commonwealth Local Government Forum

Ms. Lucy Slack, Secretary General, Commonwealth Local Government Forum

Ms. Karibaiti Taoaba, Regional Director, Pacific, Commonwealth Local Government Forum

Mr. Terry Parker, Regional Adviser, Commonwealth Local Government Forum

Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ)

Mr. Heinrich Gudenus, Project Director, GIZ

Mrs. Siwaporn Tangwanichagapong

Mrs. Chutima Jonpakdee

Huairou Commission

Ms. Maria Fides Bagasao - Advisor to HC

Ms. Lilian Pimentel - Asia Regional Coordinator

Ms. Madeline Suarez, President, Alliance of Peoples Organization Along Manggahan Floodway, Pasig, Philippines

Institute for Global Environmental Strategies (IGES)

Mr. Fernando Ortiz, Policy Researcher, IGES, Japan

University of Melbourne

Mr. Alexei Trundle, Assistant Director (International), Melbourne Centre for Cities, University of Melbourne, Australia

Resilient Cities Network

Mr. Saurabh Gaidhani, Lead, Programs and Head of APAC, Resilient Cities Network

The Rockefeller Foundation

Ms. Deepali Khanna, Vice President, The Rockefeller Foundation

Stockholm Environment Institute (SEI)

Ms. Diane Archer, Senior Research Fellow, SEI

United Cities and Local Governments Asia Pacific (UCLG ASPAC)

Ms. Bernadia Irawati Tjandradewi, Secretary-General, UCLG ASPAC

Urbanice

Mr. Azmizam Abdul Rashid, Deputy CEO, Urbanice Malaysia, Ministry of Housing and Local Government