Financing Cities’ Recovery from Covid-19 and Preparing for Future Shocks

U20 Special Working Group on Covid – 19 and Future Shocks
In June 2020, the Urban 20 (U20), the Group of 20 (G20) cities engagement group, launched a Special Working Group on Covid-19 and Future Shocks (SWG). Riyadh, the 2020 U20 Chair city, convened the SWG alongside co-chairs Buenos Aires and Rome. SWG membership includes ten cities from around the world: Amsterdam, Helsinki, Houston, Izmir, Los Angeles, Madrid, Mexico City, Rio de Janeiro, Sao Paulo and Tshwane. The SWG is supported by knowledge partners: The Organization for Economic Cooperation and Development (OECD), International Finance Corporation (IFC), University of Pennsylvania, Chicago Council on Global Affairs, French Development Agency, Coalition for Urban Transitions and the Université Gustave Eiffel.

The SWG examined the challenges, impacts and responses to Covid-19 as well as anticipated future shocks that may affect cities. While complementing the efforts of many organizations in this arena, including the U20 Conveners, C40 Cities Climate Leadership Group Inc.(C40) and United Cities and Local Governments (UCLG), the SWG provides a unique platform for U20 cities to engage in direct dialogue with G20 leaders around Covid-19 and future shocks. The SWG will facilitate the exchange of key policies and actions taken by U20 city leaders to address the Covid-19 pandemic and its recovery, paving the way for a more resilient approach to future vulnerabilities. Finance is the SWG’s primary focus, and the SWG will identify and promote effective mechanisms, such as innovative financial tools and recovery planning, that are already being successfully implemented.

The U20’s SWG believes that tackling the economic, social and environmental impacts of the Covid-19 pandemic will take years. Nations and their cities will need ample assistance to develop, adapt and implement their resilience frameworks for dealing with this crisis and future shocks that will inevitably come.
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The SWG U20 Chair, Riyadh, would like to thank all authors and contributors for sharing their knowledge, experience and cases studies on this topic; the Co-Chair cities, Buenos Aires and Rome for their guidance in the development of this report.

About the Authors

Lead Authors

**University of Pennsylvania**

**Eugénie L. Birch FAICP**

Nussdorf Professor and Co-Director, Penn Institute for Urban Research

**Eugénie L. Birch** FAICP, FACSS, RTPI (hon), is the Nussdorf Professor of Urban Research, Department of City and Regional Planning, Weitzman School of Design, University of Pennsylvania. She is the founding co-director of the Penn Institute for Urban Research, dedicated to integrative research and instruction in sustainable urban development. She is co-editor, University of Pennsylvania Press’s *City in the 21st Century* series. Prof Birch is president, General Assembly of Partners (GAP) for the implementation of the UN’s SDGs and the New Urban Agenda. She currently serves on the Sustainable Development Solutions Network (SDSN) Executive Committee, on the Board of Trustees of the Regional Plan Association (New York), and the editorial boards of the *Journal of the American Planning Association* and the *Oxford Bibliographies in Urban Studies* (Oxford University Press.) She is a member of the Word Economic Forum’s Futures Council on Urbanization.

About the Authors

Lead Authors

University of Pennsylvania
Mauricio Rodas
Former Mayor of Quito (2014-2019)
Visiting Scholar at University of Pennsylvania

Mauricio Rodas is a JD from Universidad Católica de Quito. He also holds two master’s degrees in Government Administration and Political Science from the University of Pennsylvania. He started his professional career with the UN’s Economic Commission for Latin America and the Caribbean in Santiago de Chile and Mexico City. Later he worked as a policy consultant for the Mexican government. In 2007, he founded and served as the Executive Director of Ethos Public Policy Lab, a think tank based in Mexico.

In 2011, Rodas returned to Ecuador and founded SUMA, a national political party. In 2013, he ran for president of Ecuador; the following year was elected as Mayor of Quito (2014-2019). During his period, Rodas was the hosting Mayor of the UN’s Conference on Urban Sustainable Development – Habitat III. He also had an active leadership role in some the main city networks: two terms as world Co-President of UCLG, member of the global boards of C-40 Cities Climate Leadership Group, ICLEI, and the Global Covenant of Mayors for Climate and Energy. He is a Young Global Leader and former member of the Global Future Council on Cities and Urbanization of the World Economic Forum (WEF). In 2019, he was named one of the 100 Worlds’ Most Influential People on Climate Action by Apolitical; he also received the University of Pennsylvania’s World Urban Leadership Award. Mauricio Rodas is a Distinguished Fellow on Global Cities at the Chicago Council on Global Affairs and Senior Fellow of the Arsht-Rockefeller Foundation Resilience Center from the Atlantic Council.

Currently, he is a Visiting Scholar at the University of Pennsylvania’s Penn Institute for Urban Research, Perry World House and the Kleinman Center for Energy Policy, working on the “Cities Climate-Resilient Infrastructure Financing Initiative –C2IFI.” C2IFI aims to develop a knowledge hub to consolidate information about financing opportunities for cities and to facilitate cities’ officials access to these resources.
About the Authors

Lead Authors

Chicago Council on Global Affairs

Ian Klaus
Senior Fellow
Former senior adviser - US Department of State

Ian Klaus is senior fellow on global cities at the Chicago Council on Global Affairs. Previously, was senior adviser for global cities at the US Department of State, deputy United States negotiator for the United Nations Conference on Housing and Sustainable Development (Habitat III), and Ernest May Fellow for History and Security Studies at the Harvard’s Kennedy School of Government.
About the Authors

Co-Authors

City of Riyadh
Hazem Galal
Riyadh U20 team and PwC Global Leader, Cities and Local Government

Hazem Galal is an advisor in the U20 Riyadh Team. He is the global leader of PwC’s Cities and Local Government network and is a frequent speaker and moderator at a number of global cities conferences. He is a member of the World Economic Forum’s Global Future Council on Cities and Urbanization and was also a strategic advisor to their Cities and Urbanization platform providing strategic guidance on over several publications on social, economic and environmental issues. He has also co-authored the book “Delivering Sustainable Competitiveness - Revisiting the organizing capacity of cities”.

Gaurav Gupta
Riyadh U20 team (PwC)

Gaurav Gupta is the core part of U20 Riyadh Special Working Group. He works with PwC’s Government and Public Sector (G&PS) practice and is a trusted advisor to Cities and Local Governments to shape better socio-economic outcomes, improve quality of life and service delivery across city domains - urban infrastructure, energy, water, gas, transport, education, municipal operations. Gaurav has authored multiple research reports on smart cities that have been launched at national and international forums.
About the Contributors

U20 Cities
Amsterdam, Buenos Aires, Guangzhou, Helsinki, Houston, Izmir, Los Angeles, Madrid, Mexico City, Rio de Janeiro, Rome, Sao Paulo and Tshwane

U20 Cities Knowledge Partners
Coalition for Urban Transitions; French Development Agency; International Finance Corporation (IFC); Organisation for Economic Co-operation and Development (OECD); and Université Gustave Eiffel

U20 Covid-19 Impact Survey
We extend a special thanks to all the cities that responded to the U20 Covid-19 Impact Survey – Buenos Aires; Dubai; Durban; Helsinki; Houston; Izmir; Jakarta; Lisboa; Los Angeles; Madrid; Mexico City; Montreal; Osaka; Paris; Rio de Janeiro; Rome; Seoul; Strasbourg; Tshwane

Disclaimer Note
The views, opinions, positions and recommendations expressed in this White Paper are developed under the chairmanship of the City of Riyadh as U20 Chair City 2020 and are those of the authors and contributors, including contributing U20 cities and partners. They do not necessarily represent the views of all the U20 cities or any of its chairs, conveners, and partners. Many of the references in this White Paper will direct the reader to sites operated by third parties. Neither the institutions nor the authors of this White Paper have reviewed all the information on these sites or the accuracy or reliability of any information, data, opinions, advice or statements on these sites.
Executive Summary
Executive Summary

This U20 Special Working Group (SWG) report offers the Group of 20 (G20) five recommendations to address current and future shocks, to be achieved through collaboration among national and local governments, international organizations, the private sector and civil society. They are:

- Steer recovery programs to encompass seven key areas that affect cities and other areas that drive national economies (green construction, clean mobility, renewable energy, active transport, nature-based solutions, waste and resources and research and development for clean technologies)
- Develop and coordinate innovative collaborative tools, partnerships or contracts across all levels of government while fostering citizen engagement to meet concomitantly place-specific needs, national objectives and global commitments related to health, resilience and sustainable development
- Create a city-led Global Urban Resilience Fund to support short term (rapid-fire emergency interventions) and long term (resilience-building investments in public infrastructure/public goods) recovery efforts.
- Harness innovative mechanisms to engage the private sector in investing in cities’ infrastructure and resilience capacity-building
- Work to increase the channels of direct collaboration between cities and international financial institutions.

The SWG bases these recommendations on several factors, including: analysis of the economic, social and environmental effects of Covid-19 on cities and urban areas, the drivers of national GDPs, an assessment of national responses; detailed case studies of urban responses in the context of building back better; and, results from an original survey of local governments conducted by the SWG in August 2020 that assessed the ability of municipalities to deliver and maintain public services during the pandemic as well as evolving criteria for policy decisions and budget prioritization. The survey responses demonstrated that while city leaders have increasingly acted in concert to address global challenges, they also require financial support and innovation to meet the ongoing social and economic repercussions of the Covid-19 pandemic and future shocks yet to come. ‘U20 cities are ready to further collaborate with national governments and look forward to engaging G20 countries on how to implement the roadmap presented in this paper’

Introduction
Introduction

On March 11, 2020, the World Health Organization characterized the Covid-19 outbreak as a pandemic. Over the next two weeks, national, regional and municipal governments deployed a range of policy approaches and interventions to limit the spread of the disease and to treat the infected. These approaches and interventions differed across countries but always included intense attention to or consideration of cities and urban areas. Some interventions produced provisional successes that could be shared and replicated. Nonetheless, the number of identified positive cases grew exponentially from roughly 150,000 in mid-March, to just under one million at the beginning of April, to over fourteen million by mid July and nearly 30 million in mid September.

The social and economic consequences remain, in the words of the OECD, “uncertain,” but they will be devastating. The global economy is facing the worst recession in nearly a century, with economic activity likely to contract by at least six percent and global unemployment reaching upwards of ten percent. The poor, at-risk and a number of minority populations have been particularly adversely affected. Recovery will require years and decades of coherent effort between municipal and national government, and between the private and public sectors and civil society. Ultimately, the historic timeline for Covid-19 will be measured on both the seconds and hours of ventilator breaths and nurses shifts, and the years and decades of infrastructure development and emissions impact.

Rising Role of Cities in Promoting National Stability, Driving Equitable Economic Growth and Addressing Global Issues

Over the last two decades, governance practices have increasingly reflected an increasingly urbanized world. As the global urban population continued to expand, particularly in Asia and Africa, cities advocated for their role on the world’s stage. Amid crises such as climate and economic inequality, cities sharpened and demonstrated their capacities as problem solvers within national and international frameworks. These developments were furthered by, and in turn supported, new structures for policy exchange between cities, within nations, and in the international community. To meet the rapid spread of Covid-19, cities are enabled by decades-in-development abilities to share best practices, engage local communities, and advocate for their needs. As the G20 continues to assess and address the economic and social impacts of Covid-19, it is clear the international community and nations must make use of these capacities to expedite recovery in cities and urban areas.

National recovery will require local action. The harm to the global economy evidenced in dramatic GDP drops has been worsened by shrinking city economies. National health crises are furthered by, overwhelmed public health and health care services. The increasingly apparent inequality in many G20 countries has been brought into relief by the rolling effects of Covid-19 on city services.
Introduction

such as public transit and education. Meanwhile, governmental emergency efforts to stabilize conditions for individuals and businesses have led to massive budget deficits at the national and subnational levels without offering strategic investments to stimulate strong recoveries in their cities and, subsequently, entire nations.

But if it is true that true cities are instrumental to meeting global challenges including the long-term effects of Covid-19, it is also true that they are best able to do so with support from policy and financial support from national governments and international institutions, including development banks. And if it is true that cities are the foundation of many national economies and essential providers of social services, they need both long-term and short-term, emergency, financial resources to do so,

The G20 and its members have historically shown themselves capable of seizing the moment to address global crises, and if the world is to build back better, 2020 will have to be no different: only in this case, they must have the foresight to focus on both the crisis at hand and those of tomorrow. The world has experienced shocks with increasing frequency. Whether they be economic shocks as in 2008-2009 or public health shocks as today, others will come our way. We cannot predict the future, but we do know that given the interdependence of nations today, being nimble, prepared and ready with quick responses will be required among the world’s leaders to meet the as yet unknown challenges of the 21st century. To do so, will require working not only with the international community and the private sector, but with cities.

The exponential growth of Covid-19 since the March 11, declaration of the pandemic by WHO set off the biggest shock to the global economy since the Great Depression. As the pandemic moved from 118,000 cases (4,300 deaths) in 114 countries on March 11, to 21 million cases (760,000 deaths) in 188 countries in mid-August, several countries declared they were in recession. The global and national health and economic manifestations of Covid-19 have devolved downward and moved upward to and from cities. The World Bank summarized: “The global pandemic poses a great challenge to dense urban areas in the world, especially those with poor infrastructure and service delivery systems. Besides its impact on public health, the Covid-19 epidemic is generating multifaceted, and likely prolonged economic impacts, ranging from disrupted global supply chains to bankrupted small businesses, with significant job losses and impacts on livelihoods of people everywhere.”

While local experiences differ, G20 cities collectively constitute 64% of global GDP and 60% of the global population. The contributions of G20 cities to their nations’ and the wider world’s general welfare is significant. Further, cities, within and beyond the G20, have been greatly affected by the disease and subsequent lockdown policies, thus experiencing enormous social and economic costs.

Social Impact

Cities have been at the center of the global health crisis due to their large, dense, heterogeneous populations that puts them at the frontline in terms of the concentration of cases, hospitalizations, and morbidity. Morbidity is an unfortunately telling indicator. By the end of April, New York City (3% of US population) had 20% of the national deaths; London (14% of UK population), 33% of deaths; Paris region (19% of French population), 25% deaths; and Tokyo (11% of population) 30% of deaths. With the global spread of the pandemic in the following months, cities in low and moderate income countries had high concentrations of the virus-induced fatalities. For example, in mid September, São Paulo (12% of the population) had 25% of the deaths; Buenos Aires (33% of the population), 60% of the deaths, and Mumbai (8% of population), 10% of deaths. See Figure 1 Global Covid-19 Outbreaks September 2020

2. Within individual nations, these figures range from 39-94% of GDP and 60-92% of the population.

### Table 1. Basic Socio-Economic G20/U20 Data

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<td>1%</td>
<td>780</td>
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<td>11,218</td>
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<td>1,273</td>
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<td>Germany</td>
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<td>3%</td>
<td>1,916</td>
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<td>India</td>
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<td>Italy</td>
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<tr>
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<td>102,627</td>
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<td>2%</td>
<td>639</td>
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<td>Russian Federation</td>
<td>145,872</td>
<td>108,802</td>
<td>75%</td>
<td>1,281</td>
<td>3%</td>
<td>521</td>
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<td>South Africa</td>
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<td>Turkey</td>
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<td>857</td>
<td>2%</td>
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<tr>
<td>United Kingdom</td>
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<td>2%</td>
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<td>United States</td>
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<td>271,343</td>
<td>82%</td>
<td>18,569</td>
<td>16%</td>
<td>12,304</td>
<td>66%</td>
<td>51</td>
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</tbody>
</table>

ISONET: https://ilostat.ilo.org/data/
(2). Statistisches Bundesamt “G20 in Figures” report, online. (text and tables only. note: GDP calculated ‘in current2017 PPP $’) via DStatis
https://service.destatis.de/G20/en/
(3). Estimated use 2016 GDP and 2015 urban GDP percentages
(4). Percentages calculated from Oxford Analytics 2015 City GDP data (City_GDP_Share), cities totaled for each country
(5). European Union minus Germany, France, UK, and Italy to avoid double-counting
(5a). EU Urban GDP percent data not available. Placeholder

Source: PennUR

Figure 1 Global Covid-19 Outbreaks
September 2020

Vulnerable populations, in particular, have suffered higher incidences and rates of morbidity, including: aged (over age 60); low income, especially those with underlying illnesses; unprotected workers in essential services such as transportation, food industry, and caregiving. Many African Americans and Latinos in the U.S. for instance, have experienced one or more of the conditions listed above. In Brazil, 90% of Brazilian municipalities with federal inspection in meat and poultry processing plants whose employees are primarily low income, have reported concentrated cases of Covid-19.

Source: Bing Coronavirus Tracker https://bing.com/covid/local/

The SWG Covid-19 Impact Survey (SWG Survey) of cities across the globe also highlighted how Covid-19 affected the same populations. Respondent cities identified the elderly and people with health pre-conditions as the most affected population in social terms; and women as the population most negatively economically impacted. A majority of cities identified residents from low-income households as the most affected in both social and economic domains. (See Figure 2.) SWG cities provided similar observations. (See Box 1.)

Figure 2. Populations Most Affected by Covid 19’s Social and Economic Effects

Population groups that are most impacted by the “Social” consequences of the pandemic

- People with low-income: 79.17%
- Elderly (age 60 and above): 50.00%
- People with major health issues unrelated to COVID-19: 41.67%
- Children (under the age of 15): 33.33%
- Women: 25.00%
- People with disabilities: 20.83%
- Minorities (ethnic, racial, religious, other): 20.83%
- Migrants and people with migration background: 16.67%
- Youth (age 15 – 24): 16.67%
- Adults between age 24 and 60: 12.50%
- Men: 8.33%

Population groups that are most impacted by the “Economic” consequences of the pandemic

- People with low-income: 83.33%
- Women: 33.33%
- Youth (age 15 – 24): 25.00%
- Adults between age 24 and 60: 25.00%
- People with major health issues unrelated to COVID-19: 25.00%
- Minorities (ethnic, racial, religious, other): 20.83%
- People with disabilities: 20.83%
- Migrants and people with migration background: 16.67%
- Elderly (age 60 and above): 12.50%
- Men: 8.33%
- Children (under the age of 15): 8.33%

Source: U20 COVID-19 Impact Survey

6. The SWG analyzed the survey responses to develop insights on: the impact of Covid-19 and governmental responses to it at the local level; the financial and budgetary impact of Covid-19 on cities and local governments; the ability of cities to deliver public services during the Covid-19 pandemic; effective financial measures and policies to support cities and people to overcome the crisis; and good practices and recommendations to be shared with other cities.

Box 1: Buenos Aires and the Challenges of the Covid-19 Pandemic

Buenos Aires, with 3 million inhabitants, Argentina’s largest city. Its metropolitan area includes 14 million people, 30% of the country’s total population. The city and metropolitan area faced multiple challenges in delivering essential urban services and infrastructure, across sectors and services at the outbreak of the Covid-19 pandemic. These included:

- Health: Augmentation of the installed healthcare capacity and diversifying the emergency support channels to provide adequate treatment to the increasing number of patients due to Covid-19

- Education: Guaranteeing seamless and complete transition towards online teaching and learning during the pandemic. Furthermore, as schools across Buenos Aires have a social responsibility and mission, another challenge was to secure rations’ provision to school children from vulnerable environments, as well technological equipment and printed school materials to help them continue studying

- Transport & Mobility: Ensuring implementation and adoption of social distancing guidelines in the city public transportation

- Service Delivery for Older Citizens: With people over 60 being at higher risk of severe Covid-19, a core priority of the city government is to take care of city’s older citizens, especially those living alone and in vulnerable neighbourhoods

- Service Delivery for Vulnerable Sectors: Strengthening economic assistance and urban integration initiatives for vulnerable and at-risk populations
The crisis around health and morbidity has advanced alongside an employment crisis in the form of massive loss of jobs in cities worldwide. Urban economies often rely on some of the most severely affected economic sectors: accommodation and food services, retail trade, arts and entertainment, manufacturing, construction, and real estate. According to the International Labor Organization (ILO), 93% of the world’s workers live in nations that have been or are under some sort of lockdown and have experienced layoffs, furloughs, and/or reduced hours. The result has been the loss of 14% (400 million) jobs in the formal sector and an unknown but huge number in the informal sector compared to a year earlier. Further, the ILO emphasizes that women, who dominate service industries, have been disproportionately affected.

National data offer more nuanced reports about unemployment, sometimes yielding city-level views for the most severely affected people and places. For example, in April, the US Bureau of Labor Statistics reported national unemployment for youth peaking at 35%, and reaching more than 20% for Black, Latino, and Asian groups. Likewise, this spring, Brazil counted a loss of 1.1 million formal jobs, France anticipated an 800,000 decline, Italy, 500,000, and India reported a 24% unemployment rate.

In responding to the SWG Survey querying which businesses and occupational groups in their cities were most affected by Covid-19, 78% of the respondents indicated that employees of small business enterprises (SMEs) were affected the most, followed by owners of SMEs (70%) and informal workers and informal business owners (60%). They noted, as has been highlighted in the popular press that employees of large enterprises, high skilled workers and public/government officials were the least affected. (See Figure 3.)

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8. Ibid


Figure 3 Impact of Covid-19 on Selected Occupational Groups

While national responses to address the social impacts of the pandemic have clearly helped stabilize urban firms and households faced with loss of business and unemployment, most nations rarely disaggregate social data by geography. This gap weakens nations’ efficient spatial targeting of national and nationally supported recovery policies. The Urban Institute, a U.S. think tank, offers an example of how to highlight key issues in its monthly report on low income jobs (paying $40,000 or less) losses by 20 industry categories for cities and metro areas.\(^{11}\) These kinds of data can contribute to more precise policy responses. Additionally, local governments organized policies targeting vulnerable groups including the prohibition of evictions, emergency food distribution, SME business grants, and communications programs to inform the citizenry of public health conditions, and services being offered.\(^{12}\) (See Box 2.)

Source: U20 COVID-19 Impact Survey

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Box 2: City Responses to the Socio-Economic Impacts of Covid-19 (Houston, Rotterdam, Mexico)

**Houston (United States)** has established the Greater Houston Business Recovery Center to build a business-led recovery initiative, which provides guidance on policy and financing tied to recovery programs.

**Rotterdam (Netherlands)** is investing in support for schoolchildren and the homeless. A budget of EUR 2.4 million will provide extra classes and courses in the summer to 6,000 school children from disadvantaged families and areas to prevent them from falling behind.

**Mexico City** (Mexico) launched a special economic support program for non-salaried workers, people with temporary employment, and informal workers, with an objective to reduce the economic impact due to the confinement policies and sanitary measures. A monetary support of approximately $75 for 2 months was given to more than 10,000 people (amounting to more than $1.5 million). The program aimed at reaching people normally not considered in general unemployment policies of cities and to reduce territorial inequalities.

**Economic Impact**

The Covid-19 is likely the largest global crisis to have occurred since the founding of the G20, with the social and economic effects of the pandemic likely to exceed those of the financial crisis of 2008-2009. The IMF projects nearly a 5% decline in global growth in 2020, measured as 4.5% drop in the global GDP due to the Covid-19 pandemic. In the event of a second wave, GDP is projected to drop in OECD countries alone by 9.5% by the end of 2020. This would represent the largest economic decline since the Great Depression of the 1930s.13

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This phenomenon is clearly manifest in cities that provide more than 60% of the total G20 GDP. (See Table 1). Cities, like nations, are experiencing what the OECD calls the “scissor effect: collecting lower revenues from taxes, fees and intergovernmental transfers combined with having higher expenses leading to concomitant budget deficits.” The IMF’s April 2020 World Economic Outlook projects the global economy to contract sharply by 3 percent in 2020, much worse than during the 2008–09 financial crisis. The G20, where multiple countries are experiencing extensive pandemic incidences and implementing confinement measures, is projected at –6.1 percent in 2020. (See Table 1). Most economies in the group are forecast to contract this year, including the United States (–5.9 percent), Japan (–5.2 percent), the United Kingdom (–6.5 percent), Germany (–7.0 percent), France (–7.2 percent) and Italy (–9.1 percent).

**Figure 4 Economic Impact on G20 Nations**

Source: IMF World Economic Outlook April 2020

14. Within the G20, the urban portion varies from 33% (India) to 94% (China)


16. IMF World Economic Outlook April 2020

Box 3: Economic Impacts of Covid 19 in Several Cities (Montreal, Amsterdam, Madrid, NYC, Los Angeles, Florence)

The Montreal Metropolitan Community (Canada) expects a marked second quarter contraction in the economy of Greater Montreal with slowdowns in retail businesses, personal services, and passenger transport. Supply chain disruptions and recessions among major trading partners will weaken exports, investment, and tourism.\footnote{17}

In Amsterdam (The Netherlands), the estimated fallout is around EUR 1.6 billion per month if the crisis continues, leading to a 1.5-2.8% decrease in growth instead of the 2.3% growth originally expected.\footnote{18}

Madrid (Spain)\footnote{19} estimated that after two months of confinement it would lose 60,500 direct jobs, possibly rising to 108,000 (5.4% of total jobs). Affected sectors are: hospitality (31.8%, with 19,227 fewer jobs), retail trade (11.3%, with 6,850 fewer jobs), personal services (5.6%, with 3,425 fewer jobs) and culture (2.5%, with 1,497 fewer jobs).

New York City (US) expects to lose $ 7.4 billion in tax revenue across two fiscal years, while Los Angeles (US) may lose anywhere from $ 425 million to $ 829 million in the same period.\footnote{20}

With a severe decline in tourism, Florence (Italy) anticipates losses of 15% of its EUR 35 billion GDP and a 25% decline in its city budget - down EUR 200 million out of a usual amount of EUR 800 million.\footnote{21}

\begin{footnotes}
\footnote{17} https://cmm.qc.ca/nouvelles/la-cmm-publie-une-analyse-dimpact-de-la-pandemie-sur-leconomie-metropolitaine/
\footnote{20} https://www.nlc.org/sites/default/files/NLC%20USCM%20Survey%20Results.pdf
\end{footnotes}

Of utmost importance, yet little studied systematically, are the short and long term impacts of the pandemic on cities’ economic bases. City economies have two components. The first component, basic activities, brings money into the local economy (e.g. tourism, sales of manufactured goods, tuition or research grants to universities). The second component, non-basic activities, serve local markets (e.g. drugstores, barbershops, coffee shops, grocery stores). The lockdowns appear to have affected both components. For example, in Rio de Janeiro where tourism plays a critical role in the economy, hotels, restaurants, tourist sites are all closed. Workers in these industries lost their income either through being furloughed or fired. The resultant multiplier effect on the city’s entire economy meant that the unemployed and the closed businesses could not meet their expenses much less pay their taxes or other fees to the municipality.22

In many cities, reports from small and medium-sized enterprises (SMEs), the backbone of local economies, are emerging. In the United States, for example, where 48% of workers are employed in SMEs, one study concluded that the median business with $10,000 monthly expenses had only two weeks cash on hand and that 43% had already closed due to loss of customers, employees concerns about their health and supply chain disruptions.23

In July 2020, the OECD updated its Coronavirus (COVID-19): SME Policy Brief, for the sixth time, highlighting the rapid pace of changes in this sector. Like the US study outlines the SME liquidity issues are ever-present as the crises is being experienced around the globe. This report highlights the most affected sectors in terms of earnings (transport manufacturing, construction, wholesale and retail trade, air transport, accommodation and food services, real estate, professional services, and other personal services. In fact, in the OECD countries, these affected sectors, SMEs constitute 75% of employment.

The widespread decline in tax and fee revenues associated with such challenges is exacerbating national and local fiscal instability. To fill the gap, many governments at all levels are increasing their debt. The IMF predicts the global debt to GDP ratio for nations to rise from 70% to 85%; and from 77% to 94% in developed nations.24 While interest and inflation rates are low today, this borrowing will have implications far into the future.

22. For additional discussion of these topics and the economic effects experienced by cities of different sizes, see See https://read.oecd-ilibrary.org/view/?ref=128_128287-5agkkojaaa&title=The-territorial-impact-of-covid-19-managing-the-crisis-across-levels-of-government
23. Bartik, Alexander; Bertrand, Marianne; Cullen, Zoe; Glaeser, Edward; Luca, Michael; and Christopher Stanton. 2020.”The impact of COVID-19 on small business outcomes and expectations. Proceedings of the National Academy of Sciences July, 117 (30). https://www.pnas.org/content/117/30/17656

Despite these efforts, options for debt financing remain limited. Restrictive national fiscal rules set debt caps and/or disallow direct loans from multinational institutions, mandate balanced budgets, and/or constrain their taxing and fee-setting abilities. While governments enact these rules to prevent debt crises requiring bailouts, they can serve to limit policy options for urban recovery.

Environmental Impact

The immediate environmental impacts of Covid-19 have been varie. In regions with lockdowns, there has been a decrease of 50-75% in road transport activity and up to 95% in rush-hour traffic congestion in major cities. Global levels of nitrogen dioxide, a pollutant linked to cars, have hit a record low. It has seen a 38% reduction of CO$_2$ emissions from the pre-pandemic level. In contrast, in public transport-dependent cities whose residents turned to driving, GHG increased.

Globally, CO$_2$ emissions are expected to fall by 8% in 2020, according to the International Energy Agency, with daily emissions of CO$_2$ having fallen by an average of about 17% around the world in early April primarily due to the downturn in economic activities tied to Covid-19 related lockdowns. However, in the long-term, an 8% year-on-year reduction may not be particularly significant; economic recoveries from previous global economic crises have been followed by significant increases in GHG emissions which negated short-term emissions reductions.

Further, in the absence of coordinated action, the Covid-19 crisis will put at risk important trends in low-carbon investments. While a number of factors could feed into this risk, two stand out: First, economic uncertainty tends to induce firms to reduce or postpone investment and innovation activity, which is particularly important for investments in the energy sector; second, low fossil-fuel energy prices provide weaker incentives for investment in low-carbon and energy efficiency technology at all stages. Upticks and declines in low-carbon innovation have in the past decades shown a strong correlation with oil prices and whether carbon emissions are priced. The lack of carbon pricing together with a sharp drop in oil prices in the years before Covid-19 already resulted in a decline in low-carbon innovation levels.

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Nature, 19 May 2020 https://www.nature.com/articles/s41558-020-0797-x

749738fc/

Box 4: Environmental Impacts of Lockdowns in Around the World (Madrid, Milan, Rome, Paris, NYC, New Delhi, Chinese cities)

In Europe, daily carbon emissions have declined by 58% during lockdowns, with emissions from cars and motorcycles declining by 88%. Monitoring Service, which tracks air pollution in 50 European cities, reveals that 42 cities recorded below-average levels of nitrogen dioxide in March. For example, Madrid (Spain), Milan (Italy) and Rome (Italy) saw decreases of around 45%, and Paris (France) saw a dramatic drop of 54%.

Air pollution in Chinese cities has dropped by 10 to 30% as a result of the confinement.

New York City has observed a 38% decline in CO2 emissions from the pre-pandemic level. India’s capital city, New Delhi recorded a 66% drop in the nitrogen dioxide level due to reduction in rush-hour traffic congestion by 95% owing to the lockdown measures.

Figure 5 illustrates this phenomenon for China and its major cities during peak days of the pandemic. Not all cities shared this experience. New York City, where nearly 70% of the labor force (or 2.6 million daily rides) used public transportation pre-Covid, witnessed a rise in GHG despite a lockdown order, as driving increased by 16% and subway and bus ridership declined by 79% and 49% respectively. 27

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Figure 5 NO2 Levels Before and at the Peak of the Pandemic

Covid-19 has exposed several social and environmental risks related to water. These risks include the lack of water and sanitation systems in informal settlements in the Global South, the deterioration of watersheds supplying cities, and the overall shortage of water for all purposes worldwide. Access to water and sanitation is a problem for over 1 billion people who live in informal settlements and slums worldwide. Approximately 3 billion people in the world do not have access to a handwashing facility with soap and water at home, the first line of defence against the virus.

Covid-19 has already impacted nearly all aspects of social, economic and environmental life. Attempts to mitigate the pandemic’s spread and effects have enlisted global bodies, national governments, communities and households. Its influence has already been felt in almost all economic sectors and at all levels of government. And these changes occurred at incredible pace. The aforementioned OECD and IMF predictions about GDP drops began appearing mere months after the WHO declared a pandemic. In an urban world, addressing these widespread and rapidly felt effects, will require continued engagement with and support for cities and city leaders. Such approaches for political and financial engagement will bolster the global response not only to Covid-19, but to as of yet unknown, yet increasingly frequent, global crises.
Part 2. Recovery Projections and Efforts to Date

The IMF attributes the decline in global growth to an aggregate demand shock, a phenomenon shared across G-20 nations and their urban economies. Among the possible recovery models, the IMF has described a “v” shaped recovery resulting from gradual annual growth around 5%. (See Figure 6.)

Figure 6. Covid-19 Influenced Growth: Quarterly World GDP (by Type of Economy 2019-2021)

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28. Broadly speaking, a decline in consumption and service output and firms’ cutbacks in investment due to the decline in demand, interruptions in the supply chain, and uncertainty about earnings.

Part 2. Recovery Projections and Efforts to Date

The IMF scenario is predicated on the assumption that global, national and local governments will employ three types of fiscal policies to shore up their economies: investment in public infrastructure/public goods (e.g. health systems, transportation, water, broadband); discretionary measures (e.g. loans and grants to households and firms); and finally, automatic stabilizers (e.g. unemployment insurance). In the weeks and months immediately after the declaration of the pandemic, governments began to offset losses by focusing on the latter two categories of policies. Discretionary measures included the temporary extension of the amount and duration of unemployment payments, grants and guaranteed loans to small businesses, health care expenditures, deferral of taxes, low interest loans to municipal governments. Enhanced automatic stabilizers including rapid deployment of unemployment benefits, other safety net outlays as documented in the IMF Fiscal Monitor and IMF policy tracker. As illustrated in Figure 7, such measures targeted firms and households with different approaches. As of April 2020, national governments had yet to invest heavily in infrastructure development.

Figure 7 Policy Instruments to Address the Health and Economic Emergency

The extent of support to firms and households and the choice of instruments depend on a range of factors.

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Part 2. Recovery Projections and Efforts to Date

As the Covid-19 pandemic and the associated economic decline became more severe over the first half of 2020, the G20 leaders and the several ministerial and working groups responded rapidly. On March 26, the Saudi presidency convened a Leaders Summit. G20 Leaders committed to address the pandemic by: protecting lives, safeguarding people's jobs and incomes, restoring confidence, preserving financial stability, reviving growth and recovering stronger, minimizing disruptions to trade and global supply chains, and providing help to all countries in need of assistance and coordinate on public health and financial measures.\(^{31}\) To jump start the effort, the Saudi presidency pledged $500 million to help fill the then-estimated $8 billion financing gap for Covid-19 responses as identified in early March by the Global Preparedness Monitoring Board.\(^{32}\)

In April, the G20 Finance Ministers and Central Bank Governors issued a comprehensive G20 Action Plan composed of five pillars:\(^{33}\)

1. Health Response, especially compliance with the International Health Regulations
2. Economic and Financial Response, especially raising funds to address the emergency and galvanizing support for businesses and households
3. Returning to Strong, Sustainable, Balanced and Inclusive Growth
4. International Support for Countries in Need including rapid access to capital and debt relief
5. Lessons for the Future

In July, ministers reported substantial progress on key elements of the plan: The G20 nations had raised $21 billion for emergency support (of a now recognized need of $31 billion) directed to several institutions.

Box 5 provides a chronology of the course of the pandemic and the G20 responses. It highlights the key responses including fundraising for emergency and public health programs, an action plan, and trade efforts.

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32. Ibid

Part 2. Recovery Projections and Efforts to Date

### Box 5: Covid-19 Timeline and G20 Responses

<table>
<thead>
<tr>
<th>Month</th>
<th>Events</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 2019</td>
<td>• First incidences of mysterious but highly contagious disease appears in Wuhan, China</td>
</tr>
</tbody>
</table>
| January 2020 | • Spread reported in several countries including the US, Italy, Iran, Japan  
            | • WHO declares Global Health Emergency  
            | • China places Wuhan under quarantine |
| February    | • WHO names the disease COVID-19; continued spread                      |
| March       | • WHO declares pandemic with 118,000 cases and 4,300 deaths in 114 countries  
            | • Saudi G20 Presidency convenes Extraordinary Leaders Meeting;  
            | • Saudi G20 Presidency pledges $500 million support for health responses |
| April       | • Saudi G20 president and WHO announce Access to COVID-19 Tools (ACT)  
            | Accelerator, a "consolidated, collaborative global platform to develop and distribute equitably diagnostics, therapeutics and vaccines."  
            | 34 The Accelerator had 11 founding partners drawn from public, private and philanthropic players, including WHO, the World Bank, Coalition for Epidemic Preparedness (CEPI, founded 2006 by the World Economic Forum), the Global Fund, GAVI, pharmaceutical manufacturing organizations (e.g. IFPMA) and philanthropies, including the (Bill and Melinda Gates Foundation and Wellcome Trust).  
            | 35 G20 Finance Ministers and Central Bank Governors launch G20 Action Plan |
Part 2. Recovery Projections and Efforts to Date

Box 5: Covid-19 Timeline and G20 Responses

May/June

- **G20 Trade and Investment** Ministers implemented Covid-19 related trade measures, completing ongoing negotiations by Trade and Investment Ministers, implemented 154 new trade and trade-related measures. Of these, 60% (93) were linked to the Covid pandemic. Sixty five measures facilitated trade while 28 restricted it.\(^{36}\) The thrust of the efforts was to ensure the flow of vital medical supplies, critical agricultural and food products and other goods and services across borders.\(^{37}\)

- **Pledging summits** for Covid-19 health responses raises $21 billion, and records significant national fiscal and monetary policies to support for businesses and households, institutes a time-bound Debt Service Suspension Initiative (DSSI) for which 73 countries could qualify without jeopardizing their ability to secure other funding from international institutions,\(^{38}\) and begins to formulate long-term recovery efforts especially in the infrastructure arena.\(^{39}\)

July

- G20 Finance Ministers and Central Bank Governors report on progress on the G20 Action Plan
- Second Extraordinary Sherpa Meeting reviews report

August

- Covid-19: 21 million cases (760,000 deaths) in 188 countries and rising
- IMF World Economic Outlook predicts GDP for Advanced Economics as -8% and Emerging and Developing Economies as -3%

September

- Meetings of G20 Finance and Health Ministers
- U20 Summit

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Part 3. Building Back Better

The Covid-19 pandemic has touched almost every aspect of human wellbeing in cities. In addition to the impact on public health, Covid-19 is generating long-term multi-pronged social, economic and financial repercussions. These include, but are in no way limited to, increased unemployment resulting from closed SMEs; heightened vulnerability resulting from an increased reliance on the informal sector; and uncertainty for international companies and production networks resulting from disruption to global supply chains. Many of these effects, while in this case driven by Covid-19, are characteristic of shocks in general.

At the international level, United Nations Secretary-General Antonio Guterres has outlined six climate-related actions that can guide the recovery. These included responsible use of public funds, taxation practices structured around sustainable development, and further incorporating climate risks and opportunities into the financial system. At the national level, G20 Finance Ministers agreed in April 2020 to build back better by committing to an an environmentally sustainable and inclusive recovery. At the city level, more than 40 mayors, organised by the C40 Cities, have issued a forward-looking “Statement of Principles” regarding economic recovery from Covid-19. The principles recognize the pressing challenges of the moment as well as the need to think about long-term structural challenges that remain, or have in fact worsened, as a result Covid-19. And around the world, private sector leaders have told national government and IPCC officials that they are ready to build back better.

Thus, as national, regional and national officials, as well as leaders in the private sector and civil society, have mobilized to save lives by preventing the spread of Covid-19 and treating the infected, they have also highlighted the importance, and begun planning for, rebuilding in post-Covid world. The Covid-19 pandemic, and the resulting social and economic effects, are occurring in a world struggling to meet numerous global challenges, including climate change and economic inequality. The 2020 United Nations Climate Change Conference (COP 26), scheduled for November in Glasgow, Scotland and postponed in March, was meant to heighten national ambitions to cut carbon emissions and limit global warming to more ambitious 1.5°C above pre-industrial levels. The High Level Political Forum, scheduled for July 2020 and adapted to virtual platforms, meant to reinvigorate ambition in support of the 2030 Agenda for Sustainable Development. The crises that necessitated such international collaboration, and the international agreements meant to address them, predated Covid-19’s global expansion in March.

The World Bank has advised nations, regions, and cities to address the Covid-19 crisis in three phases: “The emergency phase, focusing on preventing disease transmission and caring for the affected; the early recovery phase, focusing on mitigating the impact on vulnerable groups, jump starting the local economy, and planning for the new normal, under fiscally strained conditions; and the new normal, with all the uncertainties around the future of work and density among others.”

Part 3. Building Back Better

These phases are overlapping, vary in the speed of transition by country, and touch on the public health, social, economic and financial aspects of the crisis. All three phases, while occurring in and dramatically affecting cities and urban areas, require political will, comprehensive initiatives and innovative financing mechanisms to deal with the interlinked emergency.

Cities have begun to shape recovery programs. However, they cannot address the magnitude of the challenge on their own. Success within any or all of the three phases will require that national leaders listen to city leaders and residents, work at the city and neighborhood level, and rebuild through new financial approaches. Successful implementation of the three above mentioned phases for response and recovery planning, especially in light of significant resource gaps and financing needs, will also require that cities coordinate coordination with national governments, international organizations, civil society and the private sector. Recovery from the crisis should be a shared responsibility across all levels of government and should leverage financial resources and good governance to deliver opportunities for all; enable transition to a low-carbon and climate resilient economies; and improve resident’s well-being and foster inclusive growth now and in the future.

In order for cities and nations to pursue these goals, the international financial architecture, which was designed for and by nation-states, needs to become more city-friendly, including providing more direct access to funds for municipalities. Trends are already moving in this direction. For example, in the past seven years, municipal commitments from the IFC have risen from some $60 million to $250 million. This sum does come anywhere near approaching the needed levels of finance, for sustainable urban development and resilience preparedness, but it is a beginning from which lessons can be learned. Arrangements to secure private sector investment are also needed. These too require improvements in governance, basic municipal credit-worthiness, and regulatory frameworks that govern public private partnerships and other innovative financial arrangements that are evolving. Municipally-based PPPs reached an estimated $10 billion in developing countries in 2016 – this mirrors nationally-based PPPs volumes that according to the World Bank eight times greater ($800 billion) – but are a fraction of the local need.

41. Ibid. pp.247.
42. White, Roland and Sameh Wahba (2019) “Addressing Constraints to Private Financing of Urban (climate) Infrastructure in Developing Countries,” International Journal of Urban Sustainable Development, 11:3, 245-256. Municipally-based PPPs that reached an estimated $10 billion in developing countries in 2016 – this mirrors nationally-based PPPs volumes that according to the World Bank eight times greater ($800 billion) – but are a fraction of the local need (p. 249).
43. Ibid, p. 249.
Part 3. Building Back Better

Box 6: OECD’s Key Lessons from the Crisis to Build Back Better Cities

1. Covid had asymmetrical impacts across territories, but many policy responses were place-blind and uniform, highlighting the need for place-based and people-centred approaches.
2. The health crisis turned into a major economic and social shock, and cities’ exposure and recovery depends on industrial composition, labour market breakdown and trade openness.
3. The rediscovery of proximity provides a window to shift faster from a target of increasing mobility to one of enhancing accessibility by revisiting public space, urban design & planning.
4. The crisis strikingly exposed inequality across people and places, especially in large cities, where vulnerable groups such as migrants, the poor, women and the elderly were hit hard.
5. The health problem is not related to urban density but rather to structural inequalities and the quality of urbanisation; and the urban premium will likely not turn into an urban penalty as agglomeration benefits continue to prevail.
6. Digitalisation, a major game changer during the crisis, will remain a key component of a “new normal”, although teleworking ability varies both across and within countries.
7. The “Zoom effect” and “Greta effect” accelerated environmental awareness, making the transition towards clean mobility and circular economy more politically and socially acceptable.
8. Covid-19 bears implications for governance, with citizens’ trust in governments increasing in some countries, especially for local politicians, and decreasing in others.
9. The Covid-19 shock calls for a stronger focus on resilience; preparedness to future shocks requires managing WHO does WHAT at WHICH scale and HOW for more resilient cities.
10. Global agendas such as the SDGs, the New Urban Agenda, and the Sendai Framework are both timely and relevant to reshape planning, policy, strategy and budget from the ground up.
Part 4. Urban Finance for Building Back Better

Roadmaps for national recovery programs, both now and in the future, must include short-term emergency responses and long-term strategic investments. Both require an understanding of the challenges and opportunities of urban public finance, as well as private finance and public-private partnerships.

Urban public finance is a specialized sector of public finance, a subset of economics that covers government financial activities related to their operating and capital expenditures. In general terms, urban finance, like public finance, focuses on the efficient allocation of resources, income distribution among citizens, and economic stability.

National, state, and local governments and other associated public purpose authorities all play a role in urban finance. National and state governments perform two general functions: first, they legally establish and regulate local finance, and second, they participate in it through intergovernmental transfers. The roles and responsibilities of each level depend on the degree of decentralization practiced in a given nation and are highly contextual.

Local governments operate within national administrative structures that range from decentralized federal systems to centralized unitary systems. In the former, subnational units hold considerable power over their operations and revenue-raising capacities, while in the latter, national governments centralize power and funding. In all cases, national governments hold considerable control or influence over local governments’ revenue-raising capacities whether they be in taxing or borrowing. Within the G20, nine nations are federal and the remainder unitary (See Table 2).

Urban finance enables the work of local government, supporting their service functions and the associated infrastructure for which they hold responsibility. Local authorities often provide transportation, policing, fire protection, water and sewer, solid waste collection and disposal, housing, health, recreation and culture, education, and social services. In general, they frequently build and operate the infrastructure to facilitate these services. In addition, municipalities perform a number of other duties, including local and regional economic development and urban planning for which they allocate budget.

In fulfilling their service functions and other authorized duties, local governments need to access and mobilize revenue which they can raise to the extent permitted under their provincial/state or national governments. In so doing, local authorities develop operating and capital budgets with the former allocated to the day-to-day business of running the city and the latter dedicated to investing in future benefits, which for cities is primarily infrastructure.

Within their nationally determined governmental structures, as the OECD and UCLG note, local authorities can turn to “five main sources of revenues: tax revenue, grants and subsidies, user charges and fees, property income and other revenues. They also have some degree of authority
Part 4. Urban Finance for Building Back Better

to borrow. The level of revenue autonomy attached to these different sources differs, including within the same source of revenue depending on their precise characteristics.”

When cities responded to questions in the U20 Covid-19 Impact Survey regarding their operating budgets, 86% stated they would be reducing expenses and 80% said they would borrow from the capital markets. Less than 50% planned to seek financial support from their national governments. A smaller percentage, 32%, stated that they would attempt to cover their deficits with loans or international financing. (See Figure 8: City Responses to their Fiscal Crises.) This apparent self-reliance of cities in responding to financial pressures denotes an opportunity for the global community to improve cities’ resilience from a financial perspective by increasing direct access to international finance, which was the least selected response by the cities responding to the survey.

Figure 8 City Responses to their Fiscal Crises

Overcoming the city’s operating budget deficit

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
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<td>86.36%</td>
<td>Budget re-prioritisation and shifting of allocation</td>
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<tr>
<td>81.82%</td>
<td>Reduce expenses</td>
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<tr>
<td>45.45%</td>
<td>Seek direct financial support from national government</td>
</tr>
<tr>
<td>31.82%</td>
<td>Take loans from capital markets</td>
</tr>
<tr>
<td>13.64%</td>
<td>Access to international financing or foreign direct investment</td>
</tr>
</tbody>
</table>

Source: U20 Covid-19 Impact Survey

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Part 4. Urban Finance for Building Back Better

Box 7: Buenos Aires: Budgetary and Financial Challenges

As with most cities across the world, the city of Buenos Aires faced an extraordinary economic, social and health emergency with the advent of the Covid-19 pandemic. The tourism sector represents 10.9% of the city’s GDP and 7.8% of jobs. The sector observed significant growth and demonstrated a positive trajectory in 2019. Between 2016 and 2019, for example, there was an 18% increase in air arrivals to the city. In 2019 Buenos Aires welcomed 2.9 million tourists and average tourist spending grew for the second consecutive year. As a result of Covid-19, tourism-related companies, which account for 7.7% of the cities’ total companies, were severely affected. The Hotel and Gastronomic Federation of the Republic of Argentina has predicted an activity decrease of 79% on hotels and 73% on restaurants due to the pandemic.

Commercial activity, which represents 14.7% of the city’s GDP; 13% of jobs and 19% of companies, also faces a major setback because of lockdown and confinement measures and led to a significant reduction in revenue collection for the local government.
### Part 4. Urban Finance for Building Back Better

Tables 2 and 3 from the IMF’s Government Finance Statistics database provide an analysis of G20 countries’ local government revenues and expenditures, reflecting their respective position within overall government activities and their contribution to a nation’s GDP.

### Table 2 G20 Local Government Revenues

<table>
<thead>
<tr>
<th></th>
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<td>Argentina</td>
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Source: Penn IUR and IMF Government Finance Statistics
## Part 4. Urban Finance for Building Back Better

### Table 3 G20 Local Government Expenditures

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<td>F</td>
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<td>35.7</td>
<td>N/A</td>
</tr>
</tbody>
</table>

Source: Penn IUR and IMF Government Finance Statistics
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Among the G20 nations, the relative proportions of local government finance within overall government finance varies greatly. For example, as seen in Table 2, based on pre-Covid-19 data, revenues in Australian and Mexican cities are a much smaller proportion of overall government revenues than those of cities in China, Japan, and Korea, whose revenues constitute more than 40% of total government revenues in those countries. Another gauge of the importance of cities in national affairs is an assessment of expenditures. As Table 3 illustrates, in Mexico, city expenditures contribute 1.3% of the GDP and represent only 6.3% of all government expenditures. In contrast, for Japan, the figures are 14.9% and 39.3% respectively. Nearly half of G20 countries, local government expenditures constitute between 20 to 40% of the general government total.

The data and information around revenue and spending, it should be noted, leaves substantial room for improvement. For example, for the world’s largest economies, U.S., China, and India finely disaggregated data are missing. For example, timely neighborhood-level or geo-spatial information on vulnerable populations is unavailable in many instances. More complete data would enable national decision-makers to reflect or adjust their fiscal and monetary policies to target or strengthen the key elements of local government budgets to support their goals for economic growth, equity, and sustainable development.

Table 4 below, as another example, outlines how key areas of local government expenditures contribute to a nation’s GDP. Regardless of whether the systems are federal or unitary, the spending on economic affairs, health, social protection, and education are impactful to the GDP. The IMF arranges them according to a nationally focused framework.

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Table 4 Local Expenditures as a Percent of GDP

<table>
<thead>
<tr>
<th></th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>Japan</th>
<th>United Kingdom</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure</td>
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<td>7.9</td>
<td>13.9</td>
<td>15.2</td>
<td>9.8</td>
</tr>
<tr>
<td>Expenditure on general public services</td>
<td>2.1</td>
<td>1.3</td>
<td>2.5</td>
<td>1.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Expenditure on public order &amp; safety</td>
<td>0.3</td>
<td>0.3</td>
<td>0.2</td>
<td>1.0</td>
<td>0.8</td>
</tr>
<tr>
<td>Expenditure on economic affairs</td>
<td>2.1</td>
<td>1.1</td>
<td>1.5</td>
<td>2.2</td>
<td>0.9</td>
</tr>
<tr>
<td>Expenditure on environment protection</td>
<td>0.8</td>
<td>0.3</td>
<td>0.8</td>
<td>1.0</td>
<td>0.4</td>
</tr>
<tr>
<td>Expenditure on housing &amp; community amenities</td>
<td>0.8</td>
<td>0.3</td>
<td>0.4</td>
<td>0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Expenditure on health</td>
<td>0.1</td>
<td>0.2</td>
<td>6.7</td>
<td>1.8</td>
<td>0.2</td>
</tr>
<tr>
<td>Expenditure on recreation, culture, &amp; religion</td>
<td>1.0</td>
<td>0.4</td>
<td>0.2</td>
<td>0.4</td>
<td>0.2</td>
</tr>
<tr>
<td>Expenditure on education</td>
<td>1.6</td>
<td>1.2</td>
<td>0.9</td>
<td>2.7</td>
<td>2.4</td>
</tr>
<tr>
<td>Expenditure on social protection</td>
<td>2.2</td>
<td>2.8</td>
<td>0.7</td>
<td>4.0</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Source: Penn IUR and IMF

**Challenges**

Notwithstanding the difficulties posed by the lack of comprehensive, disaggregated data, evidence from individual cities maintains that local government revenues and intergovernmental grants are usually not sufficient to address unexpected shocks such as now witnessed by the Covid-19 pandemic, or for funding infrastructure projects that support equitable economic development. To address critical budget shortfalls and undertake needed investments, local governments need to find other sources of revenue. Due to higher level government restrictions, many cities cannot autonomously extend their local revenue-raising capacities or borrow externally without a sovereign guarantee and/or experience difficult-to-navigate regulatory frameworks for enabling public-private partnerships’ and other private sector financial mechanisms.
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Figure 9 The Cascading Effects of Covid-19 on Local Finance

Impact on subnational government assets and liabilities
- Financial assets
  - Deposits and investments, shares in local public companies, loans,
- Non-financial assets
  - Land and property assets, subsoil
- Debt stock

Impact on subnational government budget
- Revenue
  - Grants and subsidies (operating and capital transfers)
  - Tax revenue
    - shared (PIT, CIT, VAT, excises)
    - own-source taxes (PIT, local business taxes, property-related taxes, tourist taxes, consumption and sales taxes, etc.)
  - User charges and fees resulting from the provision of local public services
  - Revenue from financial and non-financial assets - interest on deposits and investments, dividends, rents/royalties, etc.
  - Access to new borrowing
- Expenditure
  - Current expenditure
    - Social expenditure (benefits and social services)
    - Staff costs
    - Purchase of goods and services (intermediate consumption)
    - Subsidies to households, businesses and NGOs
    - Financial charges
  - Capital expenditure
    - Capital transfers/subsidies
    - Direct infrastructure investment (social and economic infrastructures)

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To realise the potential of cities to drive sustainable development across a country when faced with a shock that decimates local government budgets, national governments need a two part strategy: a short term effort to address the local government budgetary emergency and a far-sighted approach to revenue collection, spending decisions and financing choices. First, national governments need to help stabilize the local economy through monetary and fiscal policies. Second, they need to work with state and local governments to establish tax (and spending) systems that raise sufficient revenue and incentivise sustainable choices and behaviours as the local economy recovers. Third, they need to mobilise private investment for sustainable urban infrastructure at scale by creating an enabling environment and managing fiscal risks to undergird the rebuilding process.46

Short-term emergency responses have included direct payments to individuals and businesses, tax holidays, and low interest rate loans underwritten by central banks. Localities have adjusted their budgets, and carried out spending reviews, policy evaluation and impact assessments to prioritize expenditures. But the core challenge remains: the significant loss of tax revenues accompanied by significant increases in demand for pandemic-related relief.

When the SWG Survey asked cities about national government support during the Covid-19 crisis, 79% of the respondents indicated that direct financial support to citizens and businesses were the most effective mechanism, while 58% stated that nationwide policies and emergency measures were also helpful. In contrast, only 5% of the respondents thought cities should have the freedom to determine and deliver crisis responses. These findings suggest that cities look to their national governments to lead and support emergency programs.

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Figure 10 Cities’ Assessment of National Government Support

<table>
<thead>
<tr>
<th>Most effective way in which your national government has collaborated with or supported your city during COVID-19 crisis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Direct financial support to individuals or businesses</td>
</tr>
<tr>
<td>Nation-wide emergency responses or guidelines</td>
</tr>
<tr>
<td>Direct financial support to local government</td>
</tr>
<tr>
<td>Efficient / direct Coordination mechanism between local and national level</td>
</tr>
<tr>
<td>Increased autonomy for local government for crisis responses</td>
</tr>
</tbody>
</table>

Question - What has been the most effective way in which your national government has collaborated with or supported your city during COVID-19 crisis?

Source: U20 COVID-19 Impact Survey

Box 8: Izmir and Crisis Municipalism

In 2020, the Municipality of Izmir, where municipal revenues depend on taxes, launched multiple initiatives to increase economic activity in the city. Some notable examples include using behavioral science in designing actions and policies, organizing digital fairs, supporting the agricultural sector, and establishing a new company named IZQ for improving entrepreneurship and innovation in the city. The Municipality has also decided to suspend non-urgent investments and introduced austerity measures to decrease the expenditures. As a result, some of the large investment projects were put on hold for a certain amount of time. Izmir also implemented institutional innovation, switching into Crisis Municipalism, changing the way your city delivers services and manages operations through a critical incident management team. The objective for doing this is to use the Municipality’s human, financial and time resources more efficiently in times of uncertainty.
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State and local governments in federal countries collect a much higher share of public revenues (49.4% on average) than those unitary countries (20.7%).\(^{47}\) Subnational control over own-source revenues also varies significantly. In many countries, provincial and local governments are not allowed to set tax rates at the margin, grants are earmarked for specific purposes, and certain user charges are set by national regulations. For instance, national governments may regulate energy and water prices, while local governments may be able to determine waste collection fees and bus fares.

In the long run, state and local governments need the authority and capacity to control a range of own-source revenues, including the power to set rates at the margin. Other own-source revenue options may include taxes, grants and subsidies, user charges and fees, and property income. While regional governments often depend largely on “piggybacks” on national taxes, property taxes are typically the cornerstone of local taxation.\(^ {48}\)

A property tax can be politically and technically difficult to administer but, when well designed, is considered very economically efficient, being both predictable and progressive, and reflecting the value of both public and private investments in.\(^ {49}\)

Moreover, decisions about which level of government should oversee public infrastructure investments and which financing instruments are appropriate should be based on the specific project and wider national context. Large projects such as metro systems have high upfront costs and capital risks, so they likely need financial support beyond their own from higher levels of

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government (whether line ministries or national development banks). Building-efficiency retrofits have much smaller investment needs and can be undertaken incrementally, and are thus more fiscally implementable for local governments. Projects such as bus networks or electricity generation systems will generate tariffs or user fees that enable at least some cost recovery, while others, such as cycling lanes and sewer systems, may not generate a direct economic return, even if they yield substantial wider benefits. In larger cities in higher-income countries, in particular, local governments may be able to structure infrastructure projects in a way that satisfies the criteria of prospective financiers; few smaller cities will have these sophisticated project preparation capabilities or the tax base to fund large projects.\(^{52}\)

Once national governments have the fundamentals of a fair, efficient and sustainable fiscal system in place, they can work with state and local governments to mobilise private investment in sustainable urban infrastructure. A wide range of investments are needed for cities to realise their potential as engines of national job creation and low-carbon innovation, including in buildings, electricity generation and distribution, mass transit, telecommunications, sanitation, water supply and waste management. These public works can support economic activity and human development, enhancing the benefits of urban agglomeration while reducing potential costs. However, the financing gap for sustainable urban infrastructure currently exceeds US $1 trillion a year.\(^{53}\) In most countries (with the notable exception of China), domestic public budgets and international development assistance fall far short of what is required. Public finance has a crucial role in leveraging private investment for low-carbon and resilient infrastructure; and more so in developing countries, where 60 to 65 percent of infrastructure projects are financed by public resources; while in advanced economies it is 40 percent.\(^{54}\) Even if public revenues and spending were to significantly increase, achieving the SDGs and the Paris Agreement will still demand a step change in private sector investment.\(^{55}\)

There are a wide range of financing instruments available for this purpose. Debt financing distributes the costs of infrastructure projects equitably over the generations who benefit. Land-based financing instruments can enable governments to benefit from the relationship

55. Financing the Urban Transition: Policymakers’ Summary.
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between more productive use of land and rising land values, yielding revenues that can be used to ensure that rising land values don’t displace residents or punish renters. Public-private partnerships (PPPs), when designed well, can secure private sector capabilities in the design, construction and management of infrastructure projects, as well as share risks across the public and private sectors. These instruments can potentially catalyse private investment – but they need to be firmly grounded in a government’s ability to pay to effectively manage potential liabilities and risks.

Long-term use of these financing mechanisms depends on collaboration across tiers of government to overcome critical obstacles to investment. Developing countries in particular (but by no means exclusively) often lack the robust fiscal underpinnings, enabling regulation, institutional capacity or investment environment needed to attract private finance or manage the attendant risks. There are solutions for each of these obstacles, but they often lack scale as well as coordination and co-operation among key stakeholders. National governments have a key role to play in dismantling these barriers. They can introduce and enforce good budgeting, accounting and reporting standards at all levels of government to ensure disclosure of actual and prospective liabilities. This enables the national government to monitor total borrowing relative to total revenues, which is essential to avoid debt crises.

When the SWG Survey asked about what financial measures by the national government (would) have enabled cities to tackle budgetary challenges during Covid-19 crisis, respondents favored access to stimulus packages and direct payments to cover their budget deficits. Facing an immediate crisis, cities ranked public infrastructure investments and direct access to international finance and investment as low.

56. White, R., Wahba, S., 2019. Addressing constraints to private financing of urban (climate) infrastructure in developing countries. *International Journal of Urban Sustainable Development*

57. Ahmad et al., *Scaling Up Investment for Sustainable Urban Infrastructure*

58. South Africa, for example, has introduced standard criteria and methodologies for appraising, procuring and disclosing public-private partnerships. Once these fundamentals are in place, national governments can introduce solid legislation that clearly articulates the conditions under which municipal governments can use different financing instruments. Today, fewer than half of all countries allow borrowing by local governments. Examples of good practice include Brazil’s Status of the City 2001 and Colombia’s Law 388 of 1997, which both explicitly authorise and enable the use of land value capture by municipal governments.

59. Ahmad et al., *Scaling Up Investment for Sustainable Urban Infrastructure*
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Figure 11 Cities Rank Preferred National Assistance on Local Fiscal Crises

Financial measures by the national government (would) have benefitted your city to tackle its budgetary challenges during Covid-19 crisis

<table>
<thead>
<tr>
<th>Measure</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local government access to national government stimulus package</td>
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<tr>
<td>Direct payments to the city to address budget deficits (block grants)</td>
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</tr>
<tr>
<td>Direct payments to city to address budget deficits targeted for special use</td>
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</tr>
<tr>
<td>Public infrastructure investment</td>
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</tr>
<tr>
<td>Adjusted interest rate or payment relief to city for national loans</td>
<td>1.62</td>
</tr>
<tr>
<td>Budget allocation flexibility on intergovernmental transfers</td>
<td>1.56</td>
</tr>
<tr>
<td>Improved national regulatory framework for private sector investment in cities</td>
<td>1.45</td>
</tr>
<tr>
<td>More direct access of local governments to international finance and investment</td>
<td>1.08</td>
</tr>
</tbody>
</table>

*Score calculated using weights across the respondent counts

Question - What financial measures by the national government (would) have benefitted your city to tackle its budgetary challenges during Covid-19 crisis?

Source: U20 COVID-19 Impact Survey

Furthermore, the financing reality and capacities of intermediate and small cities in the developing world, differ greatly from those in developed countries. They are important because driven by population growth and rural-urban migration, they are projected to grow at almost twice the rate of megacities (those with more than 10 million inhabitants) between now and 2030. These cities often struggle to fund basic services and have limited fiscal resources to cover infrastructure costs; therefore, demand for financing public social infrastructure is often overlooked.

Lack of project preparation capacity and management; limited financial knowledge; lack of creditworthiness, poor access to information; regulatory uncertainty and corruption impede necessary capital flows from coming. Many small local governments in developing countries lack the skills and systems for an adequate management of their public finances, resulting in inefficient fiscal operations and ineffectiveness of local spending programs. “Nevertheless, there is evidence that these deficiencies are less widespread in relatively large cities, and that in fact the quality of public
management and delivery of services in some of them is as good as or better than at higher levels of government.”

Above all, national and regional governments can strengthen the capacities of local governments to manage finance, plan capital investments and engage citizens, as well as the capacities of national development banks to finance climate-smart urban infrastructure. Municipal staff may need training and support to enhance own-source revenues, manage expenditures, maintain assets, track liabilities, scope out financing options and structure prospective projects. Local governments must take some responsibility for improving their creditworthiness and transparency – as, for example, the Kampala Capital City Authority has done in Uganda. But national governments can support local initiatives by investing in professional development, establishing effective systems and offering competitive salaries in order to secure talented, dedicated civil servants. Effective, accountable local governments can improve financial performance and access to private capital for all levels of government.

Large sums of investment capital exist globally, yet many, if not most, cities often are unable to gain access to them. The supply of financing mechanisms potentially available for cities, are often tied to sovereign-debt, creditworthiness and are sometimes highly politicized, which heavily delayings the financial flows cities need. Estimates suggest that less than 4% of the largest 500 cities in developing countries are considered creditworthy in international markets, and less than 20% are considered creditworthy in local markets. To finance high-cost infrastructure projects cities need to be creditworthy, but this is a complex challenge for local governments in the developing world. Most countries in the developing world do not even have a credit rating and private investors and banks consider investing in these economies as too financially risky. “One of the most important criteria for good credit is to make sure city revenues predictably exceed costs. So as a first step, the local authorities have to know where all the city’s money comes from and how fast it might grow, as well as how tax rates are set and taxes collected.” For cities to be creditworthy they need technical assistance and capacity building to develop innovative strategies to strengthen municipal finances and attract investment.

In addition to working with these challenges, local governments are hard pressed to pursue sustainable development as outlined in the global agreements signed by their national governments. Today, tax policy, financial regulation and public

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spending often skew urban markets in favour of high-carbon growth. New analysis by the Overseas Development Institute for this report finds that governments in the OECD and BRICS countries spend US$41.6 billion each year subsidising fossil fuel consumption in urban areas. Subsidies flowing to the transport sector amount to more than US$13.82 billion per year; subsidies for households (for cooking, heating, lighting, etc.) amount to US$10.56 billion per year; subsidies for industry and commerce follow closely behind at US$10.28 billion per year; and subsidies for the generation of fossil fuel-based electricity consumed in urban areas reach almost US$6.95 billion per year. A further, small amount (US$27.7 million) is identified for fossil fuel consumption in social and public services in urban areas not covered by the above categories. These are conservative estimates, because many fossil fuel subsidies are hidden, and even when they are identified, they often cannot be quantified. Accounting for the costs of urban air pollution, road accidents and climate change would increase the value of these subsidies by several orders of magnitude.\(^6\)

Lastly, among the other challenges that confront cities in their quest for sufficient funding are the threats inherent in globalization -- footloose businesses will move away if dissatisfied by the level of services or taxation; they need to develop financing that supports economic efficiency and fairness; ease of administration; the necessity of maintaining accountability and transparency in all transactions; and increasing decentralization processes and associated unfunded mandates.

Box 9: Rio de Janeiro and Decline of Net Revenue

Rio de Janeiro faced challenges finding funds to manage the impact of the Covid-19 pandemic. The municipality’s current revenue has declined to nearly the same levels of a decade ago. As with many cities, one of the main causes for the decline of the Current Net Revenue is the drop in tax collection for municipal services, which in the second semester of 2020 presented a retraction of 17% compared to the same period of 2019.

Rio de Janeiro diverted its budget earmarked for different purposes to fight the Covid-19 Pandemic. In total, approximately R$ 517 million (US $97.18 million) has been invested in Covid-19 responses thus far, of which R$ 246 million (US $46.2 million) is from the municipal budget. Most of the resources were diverted to the health sector (R$ 431 million) which made possible the building of a field hospital, the purchasing of medical equipment, and the hiring of health labor-force, etc. Additional funds were invested in social assistance and human rights (R$ 5 million,) for example, to provide support to the homeless population with the construction of temporary shelters. Further funds were dedicated to the Municipal Secretariat of Public Order (R$ 9 million), which was in charge of monitoring the social isolation.

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Opportunities
Among the sources of finance are: multilateral investors, national development banks, and private sector investors. Innovative financial instruments, such as green bonds, are gaining in use. Although there is an increasing supply of financial flows, it is not matched with the growing demand capacity for cities and their communities. A complete redesign of the international financial architecture is needed to ensure cities have access to sufficient resources for financing their long-term challenges to tackle climate change, external shocks and build resilience.

At the international level, global development finance institutions (DFIs) in the form of multilateral development banks (MDBs) have been the primary source of infrastructure funding worldwide. Despite the role cities and urban areas will play in determining the global future, In several countries, cities are not allowed to access international borrowing directly. In many others, cities are required to obtain a national sovereign guarantee or authorization from legislative bodies to borrow, which poses a great risk since political disputes often impede or delay access to credit.

At the national level, National Development Banks-NDBs and Funds provide credit (or a mix of grants and loans) to local governments and other institutions investing in local infrastructure. Besides providing credit at lower than market prices, their goal is to improve the effectiveness of local investment, build capacity and set the stage for independent municipal credit systems. Although this model has worked in some countries, the lack of institutional capacity and financial reliability has often prevented cities from accessing these resources. Similar to the challenges cities face regarding sovereign-guarantees, the strong link to national governments has often politicized borrowing from NDBs and Funds.

Box 10: International Cooperation and Private Sector Partnership Helped Sao Paulo Raise Donations for Building Responses to the Covid-19 Pandemic

International cooperation and solidarity have been fundamental to Sao Paulo's response throughout the pandemic. Sao Paulo developed partnerships with the private sector, international donors, consular bodies and civil societies to raise donations. The main international donors were the cities of Seoul, Shanghai and Shenzhen, the General Consulate of Turkey in Sao Paulo, General Consulate of Brazil in Tokyo, Bank of China, UNESCO, Brazil Food for the Hungry International and UNHCR.

By the end of July, more than 141 donations had been formalized to the city. The estimated value of goods and products exceeds US $11 million. Donations included medical supplies; personal protective equipment; hygiene products; food kits; essential appliances; logistics and professional services; and monetary value.
Part 4. Urban Finance for Building Back Better

Beyond the international national levels, cities also access financing from Local Government Funding Agencies (LGFAs), which are jointly owned by member cities and local governments whose primary mission is to pool their borrowing needs and issue bonds in capital markets. This model is thriving in the Netherlands and Scandinavia, but it has had limited acceptance elsewhere.\textsuperscript{65} LGFAs advocate for the building of local creditworthiness, help create local markets, and increase transparency in local decision-making.

Subnational Pooled Financing Mechanisms (SPFMs), provide joint access for cities, to private capital markets and public sector funding with favorable terms for local and regional government borrowers. Yet, in order for SPFMs to be feasible, they need adequate legal frameworks, upfront payment of project structuring costs and strong political support.

DFIs and other financial institutions are developing specific instruments for public social infrastructure projects. Green Bonds, in particular, are gaining popularity. Investment in Green Bonds reached $47.9 billion in the first quarter of 2019, surpassing the first quarter of 2018 volume of $33.8bn by 42 percent. For 2020, the “credit-rating agency Moody’s predicted a record-setting year for green bonds from the outset, but had to revise its projection to $250bn from $200bn after growth exceeded expectations,” suggesting investors see such instruments as appealing options.\textsuperscript{66}

A smart way to attract private investment, particularly from corporations is through Social Impact Bonds - SIB. The SIB concept is still new, but gaining significant interest in countries like Canada, the USA, U.K. and Australia. “The use of SIBs to finance ‘hard’ infrastructure projects have been limited, but they can potentially become an interesting financing source for climate-resilient projects.”\textsuperscript{67}

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Part 4. Urban Finance for Building Back Better

Box 11: Emergency Fund to Combat Covid-19

Rio de Janeiro established the Emergency Fund to Combat Covid-19, an investment fund, for increasing the capacity of the city in tackling the sanitary and social crisis due to the Covid-19 pandemic. It accepted grants from individuals and private companies.

With the same goal, the city launched the Rio+International against Covid-19 initiative to collect donations from partner cities, consulates, chambers of commerce and companies, to be distributed in the municipal health and assistance systems. By June 30th, 95 it had reached out to top international cities, 67 companies, 22 trade associations, as well as diplomatic representations, to support the municipality in the fight against the new coronavirus.

Within the myriad of financing possibilities is important to mention Green Banks. They offer low-interest rates and finance ‘bankable’ initiatives in which debt capital is not available due to market failures. Its success though depends on the savviness from their public and private sector experts. For example, since 1999, the Global Environmental Facility -GEF has invested US 580 million in grants and has leveraged an additional US 7.23 billion in co-financing from the private sector and other sources in 110 cities across 60 countries.

Finally, innovative proposals are in the making to solve cities’ limitations to financing climate compatible projects. The Green Cities Development Bank 68 is a promising idea being developed by C40 Cities and the Overseas Development Institute. It aims to be flexible, timely and entirely focused on financing climate infrastructure in cities and will adapt to fast-changing technology and new lending practices.

Despite this range of options and ongoing financial innovation, local governments continue to encounter cumbersome conditions on borrowing rights and creditworthiness coming from national law which are required to attract private funding.

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Part 4. Urban Finance for Building Back Better

Figure 12 Finance Mechanisms to Raise, Steer, and Blend Finance

Source: Coalition for Urban Transitions 2019
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To build back better, national and city partnerships must include rapid-fire emergency funds to address short term concerns and long term investment in public infrastructure/public goods (e.g. health systems, mobility, transportation and logistics, water, housing, education, energy, broadband and other sectors).

When cities were asked about which policy priorities influenced spending and budget decisions of cities during the pandemic, overall, they prioritized local economic impact, and followed with such other local impacts as social cohesion, public services and local environmental benefits. Redundancy and additional infrastructure in the form of additional class rooms, hospital beds and internet infrastructure was among the most selected answers, which may have been the direct result of a learning experience among cities from the recent experience of the pandemic. Climate change adaptation, resilience to other external shocks or divesting from fossil fuels were among the lower priority options selected. (See Figure 11.)

Figure 13 City Budget Decisions

Criteria being prioritized by cities for the recovery projects & investments to prepare for future shocks

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive impacts on local economy</td>
<td>5.0</td>
</tr>
<tr>
<td>“Build back better”: Improvement of public services</td>
<td>4.5</td>
</tr>
<tr>
<td>Additional infrastructure and redundancies</td>
<td>4.0</td>
</tr>
<tr>
<td>Improved social inclusion and equity</td>
<td>4.0</td>
</tr>
<tr>
<td>Positive environmental impact (e.g. biodiversity)</td>
<td>3.5</td>
</tr>
<tr>
<td>Preparedness for future pandemics</td>
<td>3.0</td>
</tr>
<tr>
<td>Climate change adaptation</td>
<td>3.0</td>
</tr>
<tr>
<td>Resilience to other external shocks</td>
<td></td>
</tr>
<tr>
<td>Divesting from fossil fuels</td>
<td></td>
</tr>
</tbody>
</table>

Source: U20 Covid-19 Impact Survey
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Rapid Fire Emergency Funds: A Permanent Solution
Pandemics and other shocks to nations and cities stress budgets - a few entities have sufficient reserves to provide emergency funds to provide needed discretionary payments like extended unemployment benefits or loans and grants to businesses, most do not and in fact, have little policy room to maneuver. Cities are especially vulnerable to these situations as has been evidenced by the fiscal stress now being experienced by local governments during the Covid-19 pandemic. City revenues have fallen, their expenses have risen, and their debt capacities are severely strained. Unlike national governments, they cannot pursue monetary policies that might help remedy their financial stress. To deal with this problem, national and city governments need to work together to create stronger tools for automatic support during these immediate crises. For example, they can explore the establishment of a permanent rapid fire emergency fund, modeled on existing efforts such as the World Banks Pandemic Emergency Financing Facility. 69

Strategic Investments in Public Infrastructure/Public Goods
National and cities prosper when they support economic and social growth while protecting their environments. Having well-functioning basic infrastructure such as transportation, water, sanitation, electricity, health, safety and education systems and broadband provide the foundation for these activities. For the most part, governments provide and operate these items with local governments taking them on within their jurisdictions. They undertake this work to fulfill their responsibilities of protecting the health, safety and general welfare of their residents. However, the key to success in making strategic public investments that will stimulate private investment. Under current conditions, cities are often unable to raise the capital to finance needed infrastructure. As discussed below, the Covid-19 pandemic unveiled important weaknesses in this arena and has placed new emphasis on seeking ways to address this problem.

Public Health and Health Care Infrastructure
The Covid-19 pandemic revealed major weaknesses in the two important areas related to health in cities around the globe: public health (disease control) and health care (services and their delivery components). These vast, fragmented and sprawling systems take on different forms in nations across the world. However, their failures in the face of the disease were and continue to be nearly universal.

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Public health systems, commonly defined as “all public, private, and voluntary entities that contribute to the delivery of essential public health services within a jurisdiction,” have several purposes: to prevent epidemics, protect against environmental hazards, prevent injuries, promote and encourage healthy behaviors, respond to disasters and assist communities in recovery, and assure the quality and accessibility of services.

Public health is practiced from the global to the local levels. The World Health Organization (WHO) heads the world’s public health system along with a range of other specialized organizations, including the Red Cross (disaster/shock relief), World Bank (finance), Gates Foundation (philanthropic projects), and many others. While each nation has its own arrangements, usually a ministry of health with subnational divisions, cities have their own departments of public health charged with protecting health at the population level. These agencies undertake tasks ranging from episodic and chronic disease control, data analytics and public information, environmental health broadly construed to incorporate issues ranging from substance abuse to food safety. Depending on the context, municipal health departments can be independent units responsible to the mayor or part of a state and/or national institutional governmental framework.

As Covid-19 spread, public health officials at all levels of government in Asia, Europe, the Americas and Africa generally failed at containing the pandemic. Several Asian countries, such as South Korea, provided notable exceptions. South Korea, population 51 million, pursued a coordinated multi-pronged strategy encompassing prior preparation that clearly delineated lines of authority and areas of collaboration among national and local government and related non-governmental and private sector actors; public communications program based on science, extensive testing, contact tracing (including the use of private data), strict quarantine protocols, mandatory masks and social distancing, designation of separate COVID-19 treatment facilities.

As the pandemic spread from city to city, and nation to nation, it frequently overwhelmed health care systems. WHO noted:

Health systems around the world are being challenged by increasing demand for care of people with COVID-19, compounded by fear,
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stigma, misinformation and limitations on movement that disrupt the delivery of health care for all conditions. When health systems are overwhelmed and people fail to access needed care, both direct mortality from an outbreak and indirect mortality from preventable and treatable conditions increase dramatically. Maintaining population trust in the capacity of the health system to safely meet essential needs and to control infection risk in health facilities is key to ensuring appropriate care-seeking behaviour and adherence to public health advice.74

In response, WHO’s communications program included guidance documents exemplified by Maintaining Essential Health Services: Operational Guidance for the COVID-19 Context, a strong public communications program, a research database tracking the latest findings in the diagnosis and treatment of the disease, and situational reports to assist in managing the care delivery systems. Among the issues faced by hospitals and community care services worldwide were: the absolute lack of a facilities and where present, the shortage in beds, the need to shut down all services except COVID-related ones, the lack of staff and personal protective equipment (PPE), medications, ventilators and other treatment supplies, handling the fatalities.

The pandemic unveiled the inherent issues in current care delivery services in many cities. Among them were under-serviced low income urban and rural areas, the financial fragility of current hospitals, the lack of sufficient testing infrastructure ranging from testing centers, to materials, and processing laboratories. Further, during the height of the emergency, care service deliverers employed existing techniques like telemedicine more fully and invented new approaches.

All in all, the pandemic revealed enormous cracks in public health and health care systems requiring substantial rethinking and subsequent investment in their infrastructure going forward.

74. World Health Organization, June 1. 2020 https://www.who.int/publications/i/item/10665-332240
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Box 12: Improving Health Care Capabilities and Traceability of Positive Cases during Covid-19 (Rio de Janeiro and Mexico City)

**Rio de Janeiro** demonstrated proactive leadership in enhancing its healthcare and medical capabilities considering the international experiences with the Covid-19 outbreak. The priority for Rio de Janeiro was to be prepared to accommodate the new demand of Covid-19 patients in the municipal health care system. Therefore, Rio City Hall accelerated the modernization process of the Municipal Secretariat of Health Technological Park. Despite the retraction in the aviation sector, the City Hall managed to bring the health equipment bought from China before the pandemic. This logistical expense had to be incorporated into the budget for the combat of the new coronavirus.

Altogether, Rio de Janeiro acquired 726 mechanical ventilators, 1,720 monitors, 110 anesthesia trolleys, 16 tomographs, among other items, totalizing more than 18,000 units. The purchase, carried out prior to the declaration of the new coronavirus pandemic by the World Health Organization (WHO), in March 2020, was essential for the municipality to be prepared to face this great challenge.

In addition to the modernization of the Municipal Secretariat of Health Technological Park, another strategy held by the City Hall to be prepared for the arrival of the pandemic was the opening of 1,250 exclusive beds for the treatment of Covid-19 and the inauguration of a field hospital with a capacity of 500 beds, of which 100 were marked for ICU and 15 were equipped with resources for hemodialysis.

**Mexico City** launched a “Priority Attention Neighborhoods” initiative that considers the capacity of hospitals and analyses a decreasing virus spread pattern in a two-week time frame. It displays an interactive map that shows COVID-19 cases by neighborhood in the city. Priority attention neighborhoods are the ones that concentrate 20% of COVID-19 contagion in Mexico City. The neighborhoods were selected based on the number of active cases and the rate of active cases per every 100,000 inhabitants. The objectives of this initiative include - reducing activities and mobility in these specific areas by bringing food supply, medical, and economic services closer to the population; facilitating confinement measures; and guaranteeing the right to health.
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Transportation, Mobility and Logistics

Mobility has been highly impacted by the Covid-19 pandemic and provided cities with a momentum to rethink their approach towards urban space and suggest alternative options.

While the impact of Covid-19 on public transport systems has been significant, in most OECD countries, transport systems have shown a remarkable capacity to enforce hygiene and distance measures during the lockdown exiting, thus limiting the creation of new transport-related clusters. Many urban public transport systems indeed adapted to this unprecedented crisis, successfully ensuring a minimum level of service and maintenance and rapidly deploying strict hygiene measures to protect the health of employees and transport users, but significant challenges remain. Urban transport agencies around the world have also faced unprecedented low levels of ridership and corresponding losses in fare revenue that are threatening their financial stability and which will continue for months to come in a context where physical distancing may be required in public transport.
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**Box 13: Impact of Pandemic on Izmir Municipal Revenues**

The pandemic has negatively impacted Izmir’s municipal revenues and led to new circumstances in which the Municipality needs to generate additional resources to accomplish its investment plans. The city of Izmir has reached a population of 4.5 million people and has been growing rapidly. To provide a better quality of life for an increasing number of citizens, the municipality must carry out large infrastructure and service-related investments. While these obligations remain very important, the municipality needed to create new social services and adapt the existing ones to the pandemic. Decreased revenues combined with the provision of additional services have required the city to put critical infrastructure projects on hold.

The two municipal corporations, dthe Electricity, Water, Gas, Bus and Trolley Directorate (ESHOT) and the Izmir Water and Sewage Administration (IZSU), which provide public transportation services and water services respectively, have experienced decreased revenues. With the measures taken to prevent the spread of Covid-19, the number of passengers using ESHOT’s services has declined substantially. Since the beginning of the pandemic, IZSU has continued providing water services to citizens even though they were not paying their bills due to pandemic-related financial difficulties. IZSU halted the disconnection of water services for nonpayment of 7,237 subscribers and also granted payment extensions on water bills to 268,163 subscribers. As a result, the revenues of these corporations have declined significantly while they still need to make large investments to continue their operations.

In a May 2020 study, The Impact of the COVID-19 Pandemic on Public Transit Funding Needs in the U.S., the American Public Transportation Association (APTA) estimates that US transit agencies are facing an overall funding shortfall of $48.8 billion between 2020 Q2 and the end of 2021. Transit ridership and fare revenues were down across the country by 73% and 86%, respectively, in April 2020 relative to April 2019. Decreased capital spending could also lead to the loss of 37,000 construction jobs in 2020 and 34,000 jobs in 2021 due to project delays and cancellations. Quarterly transit revenue gaps, the report concluded, are estimated to range between $4.2 and 8.1 billion through the end of 2021 even when the economy recovers due to several constraints such as reduced capacity, the costs of disinfection, lower ridership rates and unemployment level forecasts.75

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Box 14: New York City’s Metropolitan Transport Authority Suffer Losses

New York City’s Metropolitan Transport Authority may face a shortfall of up to USD 8.5 billion by the end of the year, even taking into account a $3.8 billion federal bailout.

Measures taken to curtail the Covid-19 pandemic stressed and impacted the urban logistics and supply chains. Shift in consumer behavior led to gaps in supply and demand, especially in medical supplies and food products. Shortages of testing kits, face masks, personal protective equipment (PPE) as well as respiratory medical devices such as ventilators developed concerns about the high trade interdependencies observed at the national and regional level. Food security provided an additional supply chain challenge.

Rio de Janeiro, for example, adapted its food policies to meet the needs of those affected by the Covid-19 economic crises. Among the implemented measures to tackle food insecurity and supply chain, the City distributed food baskets and food vouchers for the municipal student’s families and reinforced the food production of the Hortas Cariocas program by implementing fish farming. Governments across the globe are encouraging local productions to build supply chain resiliency while also boosting economic activities such as generating employment and adding new SMEs for the critical supplies.

Water, Sanitation and Waste Management

The Covid-19 pandemic has demonstrated the critical importance of sanitation, hygiene and adequate access to clean water for preventing and containing diseases. The pandemic poses a threat to 2.1 billion people without access to safe water, who are unable to regularly wash their hands for protection from the virus. Limited access to water and sanitation can lead to a cycle of increased infection risks, serious health outcomes and poor living conditions. The access to water and sanitation is a problem for over 1 billion people who live in overcrowded informal settlements and slums worldwide.

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As Covid-19’s economic costs will impact government budgets for years to come and could affect spending on water resource protection, wastewater treatment, and environmental management. Water sector budgets, like so many sectors, have experienced budget deficits. This comes at a time when water resources management and water conservation are already in dire need of funding; projections of global financing needs for water infrastructure range from $6.7 trillion by 2030 to $22.6 trillion by 2050.\(^77\) Social distancing and travel restrictions delay key water infrastructure works, upgrades and repairs, particularly those that require workers reaching remote locations. This will impact service delivery quality, especially for those living in rural or hard-to-reach areas.\(^78\)

More than a dozen research groups worldwide have started analysing wastewater for the new coronavirus as a way to estimate the total number of infections in a community. In fact, sewers can offer near–real-time outbreak data as they can detect high concentrations of viral RNA several days before deaths from COVID-19 start to be reported. Evidence suggests that screening of the disease in municipal wastewater plants may be an effective way to signal new outbreaks in advance and can play an important role to follow the evolution of the pandemic.\(^79\) In Japan, as well as in Europe, in other European countries, Australia and the United States, studies have shown that the virus was present in wastewater treatment plants.\(^80\) The Tokyo Metropolitan Government plans to collect samples from sewage to determine whether this could lead to detecting new outbreaks of the virus.\(^81\)

Well-designed, long-term investment in water infrastructure can markedly improve the capacity to recover from disasters and support climate adaptation, while contributing to the economic recovery from the COVID-19 crisis. However, opportunities for urban economic growth can be lost very quickly if critical urban infrastructure is not resilient in the long-term. To be resilient to future climate-related risks, such investment needs to take a risk-sensitive approach, by integrating disaster risk management into planning and decision-making processes.\(^82\)

As part of the recovery from the crisis, beyond infrastructure and investment, the approach emphasis should strengthen water governance structures. Beyond infrastructure and investment, water related disasters and crises can be prevented.

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\(^82\) OECD (2018), *Building Resilient Cities: An Assessment of Disaster Risk Management Policies in Southeast...*
through reliable water governance systems, clearly identifying who does what, who pays for what, why and how. Since 2011 the OECD Water Governance Programme has been providing support to countries, basins and cities to improve their water governance systems, through policy dialogue, policy fora, standards and water governance indicators.

The pandemic hit in particular vulnerable populations, especially those living in informal settlements and peri-urban areas who have less access to water, sanitation and hygiene. As such, engagement and inclusiveness will be needed to improve access to quality services. Moreover, water management and urban planning should coordinate to reduce environmental threats and minimise potential hazards. Data collection in real-time is key to reforming water management and delivery, and can help deliverer gains beyond the immediate needs of the pandemic.

The OECD Principles on Water Governance, built around engagement and inclusiveness, data and information, and policy coherence, provides a framework to understand whether water governance systems are performing optimally and to help adjust them where necessary. They can catalyse efforts for making good practices more visible, learning from international experience, and setting reform processes into motion at all levels of government to facilitate change where and when needed.

### Housing

Nearly a billion urban residents, or one in every four city-dwellers, live in slums and informal settlements with limited access to decent housing, clean drinking water and proper sanitation conditions. Overcrowding in such settlements exacerbated the risk of rapid transmission of Covid-19, both within and around these settlements, increasing the risk of community transmission. Confinement and social distancing measures to contain the spread of Covid-19 pandemic are all the more difficult in slums and informal settlements.

As the Covid-19 pandemic continues and with it the threat of additional waves, governments must actively address these conditions to curtail virus transmission, now and in the future. While governments need to implement short-term measures like mobile sanitization kits, rapid testing, and financial support during lockdown, they must also also focus on longer-term measures required to improve informal housing conditions and prepare for future shocks. Large-scale investments and financing is required to provide adequate housing and facilities to ensure decent living conditions, while avoiding sprawl and promoting compact urban development. Some cities have initiated public investment or policy measures to expand the supply of adequate and affordable housing and improve disadvantaged neighbourhoods.

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Box 15: Mexico City and Vienna and their Housing Investments

**Mexico City (Mexico)** will invest $1 billion to create around 1 million new jobs in the construction sector. The investment will cover public infrastructure and social housing. The plan is expected to contribute to the redevelopment of 13 urban corridors through housing projects in areas with good transportation connection and housing improvement. The City of **Vienna (Austria)** has announced 7 new municipal housing sites with 1,000 apartments to be built in the coming years. The new buildings will be spread all over Vienna to create a high-quality and affordable offer in attractive residential environments.

**Digital Connectivity**

In its ongoing publication City Policy Responses, the OECD observed:

Digitalisation has played a pivotal role in cities’ emergency responses to the pandemic. With many countries now transitioning away from the lockdown, cities are solidifying and expanding the use of Smart City tools to facilitate and make new rhythms and habits permanent as the need for social distancing continues, while staying alert and monitoring the risk of contagion. The virtual space is further becoming integral to cities’ public spheres as municipal services, information and means of participation and cultural resources are digitalised. Adequate internet therefore becomes an essential service, for which universal access needs to be guaranteed through infrastructure. The report goes on to relate how various cities repurposed their smart cities hubs or other digital tools such as Google Maps, bank card use and video surveillance to respond to short-term epidemiological needs such as contact tracing, measuring compliance with social distancing, and discerning incidence patterns.

Individuals and enterprises used the internet to facilitate remote working and education during the lockdown. Remote working among the OECD countries was widespread - “on average, 50% of jobs in Luxembourg, 40% in France and 21% in Turkey were compatible with this working modality.” Yet it was less prevalent in cities in low and moderate income countries. Several observers, reporting that remote work favored urban, highly educated, highly paid workers,

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87. Ibid

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viewed the phenomenon as contributing to resilience while others pointed out that lower paid, less educated service workers generally did not have the ability to work at home.\textsuperscript{89}

As nations turn to longer-term recovery, they not only envision a hybrid work environment, combining remote and in-office work for some sectors. Further, localities have a factor that will require strengthening their broadband infrastructure and cities are in agreement. For example, Madrid is looking to use digital solutions to address three challenges: economic recovery, stakeholder relationships, and helping special needs groups. Tokyo, Milan, Florence are also moving in this direction based on their positive experiences with digital applications during the lockdown.

Education

According to UNESCO, “nationwide closures are impacting over 60% of the world’s student population.”\textsuperscript{90} Schools and even universities in cities around the world were often insufficiently prepared to switch effectively to homeschooling or online education, and the digital divide between countries, cities and different demographic groups within the same city has been a key factor in mitigating or aggravating the impact of school closures on education.\textsuperscript{91} Some cities like Amsterdam, Toronto or New York City have been able to respond quickly by supplying digital devices, laptops and digital devices (See Box 16) as a quick fix for limited digital infrastructure in schools or homes. However, providing devices is often not enough to bridge the digital divide. In the United States, researchers have noted that in 2020 remote learning students lost between a third and a half of what would have been taught in in-person schooling.\textsuperscript{92} Students and teachers with limited computer literacy may face additional barriers in transitioning from a physical to a virtual classroom. Cities will therefore need to provide sound digital infrastructure and overcome social features of the digital divider to increase resilience within the education system.

The closure of schools not only interrupts learning temporarily, but also has other severe impacts on the well-being of students and their families. According to UNESCO, some of these impacts include a rise in school drop-out rates, malnutrition of students due to lack of school meals, gaps in child care, increased exposure of children to violence and exploitation, social isolation due to lack of schools as hubs for social interaction and high economic cost for parents and communities where homeschooling collides with parent’s jobs.\textsuperscript{93}


\textsuperscript{90} UNESCO, https://en.unesco.org/covid19/educationresponse

\textsuperscript{91} OECD 2020, \url{https://read.oecd-ilibrary.org/education/Coronavirus-COVID-19-Cities-Policy-Responses}


\textsuperscript{93} UNESCO 2020, Adverse consequences of school closures, online at: \url{https://en.unesco.org/covid19/educationresponse/consequences}
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Nationwide policies and decisions to reopen schools often leave the final decisions and figuring out the details of how to return students to classrooms to local governments. While this approach takes into account locally specific circumstances of cities, which may require different approaches for each city, district or even school, not all local governments are equipped with the necessary information and guidance to devise a safe, secure and efficient plan on reopening schools. Guidelines and support on how to go about reopening educational institutions are available from the national level in some countries such Denmark, as well as through global resources such as the UNESCO / World Bank Framework for reopening schools. However, more support and knowledge exchange between cities on dealing with the gradual provision of in-classroom education is needed. Investments in redundancies of classroom capacity and physical school infrastructure may increase the resilience of education systems in the long term.

Box 16: City measures to support education under Covid-19 conditions (Amsterdam)

The City of Amsterdam enacted a range of support measures to enable school students to continue their education during Covid-19 conditions, while alleviating financial and childcare related pressure on families staying at home. These included:

- The City of Amsterdam provided 6300 chrome books and 800 wifi-hotspots, which were distributed among schools. Students can borrow these devices as long as the schools are closed. There is one laptop available for each family.

- Parents in Amsterdam with children in preschools normally pay the fee depending on their income. During school closures, children cannot attend preschools while the fees are still being paid. Amsterdam City Government covers the costs of these fees in case parents do not receive child care allowance from the national government.

- In cooperation with the schools, daycare is made available for children who are in an unsafe family situation. For children who have difficulties studying at home, it is possible in Amsterdam to go to school a certain amount of hours a week.

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Energy Infrastructure
Covid-19, and associated confinement measures, has resulted in significantly reduced energy demand in the industrial and commercial sectors. According to the IEA, electricity demand has declined by 20% due to lockdown enforcement in many countries. The IEA estimates a 5% contraction in global electricity demand by the end of the year.95

On the supply side, energy distribution companies facing the challenges of both reduced demand and . Increasing unemployment due to the pandemic has prevented many people from paying their electricity bills. The delays and defaults in energy bill settlements by all categories of consumers -- whether residential, commercial or industrial -- is impacting the energy value chain from generation to distribution.96 Many cities have intervened by maintaining electricity services to the population during the lockdown and provided subsidies on monthly tariffs.97

The Covid-19 pandemic has caused many dislocations to the power sector. However, looking forward to recovery, an increase in commercial and industrial demand for electricity is forecasted. According to the Coalition for Urban Transitions, “a massive expansion in the supply of energy will be needed in the range of four or five times current use in the next thirty years.”98 Investment in renewables provides a strong tool for meeting this demand expansion as encourages both the reduction of greenhouse gas and the generation of short- and long-term jobs as evidenced by the experience after the 2008-09 recession when the sector added 11 million jobs - a million/year.99

Public Spaces and Recreation Areas
Covid-19 has had a significant impact on indoor activities and shut down the majority of recreational services in cities around the world. Opportunities for residents to use parks and other open public spaces such as town squares and plazas to maintain physical and mental wellness have become vital during Covid-19. However, the global pandemic also impacted the provision of public spaces and recreation areas and green infrastructure and brought to light a lack of access to public spaces. An absence or dearth of green and safe outdoor spaces can prevent residents from leaving their homes or incentivise them to break social distancing rules in order to do so.

Covid-19 quickly exposed inequalities in park and public space access in cities, where lower-income neighbourhoods more often lack such infrastructure compared to more affluent communities. A study by the Brookings Institute found park access in the United States declines

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96. IFC, The Impact of COVID-19 on the Power Sector
97. IFC, The Impact of COVID-19 on the Power Sector
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in urban neighbourhoods as the poverty rate rises. Informal settlements, home to about one billion urban dwellers worldwide, are often void of publicly provided and maintained open spaces. Access to public infrastructure (or lack thereof) therefore can be reflective of other social inequalities in cities and aggravate Covid-19 impacts on already vulnerable communities.

Additionally, Covid-19 has had a direct impact on the ability of some cities’ maintain public infrastructure. For example, New York City’s Parks Department’s 2021 budget may be reduced by $61.3 million, and a report compiled by Parks and Open Space Partners NYC, a coalition of parks advocacy groups, estimates that there could be an average drop in revenue of 32% this year among not-for-profit groups and service providers that contribute to the maintenance of park infrastructure in the metropolis. In Italy, authorities closed public parks and banned most outdoor activities during the height of the outbreak as part of social distancing measures.

Mainstreaming green infrastructure and expanding public spaces provides the opportunity for cities to become more resilient to multiple types of future shocks, while providing a range of positive synergies. Natural parks and green infrastructure can be considered Nature-based Solutions (NbS) which are, according to the new International Union for the Conservation of Nature (IUCN) Standard on the matter, “Actions to protect, sustainably use, manage and restore natural or modified ecosystems, which address societal challenges, effectively and adaptively, providing human well-being and biodiversity benefits”. ICLEI-Local Governments for Sustainability stresses the multipurpose nature of parks, green infrastructure and other NbS for sustainable urban development, as they support in combating heat waves, improve air quality, mitigate carbon emissions and provided much needed habitats for urban biodiversity. This benefit can be increased even further when green infrastructure, parks and other public spaces are integrated with other types of infrastructure such as multi-modal transportation (See Box 17). Cities have a great opportunity to increase their preparedness for future pandemics and to build back better at the same time through expanding public space and green infrastructure.

100. Brookings 2019, Parks make great places, but not enough Americans can reach them, https://www.brookings.edu/blog/the-avenue/2019/08/21/parks-make-great-places-but-not-enough-americans-can-reach-them/


Part 5. Areas for Strategic Investments

Box 17: Integrating Nature-Based Solutions in multi-functional infrastructure planning (Rome)

Rome City Council (Italy) approved guidelines for the development of an extensive urban system that integrates mobility, resilience and sustainability in an ambitious project on the future of the City. The "Green Ring" project proposes structural continuity between landscapes, connects environmental systems and improves accessibility of urban areas from railway system hubs, covering an area that extends from the Natural Reserve of the Valle dell’Aniene to the Appia Antica Archeological Park. The project is articulated on five interconnected levels: environmental care, smart and "alternative" mobility, pursuit of quality and social integration, sustainable development, listening and participation. The project marks a fundamental shift on the use of spaces in Rome, from urban "voids" waiting for development, to places of environmental, functional, economic value creation.

Safety and Security

Since the Covid-19 pandemic began, data on some crimes, such as street crimes, burglaries, and drug trafficking, have seen a reduction, while crime rates for domestic violence, hate crime, cybercrime and medical supplies fraud increased by manifolds. With restrictions on mobility and transportation across cities, a higher number of people worked from home and stayed indoors resulting in decrease of residential burglaries and reduction in street crime with fewer people on streets. In Chicago, drug arrests decreased by 42% compared with the same period last year since the city entered lock down. However, the UN reports gender-based and domestic violence witnessed a high surge across cities and nations. In Singapore, city helplines reported an increase in domestic violence calls by 33%. In France and Argentina, domestic violence has increased by 30% and 25% respectively, since the lockdown started. Canada, Germany, Spain, United Kingdom, and the United States also indicated increasing reports of domestic violence and increased demand for emergency shelter during the pandemic. In Brazil, there has been an estimated rise in 40-50% of domestic violence cases.

105. AP NEWS https://apnews.com/bbb7adc88d3fa067c5c1b5c72a1a8aa6
107. The Guardian.com, “Lockdowns around the world bring rise in domestic violence”
Part 5. Areas for Strategic Investments

Box 18: City Responses and Campaigns against Domestic Violence\(^{110}\) (Madrid, Amsterdam, Paris, Dusseldorf, Istanbul)

**Madrid** has launched a campaign called ‘No Estás Sola’, to help domestic violence victims during confinement.

In **Amsterdam**, those who would like to report domestic violence can visit a pharmacy discretely and give the code word “Mask 19” or “masker 19” in Dutch. The pharmacist will then alert the authorities or aid agencies for help.\(^ {111}\)

In **Paris** (France), victims of domestic violence are allowed to break confinement to file a complaint at the police, and an emergency number has been made available to report abuses 24/7. France has also funded hotel rooms for victims if their homes are not safe.\(^ {112}\)

**Dusseldorf** (Germany) has extended its accommodation facilities, shelters and protection services to women and children in need, and are making hotels and other shelters available to victims of domestic violence.

In **Istanbul** (Turkey), some buildings have been restructured in order to provide shelter service for women, and close cooperation has been established with women's NGOs to give priority to women in emergency situations.

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111. [https://nltimes.nl/2020/05/01/domestic-abuse-victims-netherlands-can-also-use-code-word-get-help](https://nltimes.nl/2020/05/01/domestic-abuse-victims-netherlands-can-also-use-code-word-get-help)

Part 5. Areas for Strategic Investments

When cities were asked which types of infrastructure projects and investments they would prioritize in order to recover from COVID-19 and prepare for future shocks, overall public transport, digital infrastructure, public spaces and education were ranked as high priority for cities. Investments in healthcare, affordable housing and basic public services were ranked as a lower priority for cities. (See Figure 13)

Figure 14 City Infrastructure Preferences

<table>
<thead>
<tr>
<th>Types of infrastructure projects and investments cities will focus to recover from COVID-19 and prepare for future shocks</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Digital/broadband infrastructure</strong></td>
</tr>
<tr>
<td><strong>Public transport, walking and cycling</strong></td>
</tr>
<tr>
<td><strong>Utilities (Waste, water, energy, etc.)</strong></td>
</tr>
<tr>
<td><strong>Public spaces and green infrastructure</strong></td>
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<tr>
<td><strong>Education (Schools, classrooms, etc.)</strong></td>
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<tr>
<td><strong>Healthcare</strong></td>
</tr>
<tr>
<td><strong>Affordable Housing</strong></td>
</tr>
<tr>
<td><strong>Mean</strong></td>
</tr>
</tbody>
</table>

**Question:** Which types of infrastructure projects and investments will your city prioritize in order to recover from COVID-19 and prepare for future shocks.

Source: U20 COVID-19 Impact Survey
Part 6. Setting Priorities

In 2015, G20 countries, as members of the United Nations, agreed upon a simple but powerful principle: just as global challenges around poverty, economic inequality and climate change are interrelated, so too must solutions be developed and financed that recognize the connected nature of economic and social systems. In 2020, the climate, economic and social challenges facing the world’s countries and cities have been heightened by Covid-19. And now, as in 2015, the solutions to these interrelated challenges require new financial mechanisms and new innovative methods for working in cities and urban areas.

Box 19: Global Frameworks Guiding Recovery

Over the course of 2015-2016, G20 countries, as member states of the United Nations, adopted four outcome documents that together amount to an international development agenda for the post-Millennium Development Goals era: The Sendai Framework for Disaster Risk Reduction 2015-2030 (SFDRR), the Addis Ababa Action Agenda (AAAA), the 2030 Agenda for Sustainable Development (and the 17 Sustainable Development Goals) adopted at United Nations Headquarters in New York during High Level Week and the New Urban Agenda (NUA).

In the Sendai Framework for Disaster Risk Reduction 2015-2030 and the Addis Ababa Action Agenda G20 countries, as member states of the U.N, recognized the need for new models of finance and development to support risk mitigation and resilience. As in the 2030 Agenda for Sustainable Development, these frameworks envision a positive relationship between economic growth and resilience. The New Urban Agenda extended these principles to cities and urban areas, noting that urbanization itself can serve as an "engine of sustained and inclusive economic growth." The Paris Agreement on climate change commits signatories to keeping global warming below 2.0C. Together these four agreements, along with the Paris Agreement on climate change, continue to provide a global framework for building back better.

Covid-19 is a global shock of historical proportions, and it is unlikely to be the last. The G20 is designed to address such challenges and has previously proved a stabilizing platform during periods of intense economic volatility, including in 2008 and 2009. So while the G20 must continue to focus its financial efforts around the long-term structural challenges that both preceded and resulted from Covid-19, it must also develop mechanisms to support cities and urban economies in planning for unexpected future shocks and in addressing them when they occur.
Part 6. Setting Priorities

While those future shocks may not yet be clear or known, it is now clear that addressing them, particularly in urban spaces, will require working across priorities and systems. Those priorities and systems will include:

**Equity and Social Stability**

Equity and Social Stability in cities should be addressed from the perspective of urban governance, urban planning and design, social determinants of health, and citizens and community empowerment. Achieving an inclusive, fair, safe, sustainable and resilient city is not something that happens automatically. Conversely, not only does the concentration of economic power in cities tend, even when everyone is doing better than before on the back of rising prosperity, to benefit some more than others, but there are other risks (such as natural disasters or pandemics) that have an uneven impact. In times of recession, of elevated climate risk there inequality is either amplified or will produce new divisions in cities. These are the moments when urban social policies play an especially critical role in maintaining stability and enabling recovery and revival. Like good insurance policies, social inclusion policies and programmes need to be updated and made fit for purpose.

Urban inclusion has to be fostered and it can be stimulated by national and local government through the use of well understood social policy instruments or tools. There is also scope to innovate in social policy, learning from successful social responses to overcoming exclusionary and unstable conditions created by or highlighted by the Covid-19 experience. The social dimension of urban life traverses very different areas of policy intervention, from traditional welfare or social protection, the social structure of governance, right through to personal awareness training (for example around race or gender) to neighbourhood and city cultural programmes aimed at ensuring that every citizen (locally born or migrant) identifies with and feels ownership of the city in which they live.

**Fiscal and Economic Stability**

Cities generate 80 percent of the world’s GDP. Cities are in the front line of determining the world’s future in terms of sustainable growth, innovation and economic opportunities and they are global actors in their own right. The contribution of cities to national economic growth is very significant in developing countries. “The economic future of developing countries depends much more on cities than even before. However, cities are under-funded to fulfill their potential as drivers of national economic development and prosperity, as they face many challenges, from accelerating growth, influx of massive rural migrants, deteriorating infrastructure to environmental degradation, social exclusion, violence, underinvestment, lack of fiscal freedom and policy choices. Municipal governments often lack financial means to address the vast challenges facing them.”

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113. SR1.5; Summary for Urban Policymakers

Part 6. Setting Priorities

Migration

According to the UN, the world’s population is expected to increase by two billion people, from 7.7 billion at present to 9.7 billion in 2050. Over the past two decades the percentage of international migrants has increased by more than half since 2000. At the same time, the number of people forced to flee their homes has risen sharply due to conflict and could increase further due to climate change and environmental degradation. One in seven people in the world is either an internal or international migrant.

The magnitude of urbanisation presents challenges for cities in ensuring the availability of adequate housing, basic public infrastructure and transportation.\(^{115}\) According to UN Habitat, the effects of migration are most felt at the local level, Even though local governments lack competence on migration policies, they need to ensure migrants rights. Migrants predominantly settle in cities where their immediate needs are addressed and where they have access to basic services and urban infrastructure is provided. “This includes affordable and social housing, quality education and health services, simple access to basic utilities (water, power, etc.), robust and congestion-free roads and transportation infrastructure as well as, finally, ensuring integration and social cohesion for the increased diversity.”\(^{116}\)

Natural Capital Preservation

Environmental systems play an important role in determining human wellbeing. Water, forests and clean air provide social and economic benefits. Climate change, biodiversity loss, overpopulation and pollution threaten nature, societies and economies. They degrade ecosystems on which economies depend. As the International Union for Conservation of Nature-IUCN states, “Cities are where the difference can be made as city authorities often show genuine leadership in protecting the natural environment, and pursue ambitious targets beyond those set at national and international levels. They recognise the immense potential of using ecosystems, such as forests, wetlands, peatlands and urban green spaces, for climate change adaptation and mitigation. These ecosystems can store carbon and purify water, improve the health and wellbeing of citizens, and reduce the impacts of flooding and the urban heat island effect.”\(^{117}\)

Building Back Better

While targeting 2.0C, the Paris Agreement offered nations the opportunity for a more ambitious limit of 1.5C. The Special Report on Global Warming of 1.5C made clear the significant benefits to the global health, environment and economy that would result from the more ambitious target. Recovery from Covid-19, if it is not going to lead to future projected and unexpected shocks, must be consistent with these high ambitions.

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Part 7. A Call to Action: Addressing Current and Future Shocks

There will be no addressing the ongoing social and economic effects of the Covid-19 pandemic without collaboration between national and local governments, as well as international organizations, such as regional development banks, and the private sector. While city leaders have increasingly acted in concert to address global challenges, they have also made clear the need for financial resources and innovation to meet both short and long term challenges. In Buenos Aires in 2018 and Tokyo in 2019, U20 mayors offered policy guidance for improved multi-level governance and finance to the G20 host. Leading organizations such as The Coalition for Urban Transitions, C40 Cities, and Metropolis have offered similar guidance. The post-Covid urban, national and global world will be shaped, in part, by whether such guidance becomes reality.

- The G20 have developed and are continuing to refine collective and individual recovery programs in response to the social, economic, and environmental impacts of Covid-19 on the national GDPs of nations and the key sources of their national incomes, cities.

  Recommendation: In so doing, consider steering these recovery investments to seven key areas listed below that directly affect, though by no means exclusively, cities and urban areas: 1. green construction and retrofits; 2. clean mobility; 3. renewable energy; 4. active transport; 5. nature-based solutions; 6. waste and resources; and 7. research and development for clean technologies.

- The recovery efforts will demand the collective action of multiple levels of government, the private sector and civil society.

  Recommendation: Promote innovative collaborative tools, partnerships or contracts that coordinate responsibilities and resources across levels of government to meet concomitantly place-specific needs, national objectives, and global commitments related to health safety long term objectives, resilience and sustainable development, in an effective and transparent manner;

  Recommendation: Foster citizen engagement to rethink social, environmental and economic measures for the recovery phase by engaging communities in decision-making and implementation, and continuing to use digital tools for more permanent solutions to structural inequalities.

- The recovery efforts will require substantial funding from multiple sources directed to key sectors and engines of growth grounded in evidence-based decision-making.

  Recommendation: Harness innovative mechanisms to engage with the private sector in the recovery phase, notably property developers, institutional investors, and financial institutions, including improving the regulatory frameworks to foster private sector investment in cities’ public infrastructure and resilience
capacity building, and developing mechanisms for municipal bonds where not currently available.

**Recommendation:** Enable the creation of a city-led “Global Urban Resilience Fund,” with a dual mandate: 1. to address Covid-19’s ripple effects in cities with funds to be disbursed directly to cities for the adequate provision of essential services to their populations; and 2. To rebuild back better today and to prepare for future external shocks.

As a G20/U20 initiative, manage and govern this fund as a city-friendly effort - in compliance with national/ international laws and guided by global agendas as the SDGs, the Paris Agreement and the New Urban Agenda - to offer access to both timely resources to long-term financing needed to develop resilient infrastructure and capabilities;

- **Recommendation:** Work with and through national offices and diplomats, to increase the channels of direct collaboration between cities and associated international financial institutions, such as regional development banks, and to improve access to finance through the development of new direct financial facilities. Adapt or reform such institutions to offer direct concessional and non-concessional funds so that cities may invest in areas important to their economic, environmental and social goals with longer terms and lower interest rates with special financial facilities. And in so doing, develop special financial lines for such large urban projects, such as metro line constructions, purchase of electric buses, affordable housing or urban regeneration, public health and health care systems, tourism, food systems and other areas.

- **Recommendation:** Promote data collection and analysis of urban data to enable national decision-makers to reflect or adjust their fiscal and monetary policies to target or strengthen the key elements of local government budgets to support their goals for economic growth, equity, and sustainable development.

- **Recommendation:** Strengthen open government initiatives to expand and facilitate access to public information, increased transparency and accountability of decision-makers, as well as instances of co-creation of public policies while promoting the collection and analysis of urban data to enable national decision-makers to adjust or target their fiscal and monetary policies to support local government functions.
Annexure
City Case Studies

This Annex includes case studies from participating cities. Key points from the case studies are covered extensively in the body of the report and in boxes. To facilitate further policy exchange and future research, we have also provided the case studies in their full form.

Amsterdam Case 1

Amsterdam Covid 19 Recovery Measures

City, year:
Amsterdam, 2020

Context Setting
The City of Amsterdam was widely affected by the Covid-19 pandemic.

Challenge faced
Ensuring just recovery of the corona crisis across all sections of society.

How it was addressed

Overview of measures adopted by the city of Amsterdam

Social affairs
- The initiative ‘Everybody connected’ makes 1000 refurbished laptops and 1350 internet connections available to elderly people and citizens with a low budget who lack these facilities.
- The city has a number of initiatives for domestic violence, including general mental health guidance, and spousal and child violence prevention. In addition to hotlines, victims can go to the pharmacy and use the phrase “mask 19” to indicate they need help; the pharmacist will alert the authorities for help. The campaign to prevent domestic violence and child abuse has a dedicated website with user-friendly guidance: (https://www.ikvermoedhuiselijkgeweld.nl/)
City Case Studies

Amsterdam Case 1

- Connecting Citizens - Through the “Joined Hands” (Voor Elkaar in Amsterdam) initiative, volunteer residents in neighborhoods provide a number of peer services such as practical help with groceries, or even just a phone call to discuss their shared experiences during the pandemic and ask questions. (https://voorelkaarinamsterdam.nl/)
- Connecting Communities - The platform www.wijamsterdam.nl connects independent community initiatives (300+) on a single platform for an easy search of help and resources in different neighborhoods.
- The City of Amsterdam has also prioritised mental health resources during the pandemic through its Thrive Amsterdam initiative (https://thriveamsterdam.nl/). Through this, the city organizes monthly network meetings, fosters networks for knowledge development and dissemination, and is developing a mental health action plan for 2020.

Support to homeless people
- Amsterdam has provided day and night shelters at different locations available for homeless people while maintaining social distancing. Currently, day shelters are available for 100 people
- Vulnerable families have been moved to hotel and hostel rooms

Education
- The City of Amsterdam provided 6300 chrome books - which were distributed among schools. Students can borrow these devices as long as the schools are closed. There is one laptop available for each family. Additionally, Amsterdam has set up 800 wifi hotspots around the city.
- Parents of children in preschool paid a fee depending on their income. Presently, fees are still being paid, even though children are not attending their pre-schools in-person. During the pandemic, the City will cover these fees for parents that do now receive a childcare allowance from the National Government.
- In collaboration with schools, daycare will be made available for children who are in an unsafe family situation
- For children who experience difficulties studying at home, the city has made special provision for these children to attend school a few hours a week
City Case Studies

Amsterdam Case 1

Work and income
- Using financial aid provided by the National Government, the City of Amsterdam supports local independent entrepreneurs with income support and business credit so that local businesses are supported during the pandemic.
- So far, 31,421 independent entrepreneurs have applied for government support. This marks a significant increase in government-provided general income support when compared to the last five years.

Arts and Culture
- The City of Amsterdam has announced a €17 million short-term relief package for arts and culture focusing on cultural organisations usually funded through the City’s Plan for the Arts.
- Applicants are encouraged to reach out to citizens (digitally) and reflect on the current crisis. The amount ranges from €1,500 to €5,000.

Technology Office
Given that most activities have moved online and dependence on networked architecture has increased significantly, the City of Amsterdam has a number of initiatives to monitor this. In particular, the Technology Office is focused on monitoring digital and cyber safety, and the stability and resilience of internet services in Amsterdam. The office is also focusing on research to determine both, what impact these digital measures have had on the spread of the virus, as well as the best technology suited to easing the lockdown-process, and opening up the economy.
City Case Studies

Amsterdam Case 1

**Economic measures**
The City has announced a 50 million euro emergency fund to cover these measures during the Corona crisis.

<table>
<thead>
<tr>
<th>Economic measure</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6000 chromebooks and internet connections*</td>
<td>€50,000,000</td>
</tr>
<tr>
<td>Suspension of collection of commercial waste</td>
<td>€780,000</td>
</tr>
<tr>
<td>Reduction of collection interest taxes</td>
<td>€200,000</td>
</tr>
<tr>
<td>Waiver of advertisement taxes 2020</td>
<td>€9,900,000</td>
</tr>
<tr>
<td>Waiver of taxes on terraces until 01 July 2020</td>
<td>€1,800,000</td>
</tr>
<tr>
<td>Waiver of fees for markets until 01 June</td>
<td>€800,000</td>
</tr>
<tr>
<td>Distribution of 3500 refurbished laptops + 1350 internet connections</td>
<td>€810,000</td>
</tr>
<tr>
<td>Risk reservation for granted deferred payments **</td>
<td>PM</td>
</tr>
<tr>
<td>Supporting measures for sports sector</td>
<td>€5,300,000</td>
</tr>
<tr>
<td>Reservation for youth summer program</td>
<td>€4,000,000</td>
</tr>
<tr>
<td>Support to food suppliers for vulnerable groups</td>
<td>€175,000</td>
</tr>
</tbody>
</table>

**Lessons learned**
City Case Studies

Amsterdam Case 2 with Helsinki

Access to EU Recovery Funds: NextGenerationEU

City, year:
Amsterdam and Helsinki 2020

Context Setting
On 27th May, the European Commission presented proposals for economic recovery after the pandemic. This was followed by the announcement, on 21st July, of a seven-year Monetary Framework from 2021-2027 with a budget of €1,074 billion and a three-year Recovery Fund from 2021-2023 with a budget of €750 billion.

The recovery fund is built around three pillars:
1. Supporting Member States in recovery;
2. Boosting the economy and supporting private investment;
3. Drawing lessons from the crisis.

Challenge faced
The main challenge for cities is to access these EU funds. Cities have been the hardest hit by the crisis but this is also where leadership has the potential to deliver a more resilient, sustainable and inclusive future for Europe.

In June 2020, Eurocities, a network of 190+ large cities in Europe, issued a joint statement with four main requests. First, that EU funding and finance should be directly channeled to where it is needed the most, to cities. Second, that cities get a seat at the table in decision-making regarding the pandemic. Third, that recovery policies and related-EU funding boost the power of cities to take action on climate change and meet the climate neutrality goal for 2050. Finally, that EU funding supports cities for a fair and inclusive recovery in cities such that no one is left behind.
City Case Studies

Amsterdam Case 2 with Helsinki

How it was addressed
To address the covid-19 pandemic and prepare for future emergencies, Cities call for:

- Clear references to the application of the principles of partnership and multilevel governance in the regulatory framework.
- A stronger local dimension in the European Semester process, assessing urban needs and local investment gaps.
- Support at EU level for the meaningful engagement of cities in the development of the national recovery and resilience plans.
- Direct access of cities to the funds during the recovery period for both quicker deployment and greater impact of the funding at local level.
- EU funding and recovery policies boost the green and digital transformational power of cities and support local efforts for a fair and inclusive recovery.

Lessons learned
City Case Studies

Buenos Aires Case 1

Assistance channels – The case of “Boti”

City, year:
Buenos Aires – 2020

Context Setting
A key concern of city officials was to ensure that the local system was not overloaded and did not collapse during a pandemic. The Emergency Medical Attention System (SAME107) is the city’s main helpline and source of emergency medical services, Buenos Aires officials needed to provide quick local emergency and health responses to people with suspected symptoms without overloading this system.

Challenge faced
Diversifying Buenos Aires emergency assistance channels in order to ease crowding in hospital guards and increase the capacity and rapid response of the Buenos Aires Health System during the pandemic.

How it was addressed
Buenos Aires had an existing chatbot, Boti on WhatsApp that residents used to access the latest news including on the traffic and parking, safety maps, schools, and transit stations. During the pandemic, the city expanded the use of Boti to handle the surge in Covid-19 cases and to diversify the city’s emergency assisted channels. Using artificial intelligence, city residents were able to register queries regarding Covid-19 on Boti, and get responses that included immediate referrals to medical professionals working in one of the 18 emergency febrile units outside hospitals for suspected cases.
City Case Studies

Buenos Aires Case 1

This significantly reduced pressure on traditional response services. As of September 2020, it has handled almost 250,000 queries, with a response rate up to five times quicker than the traditional telephone emergency response line.

Additional technological improvements include enabling digital prescriptions and digital medical records, new software to map the development of confirmed cases, a hospital survey app, and patient self-monitoring technology.

Lessons learned
Technology is a fundamental ally to face a health emergency. From its development and implementation, the Government can provide greater support to the Health System at all levels.
City Case Studies

Buenos Aires Case 2

**Early identification and contact tracing in vulnerable neighbourhoods**

**City, year:**
Buenos Aires - 2020

**Context Setting**
In June 2020, about 30% of all Covid-19 cases in the City of Buenos Aires were in vulnerable low-income, high-density neighborhoods, otherwise known as “villas”.

**Challenge faced**
Reducing the transmission of the virus in low-income neighbourhoods

**How it was addressed**
At the start of May 2020, the national Health Ministry and the City of Buenos Aires launched “Plan DetectAR”, a program to proactively contact trace, detect, and isolate cases early on in dense and vulnerable neighborhoods, and to provide safe quarantine facilities for those unable to do so at home. Beginning with a phone call, close contacts of people who tested positive for Covid-19 are identified and tested. Positive cases are then quarantined in hotels for a period of 7 to 10 days, while moderate to serious cases are referred to hospitals for treatment.

So far, Buenos Aires have tested 20,000 people and identified and isolated 9,000 cases. The success of the operation can be seen in Barrio 31 (the largest vulnerable neighbourhood, located in central Buenos Aires); where the DetectAR operation also uses mobile units for better outreach and faster turnaround.
City Case Studies

Buenos Aires Case 2

Plan DetectAR allowed Buenos Aires to successfully identify and isolate cases. The contagion rate has dropped from 2.6 to 0.8 percent, and 21st June was the first day with no new cases in the neighborhood.

Lessons learned
Buenos Aires responded quickly to the Covid-19 surge in line with World Health Organization (WHO) guidance for early detection, isolation and case treatment, the trace of contacts, and promotion of social distancing.

Buenos Aires was able to demonstrate successful pandemic control especially in more populated and vulnerable neighbourhoods.
City Case Studies

Buenos Aires Case 3

Budgetary management during a pandemic

City, year:
Buenos Aires - 2020

Context Setting
The economic impact from the COVID-19 pandemic is still on the rise and the strain on public resources has left the city in a difficult budgetary situation.

Challenge faced
In terms of budgetary management, the crisis presented a double challenge. While the city has to increase and allocate resources to critical areas such as health, human development and habitat, the city also needs to manage and mitigate the drop in revenues owing to the reduction in economic activity.

How it was addressed
Buenos Aires designed a plan for the reorganization of public accounts to strengthen critical areas, with three main tools:

• The City passed an Economic and Financial Emergency law to protect and strengthen the power of the city to access and use financial resources during this crisis period.
• Financing instruments to generate resources in the fight against the pandemic
• Internal reorganization measures of city Government, focused on the reorientation of the budget and on the management of Human Resources

Lessons learned
When a crisis like Covid-19 pandemic hits, local governments usually do not have the liquidity needed to respond to all the demands of their citizens. Therefore, it is critical to provide local governments with direct and easy access to emergency funds in order to achieve an effective response and a quick recovery.
City Case Studies

Buenos Aires Case 4

Coordination with private sector and civil society

City, year:
Buenos Aires – 2020

Context Setting
From the start of the pandemic, Buenos Aires was cognizant of the fact that the city government would not have all the answers to face this unprecedented challenge and that the city would have to collaborate with the private sector, civil society organizations and academia for innovation and co-creating solutions to fight the growing pandemic.

Challenge faced
Maintaining a permanent dialogue with the private sector, civil society and academic community during a crisis, in order to empower and coordinate collaboration on multiple initiatives to face the Covid-19 pandemic.

How it was addressed
The city developed a strategy to work with 70 large companies, NGOs and universities on initiatives, ranging from donations and support for vulnerable communities and individuals, to facilitating educational qualifications and jointly developing solutions to support the easing of restrictions as the city gradually recovers.

• The private sector quickly adapted existing working models to co-develop more than 100 “safe protocols” with city officials
City Case Studies

**Buenos Aires Case 4**

- Volunteers from civil society organizations are collaborating to help those who need it the most, providing a critical response at the local neighborhood and community levels.

- Active participation from academia is critical to the city’s response. University hospitals are on the front line of the battle, providing critical health care and research. Universities have provided digital solutions to meet the needs of their students, allowing for social distancing measures. Experts from the academic world have participated actively in discussions regarding the preparation of the city for the New Normal.

**Lessons learned**

When collaborating with the private sector, civil society and academic community, local governments can improve their transparency and enable effective community engagement in their responses to the pandemic.
City Case Studies

Buenos Aires Case 5

Comprehensive plan for older people

City, year:
Buenos Aires - 2020

Context Setting
With people over 70 constituting 8 out of every 10 deaths related to Covid-19, a core priority of the city government was looking after the city’s older citizens.

Challenge faced
How to design and implement initiatives to support older people during the pandemic, especially those people living alone, and in vulnerable neighbourhoods.

How it was addressed
For older people living alone and those with disabilities, the city of Buenos Aires, launched the “Mayores Cuidados” volunteer scheme (https://www.buenosaires.gob.ar/coronavirus/mayorescuidados). Through this scheme local community volunteers provide older people and those with disabilities with assistance, including food and medicine purchases, and daily essential activities like banking operations. The program also provides recommendations for cultural activities, and a learning portal where older people can learn or teach based on their experience. To date, the programme has more than 40,000 volunteers and 12,100 beneficiaries with assigned volunteers.

The city’s measures to guarantee social distancing for this group include:

- Special health protocols for people over 70.
- Exclusive call centres for people over 70 and delivery companies catering to their needs.
- Extra-quarantine agreements and protocols were also put in place to ensure family members and apartment block porters are also able to provide food and care to older people.
City Case Studies

Buenos Aires Case 5

- Over 1,600 spaces in a number of centres, care homes and hotels with social distancing protocols and markers.

Additionally, the city has implemented measures to ensure older people are given emotional support and care:

- Cultura en Casa (Culture at Home) programme: Provides free entertainment for people at home, from theatre, opera and ballet, to museum and gallery tours, audiobooks and TV series. The platform has had over 3 million visits. Iconic productions from the Colon Theatre had over 200,000 views to date.

- Over 1150,000 proactive calls from volunteers to check-in and provide human contact.

- Psychological support.

Lastly, the city has set up 82 flu vaccine centres for older people over 65.

Lessons learned

In response planning and decision-making during a pandemic, it is essential to include women, older people, people of diverse sexual orientations and gender identities, among other vulnerable groups, in order to ensure that the public policies are effective.
City Case Studies

Buenos Aires Case 6

Vulnerable sectors

City, year:
Buenos Aires – 2020

Context Setting
As seen globally, it is clear that people in the most vulnerable situations are hit the hardest by this crisis, and the COVID-19 is exacerbating inequalities in society.

Challenge faced
How to design and implement initiatives to support the vulnerable population of the city during the pandemic, especially those living in poor neighborhoods, homeless people, and people suffering from domestic violence.

How it was addressed
Economic assistance and urban integration initiatives for vulnerable and at-risk populations have been strengthened:

- In vulnerable neighborhoods, the city worked with the national government on the DetectAR programme to identify, isolate and treat cases.
- 470 community kitchens have had increased food provisions by a third; local churches and clubs have been converted into shelters; new house payments for hundreds of families in vulnerable neighbourhoods have been suspended; local businesses have undergone training and support to provide services online.
City Case Studies

**Buenos Aires Case 6**

- 33 social inclusion centres and a further 7 shelters provide beds, food, showers and leisure activities - while respecting social distancing - for the city’s homeless people. The “Buenos Aires Presente” programme has increased its capacity and has over 100 staff on the ground every night to help homeless people find shelters (https://www.buenosaires.gob.ar/desarrollohumanoyhabitat/personasmayores/buenosairespresente).

- The city’s gender violence helpline has been reinforced, along with available refuge and halfway houses. Communication campaigns include a gender perspective, and digital education programs include courses for older people.

**Lessons learned**

It is crucial, especially in the context of a pandemic, to protect the most vulnerable groups and at-risk populations by designing tailored responses that ensure them economic assistance and access to public services.
City Case Studies

Buenos Aires Case 7

Social distancing in public spaces

City, year:
Buenos Aires - 2020

Context Setting
Buenos Aires’s first phase of public health response to COVID-19 focused on short-term measures to stop the virus spreading within the general population. Lockdown measures such as school closures, transport bans and workplace shutdowns initially helped to limit transmission of COVID-19. As these temporary containment measures are gradually lifted, the next phase focuses on longer-term risk mitigation in the city’s public spaces.

Challenge faced
How to design and implement initiatives to maintain social distancing in public spaces in the city during this current phase of reopening,

How it was addressed
Since the beginning of the pandemic, 100,000 square meters of the City have been identified for interventions to ensure social distancing, encourage local trade and avoid crowding in public transport:

- Certain streets and avenues have been closed, and approximately 100 streets are now pedestrianized to avoid crowds and encourage commercial interactions and the use of local public transport within the same neighborhood.
- Pavements with substantial pedestrian traffic have now social distancing markers.
- New safety protocols have been developed for the public bike-share and electric scooter scheme has been reactivated with new protocols
- Certain streets and avenues have been closed.
- Signage for children and youngsters has been put in place.

Lessons learned
The interventions that the city has carried out in the public space proved effective to guarantee social distancing. Buenos Aires will continue working to deepen these transformations, in order to safeguard its citizens as they return to their daily activities.
City Case Studies

Izmir Case 1:

Crisis Municipalism: An Institutional Innovation as a Response to COVID-19

City, year:
Izmir, 2020

Context Setting
Millions of people living in Izmir have been negatively impacted by the pandemic and faced with financial, social, and health-related difficulties. To effectively respond to the urgent needs of the citizens, Izmir Metropolitan Municipality reconfigured its operations for crisis management.

Challenge faced
The fundamental challenge was to balance the urgent needs of citizens in the pandemic, while managing the limited human and financial resources of Izmir Metropolitan Municipality in a timely manner.

How it was addressed
Izmir Metropolitan Municipality decided to change the regular modality of carrying out municipal operations and services. It switched into what it calls "crisis municipalism". To define new processes and to distribute administrative tasks, the Municipality issued a new directive entitled "working principles of crisis municipalism" on March 27th, 2020.

The directive parsed the municipality’s response through a critical incident management team, bringing together a team of experts and empowering them with the authority to resolve the crisis. Three bodies were established: 1) Crisis Management Supreme Board, which is Chaired by the Mayor, and consists of high-level Municipal executives, directors of municipal companies, representatives of
City Case Studies

Izmir Case 1:

the professional organizations, civil society organizations and trade unions, among other experts. 2) Crisis Management Executive Board, consisting of the Mayor, the Secretary-General, and one senior manager relevant to the nature of the crisis (for example, pandemics or disaster). 3) Scientific Board, which is a dynamic body consisting of relevant experts, and formed at the request of the Chair of the Executive Board.

Izmir Metropolitan Municipality covers all 30 districts of the province, with a population of 4.06 million and counting. The Municipality thus covers multiple organizations with different jurisdictions, levels of government, and professions. The directive takes this complexity into consideration, emphasizing coordination and cooperation between the district municipalities and the metropolitan municipality. The Mayor of Izmir, Tunç Soyer, invited all 30 district municipality mayors of Izmir to align strategies in the fight against the Covid-19; this resulted in a joint strategy against the pandemic. In line with Article 17 of the directive entitled “institutional structuring” suggesting task forces for innovative solutions against Covid-19, the Deputy Mayor of Izmir, senior executives of municipal companies, and the Mayor’s advisors now conduct joint activities with district municipalities and relevant stakeholders. Each of the managers was appointed to a different region outside the Izmir city center. The appointed managers have work in coordination with District Mayors and Metropolitan Municipality Local Management Services units.

Besides aiding people in need, these activities allowed the Supreme Board to centralise collection of valuable data for crisis management.

Another initiative of the Municipality is the Solidarity Campaign, a city-wide network that brings together professional organizations, business people, and volunteers for activities such as distribution of food and hygiene products to citizens. The following list includes some examples of the services provided by the Municipality:

- Distribution of 207,770 packages of food to citizens;
- Financial aid to 40,000 families;
- Food packages and financial aid to waste collectors;
City Case Studies

Izmir Case 1:

- Financial aid to vendors selling flowers;
- Accommodation for healthcare professionals; and
- In-house production of medical masks and hand sanitizers.

Lessons learned
In Izmir, establishing formal crisis management structures enabled more communication, interaction, and cooperation between institutions and citizens. Effective stakeholder engagement is critical for the fight against Covid-19. In the absence of such engagement between stakeholders, there would be much fewer resources available to the city during the pandemic.
Izmir Case 2

Using behavioral insights to tackle the crisis of COVID-19

City, year:
Izmir, 2020

Context Setting
The Izmir Metropolitan Municipality and the World Bank Group are working together on a new project to find more effective solutions for COVID-19.

Challenge faced
The pandemic has created highly complex problems that require innovative approaches. During this period, the Municipal revenues have declined while the expenditures have increased. While responding to this crisis, the Municipality has to continue vital ongoing projects on issues such as quality affordable housing and increasing the women’s workforce participation.

The Municipality faces three interrelated challenges at this time. The first is to increase revenues to provide a better quality of life for its citizens. The second is to incentivize citizens who have increasingly turned to cars for transport in the pandemic, to use more environmentally-friendly transport options. Finally, the Municipality needs to increase citizen engagement to create a more resilient city through participatory decision-making, increased cooperation and communication.

How it was addressed
The Municipality has identified five priority areas:

- Using behavior change to boost the economic activity produced by entrepreneurs and business people within the city.
- Provision of uninterrupted water supply during the pandemic by Izmir Metropolitan Municipality Water and Sewerage Authority (IZSU) even to those citizens unable to pay their bills at this time.
City Case Studies

Izmir Case 2

- Implementation of strict safety precautions by the General Directorate of Elektrik Su Havagazi Otobüs Trolleybüs or ESHOT to promote public transport services during the pandemic.
- Encouraging the usage of bicycles as a primary method of transportation within the city to decrease CO2 emissions.
- Increasing the active participation of citizens in decisions and projects of the Municipality. The Municipality and a team of experts from the World Bank Group have been working together to analyze the existing processes and to design and implement new ones that can provide success in the priority areas mentioned above.

Lessons learned
The usage of behavioral insights in policymaking is a very promising area. To get benefit from scientific and innovative approaches like this one, cities need to cooperate with institutions or other cities that have knowledge and expertise in the specific field. There are many opportunities for cities to develop new capabilities and implement new techniques when dealing with seemingly unsolvable problems.

118. In English: Electricity, Water, Coal, Gas, Bus, and Trolleybus
City Case Studies

Izmir Case 3

The first digital fair of Turkey, Shoedex 2020 by the Izmir Fair Company

City, year:
Izmir, 2020

Context Setting
The Izmir Fair Company, IZFAŞ is a public corporation aiming to increase economic activity within the city. As all the in-person crowded events around the world have been canceled due to the pandemic, IZFAŞ decided to digitize its fairs and provide an experience close to physical ones for businesses, to overcome the economic challenges caused by the pandemic. IZFAŞ brings the entire business sector of the city together. The Chairman of the Board of Directors of IZFAŞ is the Mayor of Izmir Mr. Tunç Soyer, and the presidents of the Aegean Region Chamber of Industry, the Aegean Exporters’ Associations, the Izmir Chamber of Commerce and the Izmir Commodity Exchange, are board members.

Challenge faced
COVID-19 presents significant challenges for the global economy. Postponing in-person economic events like international fairs, has curtailed the ability of the city’s economy to rebound from the pandemic. The challenge IZFAŞ faced was to create a safe space for economic and commercial activities to continue uninterrupted during this period.

How it was addressed
Digital fairs have been an important topic of discussion. IZFAŞ held the first digital fair of Turkey, Shoedex 2020, on shoe and leather sectors from June 1-3, 2020. The fair brought together 30 producer companies with 250 global buyers and exporters on a specially created B2B Shoedex platform (www.shoedex.events). Each company had a separate profile, on which they promoted their products, and even allowed for sales. Website visitors interacted with exhibiting companies through messaging, video calls, live events, and online seminars.
City Case Studies

Izmir Case 3

In all, Shoedex 2020 had participation from 35 countries. Participating companies reported receiving approximately the same number of orders they would have during an in-person fair. IZFAŞ continues to work on new digital fairs and making investments to create the best possible results for participants and the city’s economy.

**Lessons learned**

Digital fairs can compete with in-person ones effectively. They are also more environmentally friendly since they don’t require travel of large amounts of people. More investments for organizing digital fairs would contribute to the city’s economy significantly. The technological infrastructure used in these fairs must work seamlessly.
City Case Studies

Izmir Case 4

Izmir’s approach to supporting the agricultural sector during COVID-19

City, year:
Izmir, 2020

Context Setting
Izmir has a huge potential in agricultural production and has fertile agricultural fields. While the pandemic has not hampered food production in Izmir and other areas of Turkey, it has hit supply chains, which, in turn, has adversely impacted food supply in cities like Izmir, and the farmers, particularly small farmers and cooperatives, that ordinarily supply the food.

Challenge faced
COVID-19 has disrupted the supply chains. Small farmers and cooperatives had to be supported both, to protect them from the negative impacts of the pandemic and ensure food supply within the city. The challenge was to restore food supply-chains into Izmir, protect small farmers, and farming cooperatives from loss of livelihood during the pandemic, and use these measures to effectively deal with potential future crises.

How it was addressed
The Municipality established strong relationships with producer cooperatives. Through purchase agreements signed with these cooperatives, IMM was able to purchase and distribute food, including meat to tens of thousands of families in Izmir. They also used these agreements to purchase and distribute over 4 million litres of milk to around 153,500 children in need. To ensure that people had access to food at home during lockdown conditions, the municipality set up a portable market or ‘mobile market’ project; a mobile van brought essential food supplies to people’s homes.
City Case Studies

Izmir Case 4

Harvesting was hard hit by the pandemic as a number of workers were unable to work during the season. To tackle this, the City used the existing Bizizmir (‘We are Izmir’) platform (https://www.bizizmir.com/tr/katil/index#) to reach out to young volunteers aged between 20 and 35 years. IMM provided volunteers with masks, gloves, hand sanitizers, free transportation, and lunch. As a small reward, volunteers received a food package and a free pass for 35 rides for one week of harvesting.

Lessons learned
Supporting food producers and consumers is essential in times of crisis. New procedures must be used to become a self-sufficient, resilient, and crisis-proof city. Technology can be used as an enabler to bring producers and consumers together and to provide city-wide cooperation for the problems in agricultural production such as the lack of workforce for harvesting.
City Case Studies

Izmir Case 5

**IzQ: A city-wide cooperation to support entrepreneurship and Innovation in Izmir**

**City, year:**
Izmir, 2020

**Context Setting**
The COVID19 pandemic has resulted in a loss of jobs for people. In addition to ensuring the safety, health, and well-being of its citizens, IMM must also create necessary conditions that would strengthen the economy of the city.

**Challenge faced**
Pandemic has caused a deterioration in the economy all over the world. It has exacerbated unemployment and poverty. The City’s challenge was to create an enabling environment that would promote entrepreneurship that could be sustained in the long term, as well as use that to buttress the city’s economy during the crisis.

**How it was addressed**
In August 2020, the Governor of Izmir, in collaboration with the Ministry of Industry and Technology, the Izmir Chamber of Commerce (IZTO), Chamber of Industry, Commodity Exchange, the Aegean Young Business Association and Aegean Industry and Business People Association, launched a new initiative, the IzQ Entrepreneurship Centre Project (IzQ). IzQ has been envisioned as a single-window training and support service for new and existing entrepreneurs. IT provides skill training through classes, seminars, conference, and hackathons; peer mentorship workshops; links to critical supply chains; funding, both national and international; consulting services; and co-working office space for rent.
City Case Studies

Izmir Case 5

Through two centres at IzQ, the Entrepreneurship centre and Innovation centres, a network of people from eight of Izmir’s universities, thirteen industrial zones, two free zones, and four technology development zones will be formed. Entrepreneurs will be provided with both, mentorship and links to potential investors to advise, fund, and strengthen local small and medium enterprises to take off and last even beyond the pandemic.

Lessons learned

City-wide cooperation is essential to solving long-lasting problems. Building formal structures that bring city stakeholders together, would foster creative solutions, increase available resources, and the chance of success.
City Case Studies

Izmir Case 6

**New municipal services to prevent health crisis from turning into a social one**

City, year:
Izmir, 2020

**Context Setting**
The Municipality designed and implemented a wide range of new services to alleviate the negative impact of COVID-19.

**Challenge faced**
The pandemic has created a situation where critical health, food, livelihood, and essential services need to be specifically targeted to citizens. Izmir Metropolitan Municipality (IMM) is acutely aware that in the absence of a properly managed need-based package of services at the local level, a public health crisis could easily morph into an unmanageable social crisis.

**How it was addressed**
To date, the Municipality has provided the following services targeting the most vulnerable:

- 207,770 food packages delivered to families in need;
- 40,000 families received ₺ 400 (Four Hundred Turkish Lira) as direct cash assistance;
- In prioritized neighborhoods, soup was distributed to 82,500 citizens;
- 4,624,100 liters of milk was distributed to 153,500 children between the ages of 1-5 years;
- More than 300,000 masks were distributed to the citizens using public transport and in open-air markets;
- 54,160 healthcare professionals were supplied with snacks and food to improve their working conditions;
City Case Studies

Izmir Case 6

- 1,215 people received critical support from the Metropolitan Psychological Support Line;
- Izmir Water and Sewage Administration also granted payment extensions on water bills to 268,163 subscribers;
- 79 virtual concerts and events have been organized to entertain and keep citizens connected;
- 19,942 books distributed to home-staying children for recreational and educational purposes;
- 204,535 books, newspapers, and puzzles distributed to home-staying families for recreational purposes;
- Municipality supervised 64 open-air district markets for conformity of rules and procedures against Covid-19

Lessons learned
During this pandemic, IMM has endeavoured to counter negative externalities at different levels of governance. Targeting communities and neighborhoods has allowed IMM to focus resources on critical and immediate needs during this crisis.
City Case Studies

Madrid Case 1

Acuerdos de la Villa, a whole program of city measures to reboost Madrid after the COVID19 outbreak

City, year:
Madrid, 2020

Context Setting
In times as complicated as the current ones, cities are at the frontline of Covid-19 outbreak and response. The economic and social dimensions of the cities are hugely impacted. In such challenging times it is important for cities to develop comprehensive strategies for recovery.

Challenge faced
Maintaining wellbeing of Madrid City residents and accelerating Madrid’s economic recovery.

How it was addressed
Madrid City Council approved a pact ‘Acuerdos de la Villa’ (City Council Agreements), which is an action plan to deal with the pandemic and lay the foundations for recovery.

The ‘Acuerdos de la Villa’ contain measures in various areas (emergencies, health, mobility, economy, tourism, etc.) to guarantee the wellbeing of city residents and accelerate Madrid’s economic recovery.

These measures have been adopted after several meetings held since the beginning of June through four sectoral tables: the Social Table, which has approved 169 measures; the City Strategy Table, with 117 measures; the Economy, Employment and Tourism Board, with 38 measures; and the Culture and Sports Table, with 28 measures. With a total of 352 measures.

These four sectoral tables (established on May 25) submitted their proposals to the Agreements Coordination Table, which validated them on July 2 and they were unanimously approved on July 7 by the Plenum of the Madrid City Council.

Lessons learned
The Plan is still in operational phase.
City Case Studies

Mexico City Case 1

Non-motorized mobility plan for the “new normal”

City, year:
Mexico City, 2020

Context Setting
The Ministry of Mobility of Mexico City has implemented a strict sanitary strategy and disinfection protocols in all its public transportation systems (Metro, BRT, Trolley, Buses, etc.), however public transportation remains a high risk for virus spread due to high concentration of daily commuters. With the reopening of the city, new solutions were needed to facilitate mobility and prevent increase in the number of cases.

Challenge faced
Guaranteeing the mobility of people during the reopening process without increasing the risk of contagion.

How it was addressed
To ensure safe travel that respects social distancing, Mexico City has encouraged residents to use bicycles for travel and is augmenting the city bicycle network. Three main actions are being implemented -

1. Bicycle selling is an essential activity. Since non-essential activities were limited during confinement, this measure aimed at facilitating people to buy bicycles.
2. Temporary bike lanes are rolled out. 54 km of exclusive lanes in the main avenues of the city are developed to guarantee safety to cyclists.
3. ECOBICI - Free use of the public bicycles in these temporary lanes and discounts for new and renewed membership.
City Case Studies

Mexico City Case 1

More information:
https://semovi.cdmx.gob.mx/storage/app/media/Movilidad%20no%20motorizada%20hacia%20Nueva%20Normalidad.pdf

Lessons learned
When given non-motorized mobility opportunities to people, they are keen to make a transition in their chosen means of transportation. It is important to guarantee security to promote the use of bicycles as an alternative for urban mobility. Policies like this one require raising awareness, training and other information actions to be successful (for example, a biking school and tutorials on how to properly ride a bicycle in urban areas was developed). The number of cyclists on major routes has doubled.
City Case Studies

Mexico City Case 2

Priority attention neighborhoods

City, year:
Mexico City, 2020

Context Setting
The Chief of Government, Claudia Sheinbaum, established a traffic light system to coordinate the reopening of the city. This system considers the capacity of hospitals and analyses a decreasing virus spread pattern on a two-week time frame. This system displays an interactive map that shows COVID-19 cases by neighborhood in the city. The neighborhoods were selected based on the number of active cases and the rate of active cases per every 100,000 inhabitants.

Challenge faced
On June 29th, Mexico City started its reopening after three months of non-mandatory confinement. Restaurants, hotels, and other businesses resumed activities with strict sanitary protocols and capacity restrictions. Even with these precautions, the risk of contagion increased as people were coming back to the streets, using public transportation and interacting with other people. To prevent a new peak of the pandemic and prevent a collapse of the health system, it was necessary to better monitor and isolate those neighborhoods with higher concentration of positive cases. Fundamental to this strategy was the capacity to multiply testing kits available. This challenge to the health system required additional resources from the government, but also innovation and technology to facilitate data collection and processing.
City Case Studies

Mexico City Case 2

How it was addressed
Priority attention neighborhoods are the ones that concentrate 20% of COVID-19 contagion in Mexico City. The objectives of this initiative are to reduce activities and mobility in these specific areas; bring food supply, medical, and economic services closer to the population; facilitate confinement measures; and guarantee the right to health.

This program has six main activities:

1. Epidemiological monitoring, house by house, including medical supervision and testing.
2. Installation of health stands for medical consultation and testing.
3. Information campaigns on sanitary recommendations.
4. Special aid for households with one or more positive cases that include economic support and food provision to facilitate confinement.
5. Temporary suspension of commercial activities in public spaces.

To identify and monitor these priority neighborhoods, a georeferentiation platform was created. More information on https://covid19.cdmx.gob.mx/acciones/colonias-deatencion-prioritaria

Lessons learned
• Clear messages and proper information to people is fundamental to prevent contagion
• Innovation and technology are important tools for monitoring cases, but data collection and processing is the key
• Testing capacity (a huge financial and supply challenge at the beginning) is the best way to reduce contagion and isolate areas where positive cases are concentrated.
City Case Studies

Mexico City Case 3

Unemployment support for informal workers

City, year:
Mexico City, 2020

Context Setting
More than 50% of the economy is informal in Mexico City. As most cities, in order to prevent contagion, Mexico government reduced economic activities and started confinement on March 23rd. Families suffered a huge impact in their income, jobs were lost, and some small businesses had to close definitely.

Mexico City is the only entity in the country that has unemployment insurance. But the most vulnerable ones, those with precarious or temporary employment, people that sell their product in the streets, sex workers, etc. did not have access to that.

Challenge faced
How to guarantee that people that lost their jobs, but are not part of the formal economy, receive support?

How it was addressed
The Government of Mexico City decided to provide special economic support for non-salaried workers and people with temporary employment.

The general objective of this program is to reduce the economic impact produced by the sanitary emergency of people that were affected for the suspension of non-essential activities. A monetary support of approximately 75 USD for 2 months was given to more than 10,000 people (more than 1.5 million USD).

As most of the programs and strategies of the city, it aimed at reaching those people that are normally not considered in these policies and to reduce territorial inequalities.
City Case Studies

Mexico City Case 3

More information: https://www.trabajo.cdmx.gob.mx/covid19/apoyopersonas-trabajadoras-no-asalariadas
https://www.trabajo.cdmx.gob.mx/apoyo-personas-trabajadoras-eventuales

Lessons learned

- From the beginning, the Mexico City's Government program focused on reducing inequalities and most of its public policies are designed for this purpose. Inequality reduction policies should be strengthened.

- Economic support for the most vulnerable population can help in preventing future problems in the mid-long term, like increase in urban violence.
City Case Studies

Mexico City Case 4

Culture at home platform

City, year:
Mexico City, 2020

Context Setting
From the beginning of this administration (December 2018), culture was prioritized as one of the six action lines of the government program. With the title of “Mexico City, Cultural Capital City of the Americas”, different programs and initiatives were implemented to facilitate access to cultural activities, promote innovation, and engage vulnerable communities to guarantee cultural rights of inhabitants and visitors.

Challenge faced
Cultural activities and venues closed with the declaration of emergency in Mexico City. As in many other cities, this affected artists and people involved in production, logistics, and other activities related to its functioning.

But it also had an impact on people that had no access to culture and recreational activities during confinement. The challenge was to bring a quality cultural offer to people and contribute to the “stay at home” campaign.

How it was addressed
On March 21st, the Ministry of Culture launched a digital platform called “Capital Cultural en nuestra casa”, with the objective to guarantee cultural rights of Mexico City inhabitants and visitors in a context of COVID-19.

The cultural offer is huge and diversified: from virtual tours to national and international museums, music, theater, dance, concerts, cinema, and other activities through streaming. Special activities for children and youth were developed too.
City Case Studies

Mexico City Case 4

Mexico City is a global city and international cultural collaboration is fundamental in our strategy. This platform has exchanged content with three cities so far (Barcelona, Buenos Aires and Bogotá) and is planning to expand collaboration with others that have similar initiatives.


Lessons learned

Cultural service is critical to strengthen social ties and foster cooperation between communities during the Covid-19 pandemic. Participation in scheduled cultural events and activities virtually, supports artists and cultural workers to improve their financial conditions.
City Case Studies

Sao Paulo

Challenges faced by Sao Paulo and Efforts taken

Challenges

São Paulo, as the largest city in Brazil, had the highest absolute number of Covid-19 cases in the country. On March 20, City Hall declared a state of public calamity in São Paulo and has been taking all necessary measures and following World Health Organization’s recommendations to fight the spread of the disease in the city. The measures taken were concentrated in two main fronts; Public Health and Social Assistance.

The crisis generated by Covid-19 reinforced difficulties already faced by the city and brought new challenges. On March 24, the city issued the Municipal Decree nº 59.301, which regulates the receipt of goods in donation or lending, as well as donations of rights and services that are related to tackle the pandemic, free of charges for individuals and companies;

International cooperation and solidarity have been fundamental to going through this moment of crisis. City Hall, based on this decree, reached out for donations to consulates and chambers of commerce based in São Paulo, private companies and civil society.

During this period, we highlight public-private partnerships as well as partnerships with consular bodies, that provided goods and delivery logistics, which made possible the implementation of projects in a short time. The main international donors are the cities of Seoul, Shanghai and Shenzhen, the General Consulate of Turkey in São Paulo, General Consulate of Brazil in Tokyo, Bank of China, UNESCO, Brazil Food for the Hungry International and UNHCR.

By July 31st, more than 141 donations had been formalized to the Mayor’s Office. The estimated value of goods and products exceeds R$ 60 million (approximately US $ 11 million). Around 1.6 million food baskets were distributed in 1,206 areas of the city such as irregular settlements and poor communities, in association with the Red Cross. The food baskets were distributed according to a technical criteria, in line with registrations in the municipal area of social assistance. In addition, 798,461 hygiene and cleaning kits and 1,863,382 masks were distributed; more than 1,154 tons of food were received and donated, apart from food baskets.
City Case Studies

Challenges faced by Sao Paulo and Efforts taken

Among the donations, we stand out the following:

- **Personal Protective Equipment (PPE):** N95 masks, TNT fabric, hospital uniforms, face shields, disposable masks, preventive dressings;

- **Goods and products:** hospital beds, ventilators, air circulators, pillows, plastic chairs, transport vouchers, clothes.

- **Hygiene products:** soap, toothpaste, alcohol gel; Cleaning kits: bleach, disinfectants, liquid alcohol, washing powder;

- **Food kits:** food baskets, pizzas, cookies, margarine, coffee, mineral water, ground coffee; Animal products: dog and cat food kits;

- **Appliances:** cloth washer, cloth dryer, water purifier, refrigerators, coffee machines;

- **Services:** 5,438 hours of Deloitte consultancy, customs clearance and logistics by PGL Brasil, PICPAY donation by the app, dissemination of City Hall news through the Union of Engineers-SP, 120 hours of support for QLIKTECH System by Nórdica Softwares, software licenses by Microsoft, 3 months of license to use the Neoway Platform;

- **Monetary value:** General Consulate of Switzerland, Public Ministry of Labor, State Public Ministry, and receipt of Individuals.

**Efforts**

São Paulo City Hall is working on several measures to strengthen social isolation, safety and protection of the most vulnerable populations through health system expansion and actions to control and combat the economic crisis caused by the Covid-19

City Hall has engaged efforts to guarantee support to the homeless people and vulnerable population by increasing its investments in the area, in order to have enough shelters available respecting all the security health measures recommended by WHO - 8 new emergency shelters
City Case Studies

Challenges faced by Sao Paulo and Efforts taken

were built, with a total of 672 vacancies - 24 hours a day to accommodate them. Nonetheless, the city has provided vacancies in hotels to receive elderly homeless people, since they constitute a very high-risk population for Covid-19. Currently, 150 vacancies in three different hotels (Hotel Windsor, Hotel Rivoli and Grand Barão Hotel) were created to receive these population with the main goal of amplifying the social protection, ensuring conditions of social isolation. As the hotels did not have any extra expenses since all costs were covered by the municipality, this measure guarantees the protection of elderly people and creates some incentive to the tourism sector, that is facing a major economic crisis.

Through the Municipal Human Rights and Citizenship Secretariat, a public accreditation notice was opened for small businesses and restaurants, enabling income generation from the meals distribution during the socio-economic crisis caused by the coronavirus quarantine. The program “Rede Cozinha Cidadã” (Citizen Kitchen Network) is crucial for survival of gastronomic establishments, helping them to sustain themselves during the financial crisis. 736,825 meals were distributed since April 23th.

In addition, the “Cozinhando pela vida” (Cooking for life) project was created by the Municipal Secretariat for Economic Development and Labor aiming to generate income and food security for the vulnerable population. This project aims to support people in need, contributing to the improvement of the nutrition rates of children and adults and to the economic movement of commerce on the periphery of the capital. The action received an investment of R $ 1.7 million from City Hall (approximately US $ 31.4 thousand), for the production of 180 thousand meals, including lunch and dinner, scheduled to be delivered in two months. Priority was given to hiring up to 300 women cooks who are heads of household and needed to generate income in the quarantine period.

On July 17th, a municipal law was sanctioned to support enterprises and contributors economically impacted by the Covid-19. The law disposes a variety of economic measures for diverse sectors, such as suspending the exclusion of entrepreneurs and legal persons of municipal programs installment of debts, for non-payment, while the decree of Public Calamity remains in the city.
City Case Studies

Challenges faced by Sao Paulo and Efforts taken

Despite the pandemic, City Hall has not stopped working in the maintenance of the city, continuing projects such as the new Vale do Anhangabaú and 12 new CEUs (Unified Education Centers). With the maintenance of outsourced contracts and works, more than 108 thousand direct jobs were preserved. The municipality, following the guidelines of the São Paulo Plan, created by the State Government, is also authorizing the reopening of economic sectors with a secure and gradual economic recovery. The authorization was provided after the signature of a health protocol, with strict rules to avoid the dissemination of Covid-19, elaborated through the discussion between City Hall and representatives of each economic sector.

Certainly, the economic crisis caused by the pandemic of Covid-19 is a complicated and strong challenge. Therefore, measures that fight this challenge are essential to decrease the social impacts caused to the population and companies, enabling an improving finance and investment for a stable recovery. At the same time, it is necessary to ensure a secure recovery, balancing the economic resumption with strong health measures. São Paulo City Hall understands that it is through a joint work, combining public initiatives and programs with the private sector and civil society responsibility, that the city will recover from Covid-19 pandemic and its future shocks.
City Case Studies

Sao Paulo Case 1

**Solidarity City: São Paulo’s volunteer action against the Coronavirus**

**City, year:**
2020

**Context Setting:**
Considering the pillars of social, economic and environmental development, the city of São Paulo has shown responses to the confrontation of the Covid-19 pandemic. On January 30, 2020, the outbreak of the disease constituted a Public Health Emergency of International Importance - the highest-level alert from World Health Organization (WHO). On March 11, 2020, WHO characterized Covid-19 as a pandemic.

The city of São Paulo registered its first case on February 23, 2020. A month earlier (January 10), the City Hall had already started to prepare itself, developing strategies and systems to deal with the disease. The health crisis that has plagued the world adds to the other global and local challenges that already exist, exposing the most vulnerable populations to the consequences of the pandemic and forcing governments to take emergency measures to guarantee the rights of their population.

**Challenge faced:**
In a great action by multiple Secretariats, the Solidary City program was created as a collaborative project between the municipal administration, civil society organizations and the private sector to receive donations, mobilize volunteers and create a network to help families in situations of extreme vulnerability.

This action will be performed during the maintenance of the emergency and the state of public calamity declared by the Mayor, resulting from the coronavirus pandemic.

**How it was addressed:**
The Solidary City program allows the population to donate food and hygiene and cleaning baskets at nine drive-thru points distributed throughout the city. To encourage and facilitate donations, 27 bus terminals has become food collection points. The population can deliver non-perishable products daily, 24 hours a day. Donations are also received at metro stations and public facilities.
City Case Studies

Sao Paulo Case 1

Another way to collaborate with Solidary City by depositing an amount of money directly into the City Hall account. There are no restrictions on amounts and all funds raised are used to purchase baskets to help people in situations of extreme social vulnerability. Individuals or companies wishing to collaborate with large numbers of baskets, or with any of the specified items, can contact the City Hall through the citizen service call center, 156 Portal. In addition, through the website, an interactive map was created that georeferences the locations of donations and which entities received the products, so that the delivery divisions are balanced;

Donations are distributed through municipal services and programs. The Municipal Secretariat of Assistance and Social Development participates in this action through the Reference Center for Social Assistance and partner organizations; the Municipal Secretariat for Urban Development participates in partnership with the Brazilian Red Cross; the Municipal Secretariat of Education participates through the Solidarity Food Program; Municipal Secretariat for People with Disabilities participates through donation campaigns; Municipal Secretariat for Economic Development and Labor participates through the Food Bank program and the Municipal Secretariat of Health is also part of the donation actions.

Lessons learned

Solidarity City Program showed the importance and strength of the articulation between the government and civil society to face this health but also social crisis that we are facing.

Until July 31st, 1,634,274 basic food baskets, 798,461 hygiene and cleaning kits have been distributed and R$ 523,279.00 have been deposited in the program account.
City Case Studies

Rio de Janeiro Case 1

Food security during the COVID-19 pandemic

City, year:
Rio de Janeiro, 2020

Context Setting
Due to social distancing measures to avoid the spread of the new coronavirus, many households, especially those dependent on informal employment, had their income strongly affected. Food security for vulnerable students from the municipal education system is guaranteed through the regular distribution of school meals, organized and funded by the National School Feeding Program. Due to the suspension of classes, in the context of the COVID-19 pandemic, many students have had their access to nutritious food affected. In order to ensure food security for the population, the municipal government had to create support measures and reorganize its resources to meet the needs of those affected by the Covid-19 economic crises.

Challenge faced
Rio de Janeiro faced challenges in providing food to the beneficiaries of municipal food programs such as students of the municipal education network and customers of popular restaurants, as well as those whose income was affected by the pandemic.

In this context, the city faced financial challenges while purchasing emergency food baskets and distribution of vouchers for food purchase. It also faced operational challenges regarding the redistribution of the food produced in urban gardens and adherence to the modality of take away meals in popular restaurants. There was also the challenge of distributing the food baskets and vouchers in a social distance context, aiming to safeguard the health of the professionals and their families.
City Case Studies

Rio de Janeiro Case 1

Additionally, Rio de Janeiro faced procedural challenges in redirecting resources from the municipal school meal program to adapt to the emergency context. The program is oriented towards the principles and based on the financial resources of the National School Feeding Program. In order to mobilize the resources required from the National School Feeding Program and redirect them to adapt to the emergency context, a federal law authorizing the distribution of the food vouchers to families or individuals responsible for the students paid for through National School Feeding Program resources was exceptionally necessary.

How it was addressed

In order to ensure food supply to vulnerable families during the pandemic, Rio de Janeiro City Hall provided a total of 70,000 emergency food baskets that were distributed for families that are not beneficiaries of cash transfer programs, and whose children are enrolled in the municipal school system. This was the biggest program of food baskets delivery in Brazil as a response to the COVID-19 pandemic. In April, the municipal government of Rio de Janeiro initiated the distribution of food vouchers to students whose families are registered in the federal cash transfer program Bolsa Família, as well as in the complementary municipal cash transfer program, Família Carioca. From July, the voucher distribution was extended to all of the 641,000 students of the municipal education system, whose families started to receive a monthly payment of 50.00 BRL (9.8 USD) per student. To this date, around 21 million BRL (3.8 million USD) were invested in cash transfer for food purchase.

Given the suspension of classes, the food products produced by the 42 urban gardens of the Hortas Cariocas Program, which were intended for school meals, were redistributed to the families of the most vulnerable students, as well as churches and orphanages. Between March and August 2020, more than 5000 kg of food from the Hortas Cariocas Program were donated to underprivileged communities in the city.
City Case Studies

Rio de Janeiro Case 1

Aiming at increasing the protein intake of the most vulnerable population affected by the new coronavirus pandemic, the Jardim Anil urban garden in the neighborhood of Jacarepaguá was the first to install an aquaponics system for fish farming. Through a partnership with the federal company Embrapa - The Brazilian Agricultural Research Corporation - the first fish tank of the Hortas Cariocas program will produce 1 t of tilapia per month, which will be distributed to communities which had their food security compromised by the pandemic.

The redistribution of food from Hortas Cariocas follows a determination of Mayor Marcelo Crivella who, at the end of March, instructed that the entire food production of the program be distributed free of charge to families in situations of food insecurity.

Lessons learned

Covid-19 represents an unprecedented challenge to the strategic planning of the city, its public policies and food supply systems. The circumstances required to rethink the physical accessibility of municipal policies, reorganize resources and distribution systems in a short period of time, increase government agility to remain responsive and particularly support families and individuals in need.
City Case Studies

Rio de Janeiro Case 2

Emergency Health Structure for Fighting Against the Covid-19 Pandemic

City, year:
Rio de Janeiro, 2020

Context Setting
Considering the international examples of metropolises affected by the new coronavirus, where the lack of Intensive Care Unit (ICU) beds and adequate equipment hamper the treatment of Covid-19 patients, Rio de Janeiro City Hall ramped up the municipal health care structure to face the advancement of the new coronavirus pandemic.

Challenge faced
Rio de Janeiro faced financial challenges in the emergency budget for health expenses related to the fight against the Covid-19 pandemic. Measures requiring funding included:

1. the construction of a field hospital to support the additional demand for ICU beds for patients infected with Covid-19,
2. the assignment and preparation of a specialized municipal hospital for the treatment of coronavirus patients,
3. the procurement of equipment and medications suitable for the treatment of the disease and
4. the hiring of health professionals to serve the population and to cover for the employees that were prevented from working, due to the risk of infection.

There were also non-financial, operational challenges related to the coordination and management of the activities mentioned above.
City Case Studies

Rio de Janeiro Case 2

How it was addressed

In order to tackle the demand for health professionals, the City of Rio opened around 5,000 temporary positions related to the combat of the new coronavirus. The range of the vacancies went from direct posts for Covid-19 reference hospitals to positions at other municipal health units. The contract period for these positions is determined by how long the crisis caused by the new coronavirus lasts. From the start of the activity to August 2020, the municipal health company, Rio Saúde, spent 2.7 million BRL (490,000 USD) on newly hired health professionals.

On May 1st, Rio de Janeiro City Hall opened the Riocentro field hospital to exclusively treat patients infected by the new coronavirus. With a capacity of 500 beds, 100 of which are Intensive Care Unit beds and 15 are equipped with resources for hemodialysis, the hospital is staffed with more than 2,000 professionals, including doctors, nurses, nursing technicians, physiotherapists, intensivists, dialectologists, and other health professionals. The City of Rio de Janeiro invested 10 million BRL (1.8 million USD) on the implementation of the field hospital, which costs 25 million BRL (4.5 million USD) per month to operate.

As part of the municipality’s COVID-19 contingency plan, the Ronaldo Gazolla Municipal Hospital was designated as the main reference unit for COVID-19 treatment. The hospital has a capacity of 381 beds, 201 of which are Intensive Care Unit beds (182 for adults and 19 for children and adolescents) and acts as the city’s main institution within the municipal health system for the treatment of patients with severe COVID-19 symptoms in need of hospitalization.

The expenditures of Municipal Secretariat of Health and the Municipal Health Company, Rio Saúde, for the purchase of health items for the fight against the new coronavirus, such as materials for medical use, uniforms, drugs and medicines, as well as laboratory materials, add to date a total of 220 million BRL (40 million USD). Together, both municipal health bodies have invested a combined total of 400 million BRL ($ 72 million USD) since the beginning of the pandemic.

Rio de Janeiro additionally supports 22 other cities in the State of Rio and three other state governments in Brazil, by lending health equipment and medication.

Lessons learned

The unprecedented sanitary crisis of the Covid-19 demonstrated that investments in the public health system are crucial to fairly save the lives of citizens.
City Case Studies

Rio de Janeiro Case 3

Fundraising channels

City, year:
Rio de Janeiro, 2020

Context Setting
In the context of the municipal efforts to fight the new coronavirus pandemic, the city faced an abrupt increase in public spending. Rio de Janeiro City Hall developed new fundraising channels to collect donations from partner governments, private companies and individuals to meet the sudden, additional funding needs.

Challenge faced
As most cities from developing countries, Rio de Janeiro did not have sufficient domestic resources and fiscal flexibility to fund an adequate response to COVID-19 and adopt recovery measures. As the COVID-19 crisis was unprecedented, Rio de Janeiro did not know the intensity or scale of the pandemic’s effects. In this context of instability, the fear of not having the necessary resources to protect their own needs, prevented other agencies from allocating additional resources to the City of Rio de Janeiro. New channels of fundraising were needed to meet the sudden increase in financial needs.

How it was addressed
In order to raise the necessary capital to tackle the sanitary and social crises derived from the Covid-19 pandemic, the municipality of Rio de Janeiro created the Emergency Fund to Combat COVID-19 (FECC) on 15 April 2020, in order to receive donations from individuals and private companies. The resources raised through the emergency fund are for the exclusive use of Rio de Janeiro’s health authorities to respond to immediate treatment needs of the health crisis, with a part being diverted to technological and scientific research of public institutions to combat the new coronavirus (e.g. development of medicines and administering disease detection tests). The expenses and effective results of the FECC are published on the website of the City Hall of Rio to ensure the transparency of the Funds actions and spending.
City Case Studies

Rio de Janeiro Case 3

With the same goal, the “Rio+International against Covid-19” initiative was launched to collect in-kind donations from partner cities, consulates, chambers of commerce and companies, to be distributed in the municipal health and assistance systems. By 30 June 2020, 95 international cities, 67 companies, 22 trade associations, as well as diplomatic representations, were contacted to support the municipality in the fight against the new coronavirus. The “Rio+International against Covid-19” initiative collected more than 500 thousand supportive goods from national and international partners, including personal protective equipment, medicines, and other fundamental supplies to provide the adequate conditions of hygiene and health to our citizens. The approximated value of those donations add up to 2 million BRL million (362,000 USD).

The municipality also sought to strengthen international cooperation through newly created channels for the exchange of good practices. In March and April, virtual meetings were held between the Municipal Health Secretariat, the Sub-Secretariat for Protection and Civil Defense and the Rio Operations Center with Chinese, European, and Latin American cities to exchange experiences.

Lessons learned

The unprecedented health crisis of COVID-19 demanded new alternatives for fundraising and innovative ways for cooperation. The City of Rio relied on solidarity ties between public, private and civil society actors in order to save lives. International cooperation proved fundamental for safeguarding the well-being of citizens. The exchange of knowledge and solidarity among actors within the city as well as its global partners highlights the importance of shared values to foster social progress and safeguard quality of life.

The success of the “Rio+International against Covid-19” initiative demonstrated the major role of global partnerships and local cross-sector cooperation, solidarity and partnership in achieving Sustainable Development Goal 17. In this context, local governments are at the front of the Covid-19 pandemic and are the closest governmental level to the lives and realities of citizens, facilitating the empowerment of communities.
City Case Studies

Rio de Janeiro Case 4

Accountability in the fight against Covid-19

City, year:
Rio de Janeiro, 2020

Context Setting
The sudden reallocation of resources and receipt of new funds to fight Covid-19, raised the concern for ensuring full transparency on the financial processes related to the pandemic.

Challenge faced
The Municipal Comptroller-General’s Office of the City of Rio de Janeiro adapted technological tools to ensure transparency in the reallocation of resources to combat the Covid-19 pandemic and ensure social participation in the control of the expenses.

How it was addressed
All the data related to the financial process of the Covid-19 combat, are made available in the four management panels at the website Rio Accounts Portal, which allows the population to monitor how and where public resources are invested to combat the pandemic. The accountability tool was implemented in accordance with Federal Law 13,979/2020, which establishes measures to deal with this public health emergency of the new coronavirus outbreak. The web portal provides information on expenses such as recruitment of staff, equipment, provision of outsourced services, among other expenses. The information can be tracked in three phases: commitment, settlement, and payment. In the case of a purchase of ventilators for municipal health units, for example, there is a commitment to reserve the required budget, as a proof that the City has available resources to make the purchase. Settlement indicates the effective provision of the service or confirmation that
City Case Studies

Rio de Janeiro Case 4

the asset has been delivered, and the payment information documents the successful transfer of funds to the provider of the procured goods or services. The indication of expenses and contracts is the responsibility of each public agency, which is obligated to update the legal procedures in the City’s budget control system, Fincon. Within 24 hours, the platform translates the data and disposes the information on the website to ensure full transparency on government spending to combat the pandemic.

Lessons learned

The government’s emergency funds of COVID-19 and the reallocation of resources created the opportunity to reinforce the City commitments to transparency. In this sense, all the data related to the expenses of Rio de Janeiro City Hall to the fight against the new coronavirus are available at the City’s Transparency Portal, ensuring accountability and the participation of citizens in public control.
City Case Studies

Rio de Janeiro Case 5

Temporary Shelters for Vulnerable Population

City, year:
Rio de Janeiro, 2020

Context Setting
The population living on the streets is among the most unprotected groups to face infection from coronavirus, alongside residents of the peripheries, the elderly, and people with morbidity.

Challenge faced
In the context of the Covid-19 pandemic, the City of Rio faced the challenge of protecting the vulnerable population from the virus infection.

How it was addressed
In order to protect the street population from the spread of coronavirus, Rio City Hall opened six new temporary shelters. Among which stands out the conversion of the municipal school of the Sambódromo Complex into temporary shelter, as an example of adaptation to the new reality. In all, 600 people have already been welcomed in these spaces that offer lodging, food, social and psychological support.

Another risk group of the coronavirus is the elderly, especially those who live in vulnerable communities, whose homes, where many people live, do not favor social isolation. Aiming at protecting the elderly from poor communities, Rio City Hall, through a partnership with the hospitality sector, has made available three hotels in different neighborhoods, to shelter this population. In addition to the hotel rooms, the municipality government is also offering food and laundry services.

Lessons learned
The pandemic revealed many of the social inequalities and showed that in order to be prepared for future shocks, more investments in social protection will be needed. Short term measures helped in responding to the pandemic and curtailing its outbreak to an extent, however focused resiliency policies and financing are critical for cities to prepare well for future emergencies.
City Case Studies

Rio de Janeiro Case 6

Road to the Sink

City, year:
Rio de Janeiro, 2020

Context Setting
In the context of the Covid-19 pandemic, frequent hand washing was recommended by health specialists as one of the most effective ways to prevent contamination.

Challenge faced
Despite the recommendation of regular hand washing as a way of preventing the spread of the new coronavirus, it was observed that the population of the City of Rio de Janeiro, especially the population under social vulnerability, did not have access to hand washing facilities in public venues.

How it was addressed
Observing the lack hand washing facilities in public places, especially in poor neighborhoods, after the request for support of City of Rio de Janeiro to face the challenges of the Covid-19 pandemic, a private company of hydraulic products offered a donation of thousand sinks for hand hygiene to be installed in public places in the city of Rio de Janeiro.

Bearing in mind that the water supply service is not an attribution of the municipal government, it was necessary to establish a collaboration mechanism between secretariats of Rio City Hall, the State Water and Sewer Company of the State of Rio de Janeiro, the private sector partner and a NGO working in vulnerable communities to execute the project.
City Case Studies

Rio de Janeiro Case 6

The project has three phases of implementation and the conclusion is scheduled for August 2021. The Road to the Sink aims to improve the hygiene conditions of the population, preventing the spread of infectious diseases such as the Covid-19.

Lessons learned

Although its harmful effects, the crises resulting from the Covid-19 pandemic mobilized different social sectors in order to save lives and improve the living conditions of the population. The Road to the Sink project will be a legacy for the city of Rio de Janeiro, which, by improving the hygiene conditions of the population, will be able to avoid contamination by several other infectious diseases.
City Case Studies

Rome Case 1

Health and IT Projects

City, year:
Rome, 2020

Context Setting
Health and Information Technologies to tackle the crisis

Challenge faced
- Need to put in place immediate and urgent measures to decrease the effect of the pandemic
- Need to collect all information related to Covid-19, for an immediate help
- Need to have all useful information for the restarting city activities post lockdown

How it was addressed
1. **Hotel converted in hospital unit to host people affected by Covid-19** - In an effort to augment the health capacity of Rome, The Marriott Hotel, close to Covid-19 Hospital, has been converted into an hospital unit, available for the people recovering from the infection. It became a “Light Healthcare Facility” that offers 162 places for patients who are clinically recovering but still need to be monitored in the non-acute phase of the disease or shall still remain in observation period of approximately 10 to 14 days.

2. **Celio Military hospital becomes a 150-Seat Covid-19 Hospital** - The creation of the Covid-19 hospital at the Celio is framed into a national network of hospital structures, which will become the anti Covid-19 main center for Central and Southern Italy. It has 150 beds for the sick, 50 of which will be used for intensive or sub-intensive therapy
City Case Studies

Rome Case 1

3. **Thermal body temperature scanner**: Temperature check of passengers at Termini Station - Temperature of the passengers at Termini railway station have been checked; the passengers had to fill out a questionnaire to know where they have been, where they come from and whether they have been in contact with any people already positive to Covid-19. In compliance with a standard operating procedure, agreed with the Spallanzani Hospital of Rome, passengers with fever can be directed either to an hospital centre or forced to remain at home in lock down

4. **Rome and Italian Army together for sanitation of Roman parishes**: Sanitation of 337 parishes that are part of the Diocese of the capital has been conducted, through a collaboration agreement with the Italian Army in coordination with Rome Municipality. The external and internal areas of churches have been sanitized (Internal areas of the places of worship was sanitized upon request)

5. **The “ROMA AIUTA ROMA” Site**: RomaAiutaRoma (Rome helps Rome) is a site created to collect all information relating to the Coronavirus emergency: useful numbers, ordinances, measures. It is also a platform with which citizens can interact. It is possible to report critical issues and needs, offer services for the community, get to know all the contents that Roma Capitale is making available day after day to bring culture and entertainment directly to citizens’ homes. Browsing on RomaAiutaRoma, it is possible to know the services available for the most fragile segments of the population. In the other sections you can consult the measures adopted by the Municipality, collaborate to promote initiatives, join a fundraiser or report initiatives of public utility. In the “Collaborate” section, businesses, small traders and citizens can make themselves available for public utility initiatives. Through the “Donate” section you can instead join the fundraiser.

6. **The “Roma Riparte” Website**: All the information for restarting the city after lockdown is made available on a new platform designed specifically by the Capitoline administration for citizens. The site collects useful information on the timetables of the Capitoline and municipal offices, on public transport, schools, kindergartens, and cultural events in the city.

**Lessons learned**

- Repurposing of idle infrastructure has helped Rome to augment health and medical capacity of the city
- Effective collaboration with other government agency helped to respond better to the pandemic and in controlling the virus spread
- Information sharing and digital engagement with citizens helped in raising awareness and tracing.
City Case Studies

Rome Case 2

Multiple Social Project

City, year:
Rome, 2020

Context Setting
Multiple social projects were conceptualized and launched to support different sections of society during the pandemic

Challenge faced
- Effective Support to families and individuals in need
- Care and support to the disabled and homeless
- Economic support to the people in need
- Support for foreigners and tourists
- Revive the cultural life

How it was addressed
1. Meal vouchers for municipal employees transformed into Funds for the weakest: Meal vouchers of the workers of Roma Capitale have been donated to charity in favor of the most disadvantaged social categories
2. Applications for support of online shopping: Possibility for less well-off families and in conditions of economic difficulty to apply online for the disbursement of expenditure support, consisting of contributions of up to 500 euros, assigned on the basis of the household and delivered through meal vouchers. The Administration has allocated a total of 22 million for the purchase of food. 66,000 shopping vouchers have been distributed.
3. Extraordinary contribution for the 2020 rent: Contribution granted to families in difficulty, requested through an ISEE certificate, which can cover up to 40% of three months’ rent for the year 2020
City Case Studies

Rome Case 2

4. **Use of local Civil Protection and its volunteers:** To help vulnerable people, by providing groceries at home since the start of the pandemic and during its peak. Home care for the elderly, the people with disabilities and in quarantine has been provided for the supply of food and medicine; Civil Protection has answered many calls (almost 9,000 in the first three weeks) to the Operations Room for clarifications and information on the emergency and field work.

5. **“AFTER US” Initiative:** Project aimed at taking care of people with serious disabilities and without any family support.

6. **Covid-19 health prevention “Binary 95” pilot project for homeless people:** Monitoring of negativity at Covid-19 with free serological tests for homeless people inside Termini Station. Homeless canteens are kept open following safety distance guidelines; City centers for homeless opened 24 hours a day instead of 15 hours a day prior to the pandemic.

7. **Economic support to the people in need:** Roma Capitale issued a Public Notice for the assignment of the economic benefit to people or families in financial and social difficulties due to the current emergency situation, caused by the spread of COVID-19, with the aim to help them meet the most urgent and essential needs. The eligible subjects are identified among the families most affected by the economic effects of the Covid-19 virus, prioritizing those not already assigned for public support. Non-resident citizens unable to reach their place of residence can also apply for the benefit. The payee will receive the "shopping vouchers" to purchase food and/or basic necessities, in paper form or by accreditation on the mobile phone/smartphone. Benefits will be paid on three rates:
   - up to € 300 for families composed by 1 or 2 people;
   - up to € 400 for families composed by 3 or 4 people;
   - up to € 500 for families composed by 5 or more people.

   *Citizens with difficulty can also contact the affiliated newsstands, which provide support to send the application forms. In addition, support is provided from parishes, no-profit associations and city volunteers.*

8. **Citizenship food for families in difficulty**
   The first Social Market in Rome Capital dedicated to families in difficulty opens in Ostia. A market where you don’t need money to shop but a card that will be recharged through the time that people will dedicate to socially useful jobs for the city.
City Case Studies

Rome Case 2

9. **Distant But Near**, an intervention plan for social inclusion. The project provides a facilitated access of foreign citizens to the integrated system of services. Schools, social and health services in the area were involved to deliver the service, through different tools:
   - Socio-cultural mediation;
   - Orientation and information on local services;
   - Psycho-social support;
   - Clarifications and updates on the COVID emergency - 19

   *All citizens who wish to take advantage of it are supported by a telephone and remote service, active in the Italian, English and Spanish languages, and on request, also in Bengali, Arabic, Chinese and French.*

10. **Museums**: In the most difficult times of the crisis, museums were closed, and all cultural activities stopped. Cultural institutions of Roma Capitale launched a program of online activities called **#LaCulturaInCasa** to entertain people at home with original contents, readings, lessons for children, conferences, concerts and virtual tours of museums.

   *Civic Museums System of Roma Capitale is present on the online platform www.google.com/artproject developed by the Google Cultural Institute. Users can appreciate approx. 800 high-resolution images of the most significant works of several museums:*
   - Musei Capitolini
   - Planetario di Roma
   - Museo di Roma in Palazzo Braschi
   - Museo dell’Ara
   - Mercati di Traiano
   - Museo dei Fori Imperiali
City Case Studies

Rome Case 2

- Centrale Montemartini
- Teatro Di Roma
- Istituzione Biblioteche Di Roma
- Palazzo Delle Esposizioni
- Macro
- Teatro Dell’opera
- Auditorium Parco Della Musica-Fondazione Musica Per Roma
- Casa Del Jazz
- Fondazione Cinema Per Roma
- Casa Del Cinema
- Accademia Nazionale Di Santa Cecilia
- Romaeuropa Festival
- Nuovo cinema Aquila

Lessons learned
Projects are in implementation stage
City Case Studies

Rome Case 3

Economic Projects

City, year:
Rome, 2020

Context Setting
The local economy in Rome was strongly affected by the outbreak of COVID-19. Gastronomy businesses as well as small neighborhood businesses came under acute pressure.

Challenge faced
The city of Rome faced a strong need to restart economic activities heavily struck by COVID-19. This included reopening gastronomy businesses like bars and restaurants, which needed to be reopened while maintaining social distancing measures and regulations. Secondly, small businesses in the city faced double pressure from mandatory closure of their shops while consumers became more used to online shopping platforms to meet their consumer needs via home delivery. The city needed to provide small shops with new ways of marketing their products and safely delivering them to customers under COVID-19 conditions.

How it was addressed
1. **Enlargement of the concession of public soil for bars and restaurants**: On 30 April the Capitoline Council approved a resolution that expands the concession of public land for bars, restaurants in the capital up to a maximum of 35% more than what was already allowed, upon presentation of a specific project to the relevant municipalities, within 20 days of receiving the relative instance.

2. **Manufacturing activities, selection of e-commerce platforms**: To revive small neighbourhood businesses, increasing sales in compliance with current health regulations: a public notice for the selection of web platforms has been published by Roma Capitale that aggregate the city’s offer of merchants and artisans, to be merged into the RomaAiutaRoma section of the institutional portal. The aim is to help trade operators to start again with a dedicated virtual showcase, which allows citizens to view the products from home and then buy online safely, with the possibility of home delivery.

Lessons learned
Projects are in implementation stage
## City Case Studies

### Rome Case 4

**Transport projects**

**City, year:**
Rome, 2020

**Context Setting**

Improvements of Rome’s transportation system have been ongoing before the COVID-19 pandemic through measures like the creation and implementation of Rome's Sustainable Urban Mobility Plan (SUMP), which utilised a people-oriented planning process that places accessibility and quality of life at its heart, alongside economic wellbeing, social equity, public health, and environmental sustainability. These existing measures aim at promoting multimodality and minimising private car use by individuals, improving road and public transport safety, boosting public transport capacity, increasing shared mobility services (e.g. car, bike, and van sharing) and engaging in more mobility management activities. COVID-19 provides a new challenge to Rome to increase safety and accommodate social distancing requirements within the ongoing transition of its transportation system.

**Challenge faced**

Since the outbreak of COVID-19, Rome needs to monitor the traffic flows in order to counter the spread of coronavirus and to ensure an orderly and safe use of public transport. Alternative means of transportation need to be provided to compensate for the public buses running on only half their capacity due to social distancing measures. At the same time, pollution and the mobility system needs to be reduced and “greener” means of public transport need to be provided.

**How it was addressed**

1. **Creation of a city forecast platform for monitoring data on traffic and displacement:** Roma Capitale will use the technological support provided by TIM and Olivetti with their City Forecast platform and the support of Data Angels. The companies will take care of the anonymous and aggregate monitoring of data related to traffic and movements within and outside the municipal area. They will allow a constant analysis of flows and movements, in a safe way and in full compliance with current legislation, to counter the spread of the coronavirus and,
City Case Studies

Rome Case 4

subsequently, to support the decisions that the Capitoline Administration is having on the issue of movement inside and outside the City.

2. **New guidelines for the use of sharing services in “free floating” mode:** To encourage shared mobility systems, also in anticipation of the reopening of city activities after the lockdown, the Capitoline Council approved the new guidelines for the performance of sharing services using scooters, mainly electric. Operators interested in providing the service must comply with minimum standards, such as the limit of means and areas of activity, and rules on circulation and parking similar to those already provided for bicycles.

3. **150 new parkings to incentive car sharing:** A new parking plan reserved for car sharing is being studied to promote shared mobility. The areas in question will mainly concern the Lungotevere and the parking areas near the bus and train stations. Reduction of the rent and incentives for those arriving from the suburbs.

4. **Project for 150 km of cycle tracks:** The Capitoline Council approved the first extraordinary plan for the establishment and construction of 150 kilometers of new transitory cycle routes, on the main streets of the city and on other “strategic” itineraries, to encourage active and sustainable mobility in Phase 2 of the sanitary emergency. A valid alternative to the use of a private car, especially in short journeys, also integrated with public transport, quickly creating an interconnected network of cycle lanes to relieve public transport from overcrowding.

**Lessons learned**
Projects are in implementation stage