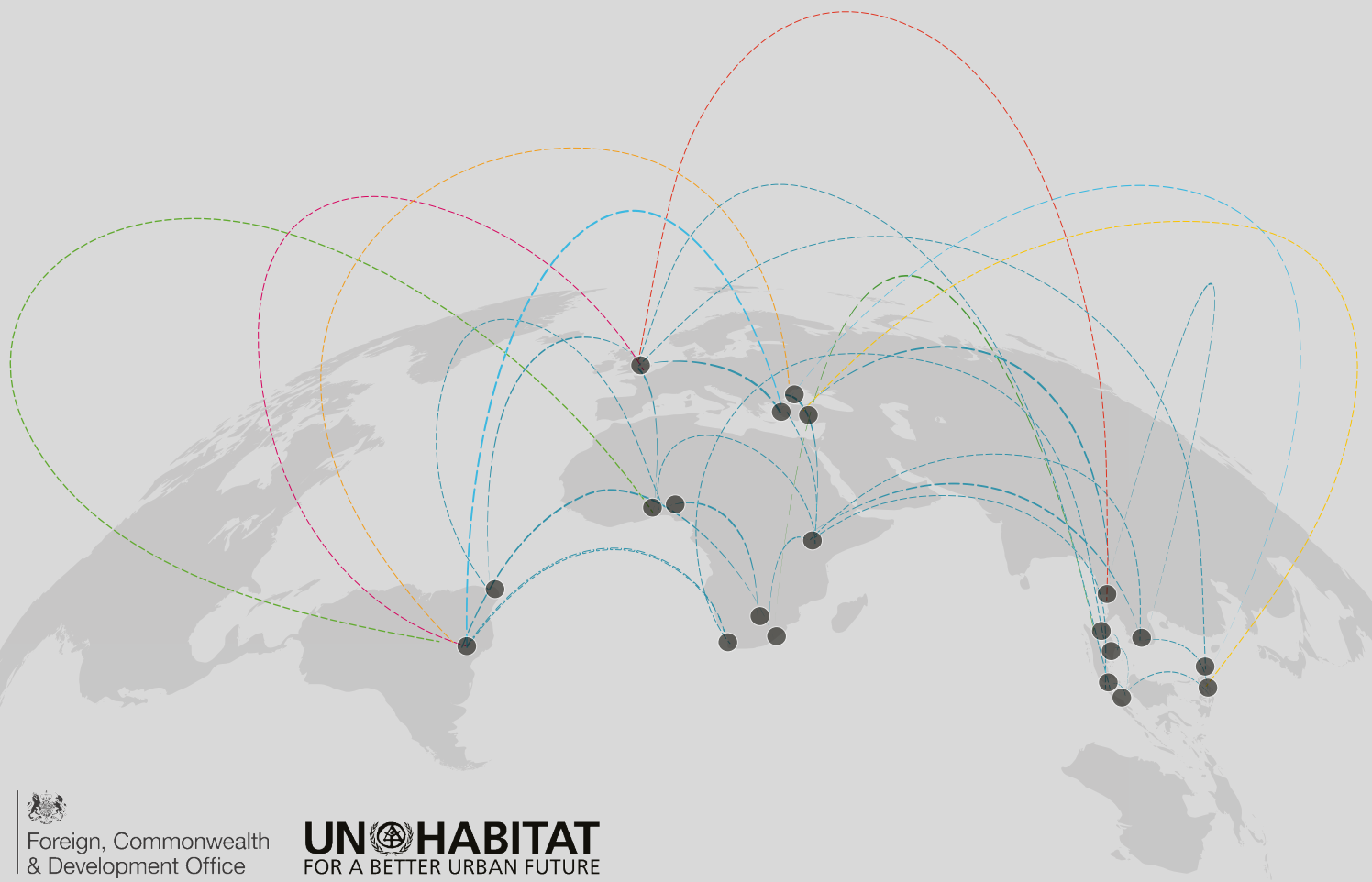


Partnering for Transformative SDG-Oriented Urban Development

Guidance for Multi-Partner Initiatives
from the Global Future Cities Programme



Foreign, Commonwealth
& Development Office

UN HABITAT
FOR A BETTER URBAN FUTURE

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Partner Initiatives
from the Global
Future Cities
Programme**



Who is this report for?

Based on experiences from the Global Future Cities Programme (GFCP), this report provides guidance to international donors, city authorities, UN agencies, and delivery partners about how to design and run multi-partner urban development initiatives that drive transformative impact and accelerate SDG implementation in rapidly urbanising cities.

Why read this report?

The GFCP is a three-year multi-partner programme, funded by the UK Foreign Commonwealth and Development Office (UK FCDO), that promotes sustainable development and increased prosperity in 19 cities in 10 countries. It provides technical and strategic support to cities, including knowledge sharing, with a focus on accelerating local SDG implementation and building the capacity of city authorities.

The GFCP has valuable lessons for programmes that aim to support urban development projects that are deliverable, fundable, bankable, and sustainable. This report shares lessons learned, best practices, and recommendations from the GFCP about designing, implementing, operating, and evaluating international multi-partner programmes to ensure increased impact and local engagement with the SDGs.

This report is complemented by a [three-part podcast](#), that provides listeners with an inside look at how the Global Future Cities Programme has facilitated the design and implementation of sustainable, multi-stakeholder urban projects across the world. In addition, the report is part of a series of normative publications generated by the Global Future Cities Programme and published by UN-Habitat. The other publications include:

- [Laying the Foundations for Transformative Urban Interventions in Emerging Economies: the Value of the Strategic Development Phase in the Global Future Cities Programme \(2019\)](#).
- [Addressing Systemic Barriers for Achieving Sustainable Urbanization in Emerging Economies: Learnings from the 19 Cities of the Global Future Cities Programme \(2019\)](#).
- [Integrating the SDGs in Urban Project Design: Recommendations from the Global Future Cities Programme \(2022\)](#).

FOREWORD

In the Decade of Action, we need collaborative efforts to address emerging issues for a more prosperous, inclusive, and sustainable urban future. The 2030 Agenda for Sustainable Development provides the roadmap for global action. To meet the 17 Sustainable Development Goals (SDGs), we need actionable and localised initiatives that spur sustainable urban development.

The UK-funded Global Future Cities Programme has over the last several years brought partners from different sectors together to collaboratively develop and deliver 31 transformative local projects to drive prosperity and alleviate poverty, in 19 cities across 10 countries. Five private sector consortiums have together with respective city authorities developed projects with a focus on improved urban planning, mobility and transport, urban resilience, and data management.

UN-Habitat, as strategic and capacity building partner to the UK Foreign, Commonwealth & Development Office (UK FCDO), has supported delivery of the Programme through its urban lab. UN-Habitat has provided strategic advice and technical guidance to local authorities, while facilitating alignment of the projects with the New Urban Agenda and the SDGs, localising the global goals through the application of UN-Habitat's SDG Project Assessment Tool.

While every urban context is unique, there are common systemic challenges and barriers that can hinder progress towards a more sustainable urban future. The Global Future Cities Programme sought to address these by emphasising drivers and opportunities for development. The Programme facilitated capacity development and the transfer of knowledge among partners, both at the programme and project level.

This publication is one of a two-part series that shares insights and recommendations for global programmes that seek to drive transformative impact and accelerate SDG implementation in rapidly urbanising contexts. By sharing lessons from the Global Future Cities Programme, UN-Habitat aims to contribute to the development of more successful and impactful multi-stakeholder programmes, in both the short and long term, building on an inclusive and collaborative approach to programme design, set-up, and delivery.

This report highlights the value of aligning urban projects with the SDGs and other environmental, social, and governance criteria, also in order to increase the likelihood of sustainable project implementation and financing. It comes at a critical juncture – we have only eight years remaining to achieve the SDGs and their targets. We hope this publication, *Partnering for Transformative SDG-Oriented Urban Development: Guidance for Multi-Partner Initiatives* from the Global Future Cities Programme, will provide inspiration and guidance for how we can collectively work to accelerate progress on sustainable urban development so that no one and no place is left behind.



Shipra Narang Suri

Chief, Urban Practices Branch - UN-Habitat
Nairobi, Kenya, March 2022

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Acronyms

BIM	Building Information Modelling
CIF	Cities Investment Facility
FCSA	Future Cities South Africa
GBP	Great British Pound
GESI	Gender Equality and Social Inclusion
GFCP	Global Future Cities Programme
GIS	Geographic Information System
IGC	International Growth Centre
KPI	Key Performance Indicator
LGBTQ	Lesbian, Gay, Bisexual, Transgender and Queer
LSA	Local Strategic Advisor
NDCs	Nationally Determined Contributions
NUA	New Urban Agenda
ODA	Overseas Development Assistance
SDGs	Sustainable Development Goals
SIMMS	Smart Integrated Mobility Management System
TOD	Transit-Oriented Development
ToR	Terms of Reference
UKBEAG	United Kingdom Built Environment Advisory Group
UK FCDO	United Kingdom Foreign, Commonwealth & Development Office
UN-Habitat	United Nations Human Settlements Programme
UCL	University College London
VLR	Voluntary Local Review

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Executive Summary

An urgent need for accelerated action on the Sustainable Development Goals in cities

If the Sustainable Development Goals (SDGs) are to be achieved by 2030, there is an urgent need for strong international multi-stakeholder partnerships that drive transformation in cities and build the capacity of local governments for SDG-oriented sustainable urban development. All the SDGs have targets that relate directly to the work of local and regional governments.

By 2050, 68 per cent of the global population will live in urban areas, creating challenges for local governments, especially those in low-income and lower-middle-income countries, where urbanisation is happening the fastest. While cities face mounting challenges, they are also sites of solutions. When well-planned and well-managed, cities offer greater productivity, employment opportunities, and improved quality of life.

By supporting rapidly urbanising cities with transformative development initiatives, governments, institutions, and organisations can fulfil their commitments to meeting the SDGs and promote opportunities for increased prosperity. Programmes that tackle multiple challenges to sustainable urbanisation, and capitalise on the opportunities in fast-growing cities, can drive transformative change and support development pathways that build resilience, create economic opportunities, and improve the lives of people in cities.

Report overview

This report provides guidance for international multi-partner programmes that seek to go beyond the “business as usual approach” to sustainable urban development. It is based on experiences from the Global Future Cities Programme (GFCP), a three-year £80 million multi-partner initiative funded by the United Kingdom. The Programme supports 31 transformative projects that strengthen the enabling environment for sustainable urban development in line with the SDGs in 19 cities in 10 emerging economy countries.

The GFCP is a collaboration between the United Kingdom’s Foreign, Commonwealth & Development Office (UK FCDO), five private-sector delivery partners, UN-Habitat, and the UK Built Environment Advisory Group (UKBEAG).

This report shares best practices, lessons learned, and recommendations for how transformative multi-partner programmes can be designed and implemented to accelerate local SDG implementation. This is especially relevant since international donors, UN agencies, and financiers increasingly require that SDGs are integrated into urban development projects.

Key Messages



Delivering a transformative global programme (Chapter 2)

A **transformative approach** to urban development targets the institutional settings (e.g., governmental agencies and regulatory bodies) and sectors that need to be involved to drive change, maximise impact, and promote long-term sustainability.

To address complex urban challenges, programmes can link their activities around three **integrated components**: inclusive SDG-oriented project design, long-term capacity building for city authorities so they can address systemic changes needed to support long-term project implementation and governance, and a strategy for sharing knowledge to drive sustainable urbanisation within a programme and beyond.

A **transformative approach to urban development should consider replication and scalability, locally and globally**. Programmes can do this by promoting the exchange of learnings and best practices between city authorities, delivery partners, and other stakeholders, and raising awareness of critical issues for SDG-oriented project implementation.

A **multi-layer programme set-up calls for close collaboration and coordination among all partners, horizontally and vertically**. When collaborating with international and local partners it is important to consider:

- **Programmes need to establish buy-in from local and national governments** and align with a city's larger vision and strategy as well as national urban policies.
- **Embedding projects in relevant government departments**, with appropriate governance structures, helps make projects resilient to changes in government personnel, political cycles, changing city needs and priorities, and shocks like a pandemic.

- **When working in different cities, multi-partner programmes benefit from having strong local presence**, including among delivery partners, strategic partners, and donor organisations.
- **To create mutual understanding among partners it is necessary to define the roles and responsibilities for each partner, and establish lines of communication and reporting, from the outset**. Clear procurement criteria, operational set-ups, and regularising agreements provide partners with a framework for programme delivery.
- **Relevant stakeholders and communities should be given the opportunity to share their perspectives through inclusive participatory processes** and take part as collaborators in project definition, development, and implementation. Engagement should be inclusive and focus on Gender Equality and Social Inclusion (GESI)
- **The SDGs provide a powerful framework to steer different development partners towards a “common vision” that guides project delivery**. Projects should be aligned with the SDGs from the start.

Collaborations between different sectors and disciplines across international borders can be complex. There is value in including an entity (in this case UN-Habitat) that acts as a **strategic partner and knowledge manager**, providing technical support to facilitate activities on the ground and sharing knowledge across the programme.



Defining projects and creating a foundation for success (Chapter 3)

Development programmes need an effective foundational phase to assess local needs, set priorities, and lay the groundwork for stakeholder ownership in the long term. This should be done in a collaborative way that promotes buy-in at the local level. City officials, civil society groups, academics, private sector representatives, national government, and other key stakeholders, need to be included and have a voice to discuss local perspectives.

The needs of vulnerable groups and cross-cutting issues such as climate change, gender equality, and social inclusion should be considered during the initial definition of projects. Along with the SDGs, these should be clearly linked to a participating city's needs and context.

The long-term sustainability of projects is vulnerable to political changes, making buy-in from different sectors and actors critical for success. Stakeholders can help to improve the definition of projects and need to be aware of how they can contribute to potential interventions.

By aligning with the SDGs, transformative urban projects can contribute to accelerating local action that addresses climate change, promotes social inclusion and gender equality, and stimulates economic growth. The SDGs can be used as a common framework to define projects according to specific targets.

A long-term perspective and Theory of Change should be used when setting a programme's foundations to deal with complex urbanisation challenges that are typically rooted in factors ingrained in cities and societies.



Using the SDG Tool to guide project design (Chapter 4)

By integrating the SDGs in urban projects, city authorities and delivery partners can promote more inclusive and climate resilient development, while actively contributing to SDG implementation in the “Decade of Action” (the years between 2020 and 2030). Aligning urban projects with the SDGs also creates opportunities for access to alternative financing and revenue streams.

UN-Habitat's SDG Tool guides city authorities and delivery partners in developing urban projects that align with the SDGs. It translates the SDGs into achievable actions at the local level, improving the quality of urban projects and promoting an enabling environment that ensures the implementation and viability of projects in the medium and long term.

The SDG Tool helps create a “common vision” for cities and delivery partners while raising awareness about the SDGs. The process of using it builds the capacity of city authorities and delivery partners and prompts them to focus on issues such as gender equality, social inclusion, and climate change.

The SDG Tool is not used for impact assessment but rather as a project development tool. It is not just a “checklist” but is applied via an iterative process that brings stakeholders together to discuss the strengths and weaknesses of a project in an open dialogue.

Incorporating SDGs in the development of sustainable urban projects does not necessarily imply additional costs. However, SDGs need to be incorporated at the inception phase, or preferably earlier, and must be consistent with all subsequent project cycle phases and endorsed by all project partners.



Building capacity and sharing knowledge (Chapter 5)

To promote local ownership of projects and support an enabling environment for long-term implementation, programmes should strengthen municipal capacities for overcoming technical, financial, and legal barriers to project execution.

Before providing capacity building, it is necessary to identify and understand city authorities' capacity and knowledge needs from the bottom up. Asking cities what they need in terms of capacity development, and having conversations with local stakeholders, helps ensure that capacity development is relevant to city contexts and promotes local buy-in.

The GFCP shows how a multi-layered approach to capacity building can enable city-owned change for transformative urban development projects and promote long-term impact. This involved a capacity building programme at the programme level, the provision of capacity development by delivery partners for city authorities at the project level, and capacity building around SDG implementation through UN-Habitat's reviews of projects using the SDG Tool.

Multi-partner programmes operating across countries and regions generate valuable knowledge about sustainable urbanisation and inclusive development. The GFCP's approach to knowledge sharing shows how global knowledge about the SDGs can be made locally relevant (through sharing global best practices on urban development and SDG implementation with city partners), and how local experiences from cities can be shared globally (through a dedicated Knowledge Management Platform). The GFCP promoted peer-to-peer learning between city authorities through city-to-city events and knowledge sharing sessions.



Financing and realising SDG-aligned urban projects (Chapter 6)

The worlds of finance and sustainable urban development are converging and will continue to do so in the face of climate change and other threats to sustainable development. Investors are increasingly expecting sustainability to factor into their investments. The SDGs are seen as a “universal language” for financial investments. At the same time, Environmental, Social, and Governance (ESG) factors impact credit ratings.

SDG alignment makes projects more attractive to private investors. It also opens the door to additional sources of finance, including climate finance and social impact investing.

Integrating SDG metrics early in the process of urban project preparation can help produce impactful, bankable projects. Aligning projects with the SDGs improves project quality and creates a space for honest dialogue between project partners.

The SDG Tool enables project life cycle considerations to be built into financial planning. The Tool includes ratings of whether a project is based on a background assessment of the financial requirements needed for execution, maintenance, and operation, and whether long-term debt, operations, maintenance, and depreciation costs have a dedicated funding stream to draw from.

Aligning with the SDGs can help to de-risk projects, making them more resilient to climate change and disasters. Issues examined with the SDG Tool can help investors make informed decisions, identify vulnerabilities, and reduce uncertainty.

Main Takeaways

2030 is on the horizon. With the twin threats of climate change and a pandemic battering rapidly urbanising cities around the world, there is an urgent need for close and effective collaboration globally and locally.

For future multi-partner development programmes, UN-Habitat sees great potential for replicating aspects of the GFCP's approach to drive inclusive and sustainable urban development. Programmes that seek to drive transformational change in cities should aim to:

- **Work collaboratively with a diverse mix of partners** from different sectors, countries, and cities, while using the SDGs as a “common vision” to guide programme implementation.
- **Do a thorough assessment during the programme's foundational phase** to identify local needs, set priorities, define interventions, promote stakeholder buy-in, and lay the foundations for project success.
- **Apply a transformative approach** that targets the institutional settings and sectors that need to be involved to drive change, maximise impact, and promote long-term project sustainability.
- **Ensure that relevant urban plans and strategies are in place**, or developed, as a tool to help identify synergies between various projects and initiatives.
- **Integrate a long-term project cycle approach and Theory of Change** to increase the likelihood of project success at all stages (at programme and project level).
- **Empower city authorities to take ownership of projects** by building their capacity for tackling financial, legal, and spatial challenges, and establishing cross-departmental governance structures.
- **Bring partners together around a shared vision for SDG-aligned urban projects**, using tools like the SDG Tool, which translates the global goals into concrete and achievable actions at the local level, and empowers city authorities to steer delivery partners to integrate the SDGs into project deliverables.
- **Work with independent institutions, such as UN-Habitat, that can play the role of strategic partner and knowledge manager**, linking local and global thinking and experience of sustainable urban development, while providing technical support to facilitate work and activities on the ground.
- **Foster an environment for peer-to-peer learning** and exchange of global and local best practices, knowledge, and solutions.
- **Incorporate financial assessments and planning in the project development cycle**, and support cities in accessing alternative financing and revenue streams to ensure project realisation.



Figure 1: Istanbul city view, Turkey © UN-Habitat

01

Introduction

If the Sustainable Development Goals (SDGs) are to be achieved by 2030, there is an urgent need for strong international, multi-stakeholder partnerships that drive transformation in cities.

This chapter introduces the Global Future Cities Programme (GFCP) as an example of such a partnership. It highlights the programme's objectives and structure and provides an overview of the challenges and opportunities for sustainable urban development in rapidly urbanising cities.

1.1

Make or break in the Decade of Action

The years remaining until 2030 are some of the most critical for the [2030 Agenda for Sustainable Development](#). The actions taken during this time, known as the “Decade of Action,” will determine whether the ambitions of the 17 Sustainable Development Goals (SDGs), the global goals that aim to end poverty, avert destruction of the planet, and build a peaceful world, are met or not.

The challenges cannot be understated. As the Decade of Action began, the COVID-19 pandemic arrived, presenting the largest public health crisis in a century, and rolling back decades of developmental progress. At the same time, the climate crisis is deepening, threatening to push another 100 million people into poverty by 2030, most of them in Sub-Saharan Africa and South Asia.¹

Box 1.1 Why we need climate compatible urban development projects?

Since cities are responsible for over 70 per cent of global greenhouse gas emissions, major emissions reductions can be made by focusing on climate-compatible urban development.² Infrastructure influences [92 per cent of the targets](#) within the 17 SDGs³ and is responsible for 79 per cent of all greenhouse gas emissions and 88 per cent of all adaptation costs.⁴

“Three-quarters of the infrastructure that will exist in 2050 has yet to be built,” [says](#) United Nations Secretary-General António Guterres. “City leadership in using green materials and constructing energy-efficient, resilient buildings powered by renewable energy, is essential to achieve net-zero emissions by 2050.”⁵

Box 1.2 How cities can build back better after the pandemic?

Cities have been at the forefront of the COVID-19 pandemic, fighting an unprecedented public health crisis and dealing with challenges related to safe public transport, increased water and sanitation needs, use of public spaces, and the economic fallout from lockdowns. This has forced city leaders and planners to rethink the way cities operate.

UN-Habitat's 2021 report, [Cities and Pandemics: Towards a More Just, Green, and Healthy Future](#),⁶ looks at how cities can “build back better,” reducing the impact of future pandemics and becoming more equitable, healthy, resilient, and climate compatible.

The report highlights how cities need to prioritise health, housing, and security, and address climate change with nature-based solutions and by investing in sustainable infrastructure for low-carbon transport. It recommends that governments focus on policies to protect land rights, improve access to water, sanitation, public transport, electricity, health, and education facilities, and ensure inclusive digital connectivity.

Download the report:

https://unhabitat.org/sites/default/files/2021/03/cities_and_pandemics-towards_a_more_just_green_and_healthy_future_un-habitat_2021.pdf

“Our fragile planet is hanging by a thread,”⁷ said United Nations Secretary-General António Guterres, not mincing his words at the closing session of the 2021 United Nations Climate Change Conference (COP26), held in Glasgow. “We are still knocking on the door of climate catastrophe.”

In a fast-changing and deeply troubled world, rapid urbanisation is placing pressure on the world’s cities. By 2050, 68 per cent of the global population will live in urban areas.⁸ As urban populations grow, many governments will struggle to meet the needs of people in cities, especially in low-income and lower-middle-income countries, where urbanisation is happening the fastest.⁹

While cities face mounting challenges, they are also sites of solutions. Cities are drivers of growth, innovation, and greater societal freedom.¹⁰ When well-planned and well-managed, cities offer greater productivity, employment opportunities, and improved quality of life.¹¹ Progressive institutional change that advances the rights of women and minority groups also typically begins in cities.¹² By following development pathways that diverge from “business as usual” approaches, fast-growing cities can generate opportunities for transformative change that builds resilience and promotes economic opportunities.

Indeed, the actions taken in cities will shape the outcomes of the SDGs. All the goals have targets that relate directly to the work of local and regional governments.¹³ Local action on the SDGs can contribute to meeting up to 65 per cent of these targets.¹⁴ Most nations have signed up to report on their progress on the SDGs, and cities around the world are showing a growing interest in reporting on local progress through [Voluntary Local Reviews \(VLRs\)](#).¹⁵

Collaborative action and strong international partnerships that share knowledge, expertise, technology, and financial resources are needed to accelerate implementation of the SDGs in the limited time

remaining.¹⁶ This is the crux of [SDG 17](#), which aims to “strengthen the means of implementation and revitalise the global partnership for sustainable development.”¹⁷ At the same time, local action is needed on the ground in cities.

By supporting rapidly urbanising cities with transformative development initiatives, governments, institutions, and organisations can fulfil their commitments to meeting the SDGs and promote opportunities for increased prosperity. Programmes that tackle multiple challenges to sustainable urbanisation, and capitalise on the opportunities in fast-growing cities, can drive transformative change.

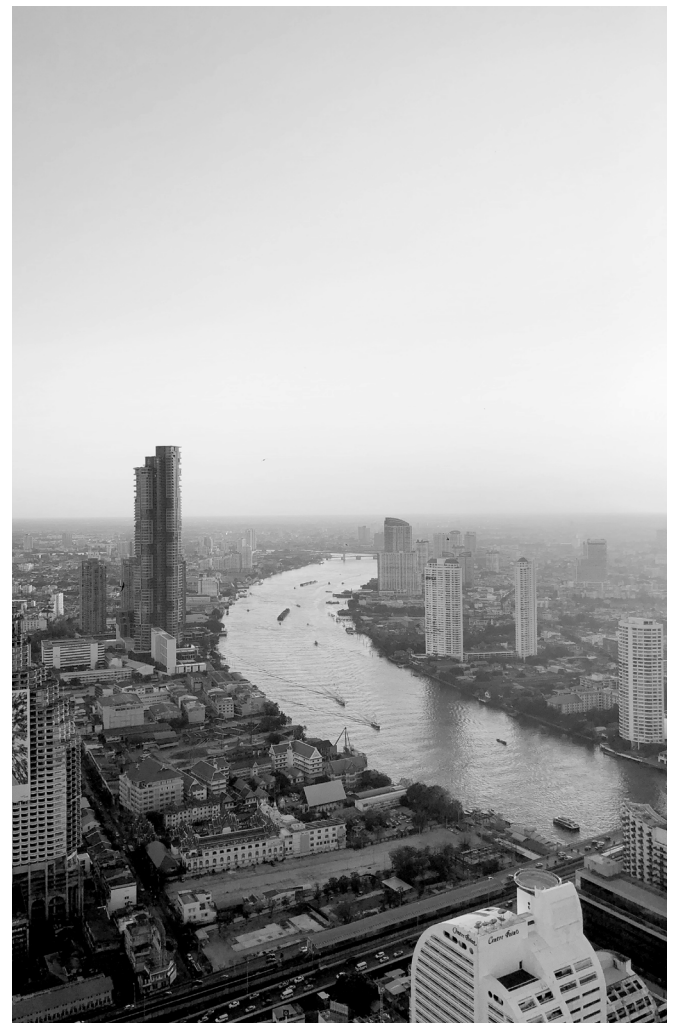


Figure 2: Bangkok city view, Thailand © UN-Habitat

1.2

The GFCP : supporting sustainable urban development in emerging economies

The Global Future Cities Programme (GFCP) is a 80 million GBP multi-partner initiative that exemplifies the ethos of SDG17. It was established in 2015, as a component of the UK Government's Prosperity Fund.¹⁸ The Programme supports 31 projects that strengthen the enabling environment for sustainable urban development in line with the SDGs in 19 cities in 10 emerging economy countries (Brazil, Indonesia, Malaysia, Myanmar,¹⁹ Nigeria, Philippines, South Africa, Vietnam, Turkey, and Thailand).

The GFCP aims for transformative development that leads to greater prosperity, reduction of poverty, inclusive economic growth, and gender equality. The Programme is underpinned by three intertwined thematic pillars (urban planning, transport, and resilience) supplemented by cross-cutting issues on smart technology, data, and project financing.

GFCP partners provide technical and strategic support to cities for spatial and strategic urban planning and urban design, the development of integrated transport systems and better urban mobility, and improved strategies to enhance resilience and deal with climate change. Many projects involve the use of smart technologies and improved data management to enhance evidence-based decision making.

The GFCP approaches transformative urban development by:

- Placing responsive interventions, built on an in-depth and spatially responsive understanding of urban needs and local conditions, at the core of its methodology.
- Providing guidance on actions city authorities and delivery partners can take to align their projects with the SDGs and local plans and strategies.
- Building capacity among city authorities based on real needs (with a focus on planning and management) and an emphasis on sharing peer-to-peer learning at the local and global levels.

The Prosperity Fund targets SDG 1 (No poverty), SDG 3 (Good health and wellbeing), SDG 5 (Gender equality), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation, and infrastructure), SDG 10 (Reduced inequalities), SDG 16 (Responsible consumption and production), and SDG 17 (Partnerships for the goals). The GFCP responds directly to many of these, while supporting the aim of SDG 11 to “make cities and human settlements inclusive, safe, resilient, and sustainable.” It also supports the ambitions of the [New Urban Agenda](#) (NUA), which mobilises Member States and key stakeholders to localise implementation of the SDGs.²⁰

Why focus on emerging economies?

By 2025, 440 cities in emerging economies²¹ are [expected](#) to contribute to nearly half of global economic growth.²² This growth creates opportunities for people to live more prosperous lives as incomes rise. At the same time, cities in emerging economies face numerous challenges. They are grappling with rapid urbanisation and uncontrolled urban expansion. Large numbers of people live in scattered and under-serviced settlements, disconnected from economic opportunities by long commutes on poorly functioning public transport. High levels of poverty and inequality persist. The growing needs for housing and services combined with inadequate planning pose huge challenges for local governments. Authorities may also need improved data systems and tools to make informed planning decisions. Structural barriers, such as poor or ineffective governance, weak regulatory or legal frameworks, and insufficient institutional capacity pose further challenges.

The GFCP recognises the potential to leverage the strengths of cities facing complex urban challenges. It tackles the systemic barriers in cities in emerging economy cities by building local capacity for long-term sustainable urban development.



Figure 3: SDG alignment of the Global Future Cities Programme

Box 1.3 Key concepts

- **Transformative urban development** means that the aim of an intervention goes beyond the immediate development needs, aiming to achieve broader catalytic change that fosters an enabling environment for urban prosperity.
- **Inclusive urban prosperity** encompasses productivity, infrastructure, quality of life, equity and inclusion, environmental sustainability, and governance and legislation.
- **Emerging economies are typically** developing nations that are transitioning from a low-income, less developed economy towards a modern, industrial economy with a higher standard of living.

“Emerging economies are where planning and managing urbanisation well or not will make all the difference. It will make all the difference in achieving the Sustainable Development Goals and...in achieving climate mitigation as well as adaptation.”

Dr. Shipra Narang Suri,
Chief, Urban Practices Branch, UN-Habitat

GFCP

LEAD PARTNERS

UK Foreign Commonwealth & Development Office

Donor and programme owner, including central programme management from London and active involvement of 10 programme managers in participating countries.

City authorities

19 local governments across 10 countries and the ultimate owners of the 31 projects. City authorities represent technical departments, such as urban planning, construction, resilience, and finance.

UN-Habitat

Strategic partner and knowledge manager.

United Kingdom Built Environment Advisory Group

Non-profit professional partner for capacity building.

Delivery partners

Five private sector consortia with global and local expertise responsible for local processes and the technical development of the 31 projects.

- PricewaterhouseCoopers/
Future Cities South Africa
- Adam Smith International/
Future Cities Nigeria
- Mott MacDonald/
Future Cities South-East Asia
- Arup (Turkey)
- Ernst & Young (Brazil)

10
COUNTRIES

19
CITIES

3
PILLARS
Risk & Resilience
Mobility
+
Data



Transformative
Programme



Foundational
Phase



SDG Tool



Building
Capacity

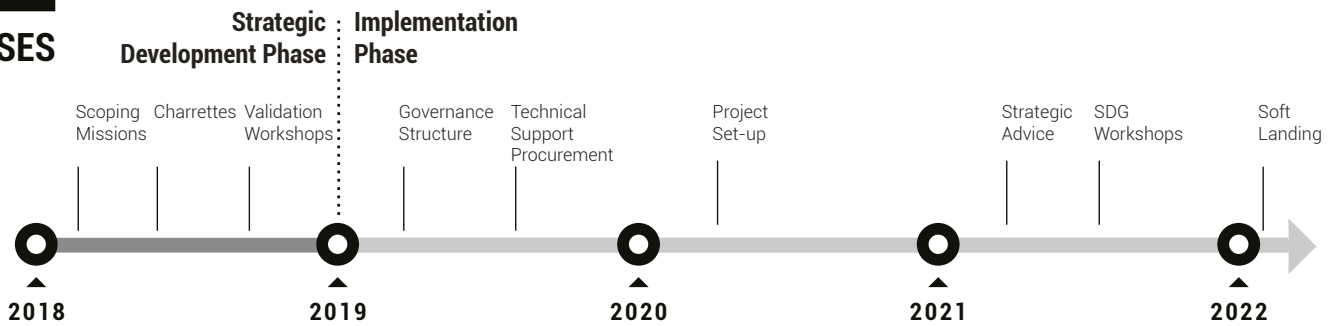


Financing
Mechanisms

5

KEY
FACTORS

2 PHASES



Note: When delivery partners hand over the finalised projects, city authorities are anticipated to take them forward towards implementation. While the global programme will close in March 2022, some cities and countries are exploring potential further collaboration with the UK FCDO on the projects.



List of Projects per City

Strategy & Planning

- Johannesburg
- Durban
- Cebu
- New Clark City
- New Clark City
- Yangon
- Surabaya
- Bangkok
- Bursa
- Ankara
- Abeokuta
- Lagos

- Strategic Area Framework for Soweto*
- Transit-Oriented Development (TOD)*
- Evidence-based Planning*
- Participatory Design of the Central Park*
- Sustainable Housing Strategy*
- Revitalizing Streetscapes*
- Urban Transformation Plan*
- Transit-Oriented Development (TOD)*
- Sustainable Urban Transformation*
- Quality and Accessibility of Streets*
- Urban Masterplan*
- Urban Renewal Guidelines*

Risk & Resilience

- Ho Chi Minh City
- Bangkok
- Istanbul
- Surabaya

- Inventory of Drainage System*
- Flood Management Decision System*
- Planning & Capacity Building*
- Earthquake Preparedness Strategy*

Mobility

- Belo Horizonte
- Ho Chi Minh City
- Istanbul
- Ankara
- Lagos
- Johannesburg
- Bandung
- Iskandar
- Melaka
- Abeokuta

- Intelligent Mobility*
- Smart Ticketing System*
- Sustainable Urban Mobility*
- Non-Motorized Transport*
- Water Transport*
- Review 4IR on Mobility*
- Integrated Public Transport*
- Mobility Management System*
- Green Mobility & Heritage*
- Transport Policy*

Data Systems

- Cape Town
- Durban
- Recife
- Bangkok
- Bursa

- Data Strategy Implementation*
- Informal Settlement Data Management*
- Data for Governance*
- Data for Planning*
- Smart City Plan*

1.3

An opportunity for learning

To tackle the interwoven challenges facing cities in the Decade of Action, the GFPC seeks to go beyond the “business-as-usual” approach to sustainable development. The Programme presents a unique opportunity for sharing best practices and lessons learned about how multi-partner endeavours can be designed and implemented to accelerate local SDG implementation. This is especially relevant since international donors, United Nations agencies, and financiers increasingly require that SDGs are integrated into urban development projects.

The GFPC has helped build the capacity of local authorities to steer private sector delivery partners to address the most pressing needs of cities and communities and integrate social, environmental, institutional, and financial safeguards into project deliverables.

By incorporating UN-Habitat’s [SDG Project Assessment Tool](#) (hereafter referred to as the SDG Tool)²³ into project design it has guided project partners to localise the SDGs, thus enhancing the quality of projects. The tool helped embed projects in the local context, ensuring alignment with the SDGs and identifying constraints and opportunities for maximising impact in the short, medium, and long term.

The GFPC shows how structuring international multi-partner urban development programmes around local SDG implementation enables donors and development financiers to contribute meaningfully to the 2030 Agenda for Sustainable Development. Using the SDGs as a guiding framework offers value for money. It makes projects more resilient to climate change and other impacts, lowering the risk for investors, while providing opportunities for alternative funding and revenue streams. By applying the innovative SDG Tool, which translates the SDGs into achievable project actions, the programme shows how the SDGs can be integrated in project development and design. The GFPC also demonstrates how sharing knowledge and experiences between global

and local partners contributes to increased awareness and understanding of the SDGs, along with peer-to-peer learning about how to achieve them.

Based on experiences in the GFPC, this report provides guidance for future urban development programmes. It shows how UN-Habitat can guide and support cities in integrating SDGs into their development objectives. The report highlights five key factors that donors, private sector delivery partners, and local authorities need to consider when designing and implementing a multi-partner programme like the GFPC. These include:



Delivering a global programme with a transformative and interdisciplinary approach that fosters collaboration between diverse partners from different sectors to achieve and accelerate the SDGs (Chapter 2).



Performing a thorough assessment during a programme’s foundational phase to understand local needs, set priorities, define interventions, get stakeholder buy-in, and lay the foundations for project success (Chapter 3).



Using UN-Habitat’s SDG Tool to link project outcomes with the SDGs via a long-term impact-oriented approach that bring partners together with a “common vision” for project delivery (Chapter 4).



Building the capacity of local governments and promoting peer-to-peer learning to overcome technical, financial, and legal barriers to project execution (Chapter 5).

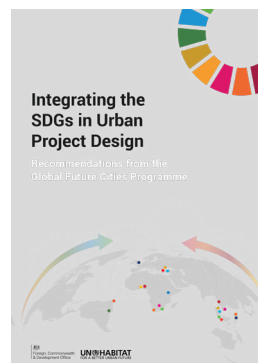
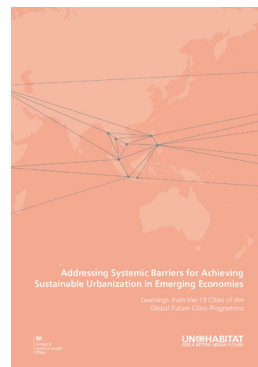
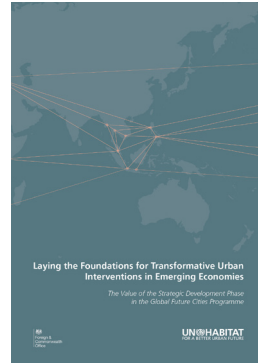


Linking SDG-oriented projects with alternative financing mechanisms to ensure that projects reach execution (Chapter 6).

Box 1.4 Learnings from the GFCP

This report is part of a series of normative reports.

- Laying the Foundations for Transformative Urban Intervention in Emerging Economies: The Value of the Strategic Development Phase in the Global Future Cities Programme. 2019.
<https://www.globalfuturecities.org/node/164>
- Addressing Systemic Barriers for Achieving Sustainable Urbanization in Emerging Economies: Learnings from the 19 Cities of the Global Future Cities Programme. 2019.
<https://www.globalfuturecities.org/node/165>
- Integrating the SDGs in Urban Project Design: Recommendations from the Global Future Cities Programme. 2022.



“[The GFCP has shown that] there are ways of making the SDGs practical, applicable, and relevant in a way that I hadn’t really seen before, partly through the SDG workshops, but also through the focus on [the SDGs] within the programme’s paperwork, philosophy, and culture.”

Peter Turner,
Programme Lead for the GFCP, UK FCDO



02

Delivering a transformative global programme

Complex global programmes require a robust framework for collaboration while remaining agile and able to adapt to changing circumstances. The GFCP involves a diverse mix of partners from multiple sectors, countries, and cities.

This chapter addresses some of the key factors to consider for multi-partner collaboration and effective programme delivery to accelerate action on the SDGs. It also highlights additional aspects of programme delivery, such as the value of working with a strategic partner and knowledge broker.

2.1

A transformative approach to urban development programmes

For programmes to be transformative and lead to change on the ground in cities, they need to add value to people's lives, harness potential synergetic effects, enhance value for money, and leverage additional support and investment. They need to address systemic barriers to development and empower vulnerable groups.

A transformative approach to urban development targets the institutional settings (e.g., governmental agencies and regulatory bodies) and sectors that need to be involved to drive change, maximise impact, and promote long-term sustainability.

To meet its transformational agenda, the GFCEP integrated three core components:



An impact-oriented approach to project development guided by the SDGs .



A capacity building programme for city authorities to address systemic changes needed to support long-term project implementation and governance.



A strategy for building and sharing knowledge to drive sustainable urbanisation within the programme and beyond.

A transformative approach to urban development should consider replication and scalability, locally and globally. This requires “thinking outside the box” and incorporating innovative approaches. To promote replicability of projects, the GFCEP worked simultaneously at different levels (project, country, programme and global), allowing the exchange of learnings and best practices between city authorities, delivery partners, and other stakeholders, and raising awareness of critical issues for project implementation.

The GFCEP aims to maximise inclusivity, promoting gender equality and economic empowerment for women and under-represented groups. It builds upon a Theory of Change approach rooted in the need to address systemic barriers to urban prosperity.

At the same time, dealing with intertwined urban challenges requires an interdisciplinary approach that draws on the expertise of a variety of urban experts with experience in planning, Gender Equality and Social Inclusion (GESI), finance, resilience, mobility, and law.

“To transform urban systems and have the greatest possible impact through urban interventions, you need the commitment of local stakeholders and integration of many different disciplines from the outset.”

Rogier van den Berg,
Former Head of UN-Habitat's Urban Lab

2.2 Collaborating globally and locally

A multi-layer programme set-up calls for close collaboration and coordination among all partners, horizontally and vertically. The GFCP highlights key factors to consider when working in collaboration with international and local partners.

1. Programmes need to establish buy-in from local and national governments

When operating in different contexts, it is crucial to align projects with relevant government entities, from national to local level. To enhance impact and ensure success, urban development projects need to align with a city's larger vision and strategy as well as national urban policies. They also need to adhere to national and local regulations. A project can be the catalyst for adjusting or upgrading regulatory frameworks and institutional settings. For example, the [GFCP project in Lagos](#), Nigeria, resulted in a new set of urban renewal guidelines that have been endorsed by the Lagos State Urban Renewal Authority.

To engage relevant local government departments early in the GFCP, government representatives were invited to charettes and validation workshops. This helped to start building the necessary buy-in and ownership of the projects (see Chapter 3). In some countries, such as Indonesia, the United Nations Strategic Cooperation Development Framework was used to brief the national government on GFCP activities.

2. Governance structures promote local stewardship

Embedding projects in relevant government departments helps promote stewardship. This is especially important for programmes, like the GFCP, that span several years. It helps make projects resilient to changes in government personnel, political cycles, changing city needs and priorities, and shocks like a pandemic.

Before launching the GFCP's Implementation Phase in 2019, UN-Habitat prepared initial governance structures for each project. These identified relevant government departments and individuals in each city to act as focal points and take responsibility for moving the projects forward.

A holistic approach is necessary when developing governance structures. Relevant city departments need to be consulted during the process to ensure cross-departmental engagement and a clear definition of roles and responsibilities for project implementation. Governance structures should also identify relevant actors for project execution and operation, as well as the department responsible for budgeting and financing the project (see Chapter 6). For example, the Iskandar Regional Development Authority in Malaysia is establishing a state-wide Transport Council after identifying the need for it through the GFCP project for [developing a Smart Integrated Mobility Management System \(SIMMS\)](#).

3. Local presence is vital

When working in different cities, multi-partner programmes benefit from having strong local presence. In the GFCP, the UK FCDO's local posts, delivery partners, and UN-Habitat's country offices, regional representatives, and Local Strategic Advisors (LSAs) -- urban experts on the ground in each country -- established relations early on with city authorities. The UK FCDO's local posts were instrumental in advancing the projects, providing direction on a day-to-day basis, and addressing emerging challenges. UN-Habitat's LSAs strengthened relationships with city authorities, interpreting the local context and providing recommendations for project development. When bidding on the projects, delivery partners had to demonstrate local experience and presence. This proved critical to project success.

4. Mutual understanding is key

If correctly managed, diverse partnerships can advance innovative urban development projects. However, having many actors involved, each with different cultural and geographical backgrounds, can create space for misunderstandings. Defining roles and responsibilities for each partner, and establishing lines of communication and reporting, from the outset is key. At the same time, city governments have different levels of capacity, which means knowledge and tools need to be adapted for the local context.

Clear procurement criteria, operational set-ups, and regularising agreements provide partners with a framework for programme delivery. This framework needs to be made applicable for the local context to guide day-to-day operations. UN-Habitat's LSAs played a key role in translating the programme framework to make it relevant to the local context.

In the GFCP, all project partners shared updates, requests, and concerns about the programme's implementation in each country via periodic in-country steering committees. The UK FCDO's local posts established lines of communication with different partners at the start, enabling coordination and early identification of potential issues. To build upon cross-country learnings and ensure effective programme-level coordination, a programme steering board was established with representatives from UN-Habitat and the UK FCDO.

Online meetings with programme partners, such as capacity building sessions (see Chapter 5) and Expert Group Meetings on UN-Habitat's SDG Tool (see Chapter 4) helped further build mutual understanding.

5. Inclusive participatory processes empower diverse stakeholders

Relevant stakeholders and communities should be informed about project development from the start. They should be given the opportunity to share their perspectives through participatory processes and take part as collaborators in project definition, development, and implementation.

Engagement should be inclusive and focus on GESI. Women, youth, elder people, informal workers, migrants, persons with disabilities, those living in low-income communities, and other vulnerable groups need to be included. Involving these stakeholders as collaborators empowers them to have a say in decisions that affect their experience of the city. Stakeholders such as academics, non-governmental organisations, and professional groups relevant to the project's focus should also be engaged.

In the GFCP, focus group discussions with groups, such as women, youth, elder persons, and persons with disabilities, have been used to increase the participation of project beneficiaries.²⁴ In Ankara, as part of the project [Increasing Quality and Accessibility of Streets in Çankaya Neighbourhoods](#) women shared their needs through participatory workshops, which lead to specific design solutions near metro stations and schools to increase safety. The Earthquake Preparedness Strategy for Surabaya project offered [tailored training](#) to persons with disabilities since this group was not previously aware of earthquake preparedness. In Malaysia, GESI Consultative Groups for both Iskandar Malaysia and Melaka were established, consisting of representatives from the marginalised groups involved in project Technical and Steering Committee meetings and capacity building sessions. The representatives were also brought into GFCP presentations in public forums such as the Malaysia Urban Forum.

Appropriate timing for participatory processes should be embedded in delivery partners' workplans. It should also be clear how people can contribute and what will be done with their inputs to manage expectations. Project partners need to communicate about when stakeholder engagement will take place, clarify how inputs will be addressed, and share updates about project development and implementation.

6. The SDGs offer a shared framework to guide project delivery

The 17 SDGs underpin a “shared blueprint for peace and prosperity for people and the planet.”²⁵ The global goals can be seen as an umbrella that covers all the critical aspects of sustainable urban development.

They provide a powerful framework to steer different development partners towards a “common vision” that guides project delivery. The GFCP projects were aligned with the SDGs from the start (see Chapter 3) and periodically assessed via UN-Habitat’s SDG Tool, which linked specific project outputs with detailed SDG targets (see Chapter 4).

SDG workshops were held for each project. These proved to be a “powerful tool for keeping everybody’s attention focused on the ultimate goal - not just the delivery partners and the UK FCDO programme and project teams but, critically, the municipal and city authorities,” says the UK FCDO’s Peter Turner, Programme Lead for the GFCP.

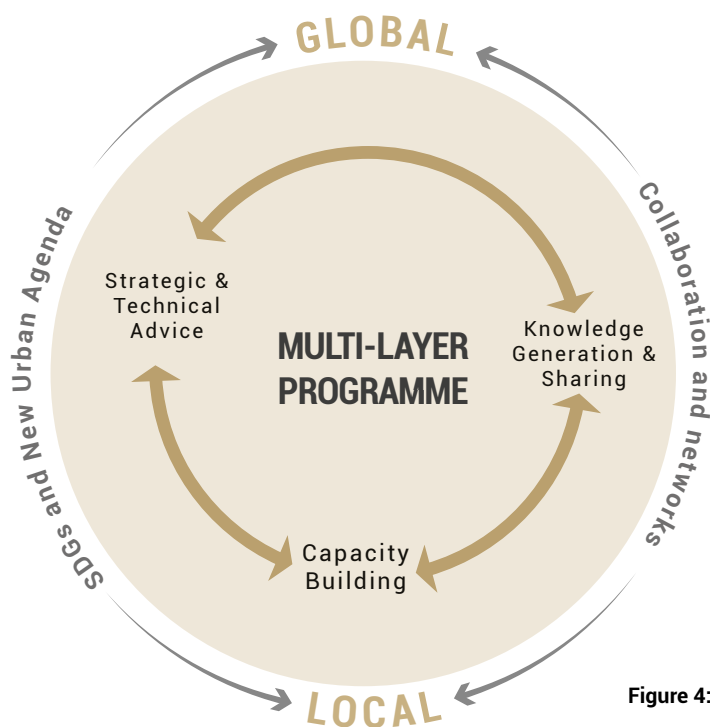


Figure 4: Collaborating globally and locally through a multi-layer programme

“The SDGs are a powerful universal language and using them to measure impact resonates well with various parties.”

Carol Koh,
Prosperity Future Cities Programme Adviser Malaysia, UK FCDO

Box 2.1 **Making space for neighbourhood voices in Ankara, Turkey**

The GFCP focused on inclusive participatory process to bring multiple perspectives into the projects. The projects had to adapt to the changing conditions that arose with the pandemic. In Ankara, Turkey, in July 2021, GFCP partners organised a two-day open-air event for the [Çankaya Healthy Streets project](#) in a local park in the project's focus area. This allowed for social distancing due to COVID-19 restrictions.

The Healthy Streets project involves the community in co-designing neighbourhood interventions to create a more accessible and inclusive urban environment for one million residents.²⁶ Since the event was held in a public space, anyone who was visiting the park could engage. To communicate about the project, the GFCP team set up banners and small posters in the park. This meant people could walk by and see each step of the project deliverables as well examples from the pilot. Each session started with opening speeches from Çankaya Municipality, the UK FCDO, and Arup. There were also Q&A sessions, where 87 stakeholders from NGOs, universities, local government, and neighbourhoods shared their contributions.

Box 2.2 **Using digital tools for participatory processes during the pandemic**

Faced with the limitations imposed by COVID-19, GFCP partners have used digital technology to ensure continued inclusion of people living in the communities affected by the projects.

In Recife, Brazil, the project team used popular mobile messaging app WhatsApp to contact stakeholders for inputs on the Data Ecosystem for Urban Governance project. In Lagos, the project team used WhatsApp groups for focus group discussions. Using this mobile phone-based approach enabled low-income residents, who typically do not have access to laptops and high-speed internet required for video meetings, to take part in the Water Transport project. In Cebu, the Philippines, planned in-person workshops with stakeholders for the city's Housing Strategy shifted to an online format whenever physical meetings were impossible.²⁷ In Malaysia, Mott MacDonald developed a mobile application to conduct Household Travel Surveys during the pandemic.

Digital technologies have great potential for stakeholder engagement, especially among youth who regularly use social media. But there are also limitations. Engaging elderly groups, who may not be so familiar with smartphone technology, can be challenging. A key lesson learned from the GFCP is that a hybrid approach to community engagement, mixing online and face-to-face meetings, proved to be most productive and fostered greater collaboration.²⁸



Figure 5: Two-day open-air event for the Çankaya Healthy Streets project © UN-Habitat

Box 2.3 A multi-stakeholder approach to urban renewal in Lagos, Nigeria

In Lagos, rapid urbanisation, poverty, inadequate urban housing supply, lack of enforcement of urban development and management regulations by city authorities, and other factors, have created disorganised, overcrowded, and unhealthy slums areas.

GFCP project partners brought together various stakeholders to develop guidelines for slum upgrading and urban renewal projects that contribute to the overall goals of poverty reduction, environmental improvements, and good governance. The co-design process spanned nine months with extensive inputs from members of slum communities, professionals, academics, private sector representatives, and traditional rulers.

The guidelines produced through this process provide a collaborative, multi-stakeholder governance framework and the technical information required to deliver on safe, resilient, inclusive, and sustainable urban renewal. They have been endorsed by the Lagos State Urban Renewal Authority, initiating a significant move towards transformative urban development in Nigeria, and long-term commitment by city authorities and the state government.

Box 2.4 Learning while doing

With partners working across multiple cities and countries, programmes like the GFCP provide opportunities for sharing experiences and best practices. Partners have adopted different methods for sharing, reflecting, and improving on delivery.

- To foster learning between programme staff in the 13 projects in South East Asia, the Programme Management Operations team set up an internal learning system that enables sharing of experiences. This involves regular learning meetings and workshops on GESI, each of which is attended by roughly 200 people. This has allowed team members to deal with challenges and work more efficiently.²⁹
- In South Africa, leads from Future Cities South Africa have quarterly steering meetings with programme partners, including city officials to reflect on what has been done and how that can inform work in the next quarter. This also feeds into Future Cities South Africa's quarterly reports.³⁰
- For Urban October 2021, UN-Habitat hosted a series of knowledge sharing sessions featuring perspectives from the UK FCDO, delivery partners, UN-Habitat, and external experts on [adapting cities for climate resilience](#) and accelerating urban action for a carbon-free world.

2.3

UN-Habitat's role as a strategic partner and knowledge manager

Collaborations between different sectors and disciplines across international borders can be complex. The GFCP shows the value of including an entity that acts as a strategic partner, providing technical support to facilitate activities on the ground and managing and sharing knowledge across the programme.

In the GFCP, UN-Habitat provided strategic and technical advice to:

- Identify transformative interventions and empower local authorities and delivery partners to enhance project alignment with the SDGs.
- Strengthen municipal planning and management capacities.
- Promote city-to-city learning and knowledge management and sharing.

UN-Habitat, as an independent partner, supported the projects without being compromised by economic or political agendas. Rather, the agency sought opportunities to enhance and maximise the quality of the projects and promote their long-term sustainability. In this role, UN-Habitat helped build trust among city authorities.

In the early stages of the GFCP, UN-Habitat defined the scope of the projects, clarified the objectives for procurement, and assisted in selecting delivery partners.³¹ The agency facilitated local development processes at the project level and provided advice, guided by international practices and standards.

With a core team of experts at UN-Habitat's headquarters, supplemented by local experts on the ground (the LSAs), UN-Habitat is well positioned to collect information and data, and gather insights on the local context to swiftly address emerging issues, or requests, from the donor, delivery partners, local authorities, and communities.

“UN-Habitat helped the cities look at things in a systematic way,” notes Elizabeth Milsom, former Programme Lead for the GFCP. The agency set up the SDGs framework and showed cities how they could move toward meeting their SDG targets, she says.

UN-Habitat is mandated by member states to promote and advocate for sustainable urbanisation. It is well-positioned to cross-reference global trends, practices, and standards, and make these relevant to the local context. In the GFCP, UN-Habitat acted as an interface for global and local exchange of knowledge and information.

For future global programmes, UN-Habitat strives to provide support to cities who wish to promote sustainable urbanisation that contributes to action on the SDGs. The agency seeks to partner with international donors and others to support localising the SDGs framework into concrete project actions, build the capacity of local authorities, and provide technical and policy advice based on global and strategic knowledge.



Figure 6: Illustration of the engagement approach within the Global Future Cities Programme

“Having UN-Habitat as a strategic partner was absolutely a strength because, basically, it put people’s feet to the flame about the SDGs and really kept that focus on what the programme was trying to achieve and how it was trying to achieve it.”

Peter Turner,
Programme Lead for the GFCP, UK FCDO

2.4 Adapting to change

Large global programmes are subject to changing political, economic, financial, and social influences. They should be designed in a way that enables them to respond to changing circumstances.

The GFCP proved adaptable to change, including the unforeseen impacts of the pandemic. One factor contributing to this agility is that the UK Prosperity Fund has a medium risk appetite. Donors who implement programmes spanning multiple countries, cities, and projects need to be aware of risks to project success and understand that if a few projects do not succeed, this does not mean that the entire programme fails, advises the UK FCDO’s Peter Turner.

At the programme level, the GFCP experienced two significant factors influencing delivery. Firstly, a budget reprioritisation due to cuts in Overseas Development Assistance (ODA) meant that all partners had to review the projects and identify opportunities for making project

development more cost-effective. This required joint consultations between partners, who identified project components that could be deferred or cancelled without compromising on project quality. Secondly, the pandemic forced partners to adopt alternative modalities for delivery. Many meetings, data gathering, and stakeholder consultations were done virtually. For example, in Belo Horizonte, Brazil, and Lagos digital surveys and apps were used to gather citizen inputs on the projects. Along with impacting project development, this led to UN-Habitat and UKBEAG redesigning the capacity building programme so that it was delivered online (see Chapter 5).

At the project level, some city authorities requested an initial change in project scope due to a change in need and/or interest. Later in the development process there were also changes, where for example two projects merged or were sub-divided. What helped the GFCP with this was having in-country UK FCDO Programme Managers communicating with the Programme Lead in London about project aspects that needed to change.³² UN-Habitat’s LSAs also played a pivotal role as facilitators in negotiations between city authorities and delivery partners, and as advisors to the UK FCDO’s local posts, both for scope change requests and budget reprioritisation.

Such changes in scope or timing require flexibility among delivery partners to technically re-scope and align available expertise to the change. Necessary approval from the donor is also required. This can be done by using an adaptive management approach. For example, in South Africa, when developing the work plan for the three-year programme, and particularly when planning the first year, Future Cities South Africa (FCSA) decided not to develop highly detailed annual plans with full resource allocations for tasks. Rather, FCSA opted to treat the year in meaningful chunks, each of which would fit within a Terms of Reference (ToR), defined by an “important decision-making moment at which the rest of the project would be informed by everything learned to date.”³³

Box 2.5 An agile response to Covid-19 in South Africa

With COVID-19 hitting South Africa in the first half of 2020, and the country under strict lockdown, the City of Cape Town asked FCSA and the UK FCDO about additional support for its response to the pandemic. The team agreed on a set of COVID-related projects that would fit with the city's strategy. The FCSA team then approached Durban and Johannesburg about a potential support package, based on what had been agreed in Cape Town. This was refined based on specific city needs.

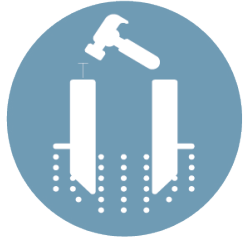
The GFCP then agreed to deliver 10 COVID-19 projects in collaboration with city authorities (five in Cape Town, three in Johannesburg, two in Durban). Most of these were linked to the GFCP's core projects. Others were separate and involved engaging with new departments within the city. These projects had varying levels of success, seemingly linked to the extent that they reinforced the core GFCP projects, data availability and quality, and the programme's engagement with key decision makers within the city.³⁴ For example, in Cape Town, city officials said that a "significant portion of the COVID-19 work supported by FCSA reinforced the Data Strategy" and helped accelerate it by two years.³⁵ In Soweto, Johannesburg, the team analysed electronic movement data and did online surveys of households and business to better understand the impact of lockdown restrictions. This helped enhance the GFCP project on the Soweto Strategic Development Framework.³⁶

Lessons Learned from GFCP

- The global SDGs framework (particularly at the level of specific targets) aligned the objectives of diverse public, private, and international partners for project development and delivery.
- Having partners with established local presence in each country was a strength of the GFCP, since they brought valuable local knowledge to the projects.
- Active and continuous engagement by the UK FCDO through local posts helped ensure local coordination of projects on all ends.
- Active involvement of city authorities in project decision-making processes was shown to be a best practice for ensuring local ownership and adequacy of projects.
- Multi-year programmes with a moderate to high risk appetite can be agile. The GFCP was able to adapt to the challenges of the global pandemic and budget cuts.



Figure 7: SDG Workshop Session - Smart Integrated Mobility in Iskandar, Malaysia © UN-Habitat



03

Defining projects and creating a foundation of success

Development programmes need an effective foundational phase to assess local needs, set priorities, and lay the groundwork for stakeholder ownership in the long-term. The GFCP's initial work involved defining and validating 31 projects with transformative potential that responded to city needs and were viable for implementation.

This chapter shares experiences and provides recommendation for how a foundational phase can be done so that it sets a programme up for success. It highlights the influence of preliminary decisions in subsequent programme phases and shares examples of tools and processes used in the GFCP.

3.1

Assessing city needs and opportunities

Development programmes that aim to make an impact in different cities need to first understand the urban context by doing a strategic assessment that identifies city needs and opportunities for transformative change. This cannot be done with a top-down approach but should incorporate city authorities and local stakeholders in a collaborative process. This assessment justifies the importance of implementing SDG-aligned projects.

UN-Habitat assessed city needs and priorities during the GFCP's foundational phase (known as the Strategic Development Phase), which ran from April 2018 to March 2019.³⁷ It was done in a tight timeframe with limited resources, using a mix of local and global expertise. (For details about this work see the 2019 report *Laying the Foundations for Transformative Urban Interventions in Emerging Economies: The Value of the Strategic Development Phase in the Global Future Cities Programme*). UN-Habitat and its country and regional offices, along with local experts, brought a local perspective to the assessments. Three international teams (UN-Habitat, IGC, and UKBEAG) provided global insights based on international best practices and available open data.

Early on, 20 charrettes were held with local stakeholders. These helped UN-Habitat and its partners identify projects and gather information about cities' political priorities, urban challenges, and technical barriers and opportunities for project implementation. Participants included city officials, high-level decision makers from the public and private sector, academics, and civil society representatives.

In Ankara, UN-Habitat's LSA held a series of meetings with city officials before the charrette. This led to identification of three project ideas: 1) improved accessibility and quality of the streets in Çankaya municipality, 2) multi-modal transportation at metropolitan level, and 3) increased spatial and functional quality of urban services in Ankara metropolitan area.

Box 3.1 Why use charrettes?

Participatory charrettes bring technical and decision-making stakeholders together to identify the needs and set the direction of a project. These meetings have various aims:

- To make stakeholders of relevant departments and organisations aware of a programme's objectives and expectations, providing space for feedback.
- To identify, discuss, and prioritise project ideas.
- To gather inputs about existing barriers and opportunities regarding the political, economic, social, environmental, technological, and operational aspects of projects.
- To critically analyse proposed project ideas and create spaces for dialogue and consensus (e.g., agreeing on proposed project ideas) among city stakeholders from different sectors.
- To establish formal and informal working relations with specific stakeholders to enable follow-ups, keep the stakeholder group engaged, and further refine project ideas.

During the charrette, a broader group of stakeholders evaluated these project ideas and gave feedback to city authorities. Çiğdem Neighbourhood Association suggested addressing the potential of “ecological neighbourhoods” and building on existing local experiences for the first project idea. Regarding the multi-modal transportation project, participants raised concerns about narrow streets and the need for additional space. Regarding the third project idea, stakeholders raised concerns about the city’s lack of natural and recreational spaces and pointed to the need for including natural areas in project development. The inputs gathered in the charrette informed a final selection of two projects for Ankara and influenced the definition of each project’s ToR.

Following the charrettes, UN-Habitat, IGC, and UKBEAG produced 19 City Context Reports and five Global Recommendation Papers. These justified and guided the definition of the projects. UKBEAG also prepared Market Maturity and Preparedness reports for

each city. These provided an assessment of the capacity and calibre of the built environment professions to undertake the proposed interventions, and an assessment of the regulatory, policy, and standards environment.

The City Context Reports grounded the projects within broader city trends and transformation dynamics with an analysis of legal, spatial, and financial factors affecting project implementation. Each report has a chapter that shows how the GFCP promotes the SDGs in the short, medium, and long term, and provides recommendations for successful project implementation.

The Global Recommendation Papers advised on ways to increase the GFCP’s impact and shared academic research on thematic interventions, regional and local professional capacities, and participatory processes. These papers focused on: [resilience](#), [urban planning](#), [mobility](#), an [assessment framework for measuring economic success](#), and [policies for prosperity in middle-income countries](#).



Figure 8: Charrette in Ankara for the project *Increasing Quality and Accessibility of Streets in Çankaya Neighborhoods*, Turkey © UN-Habitat

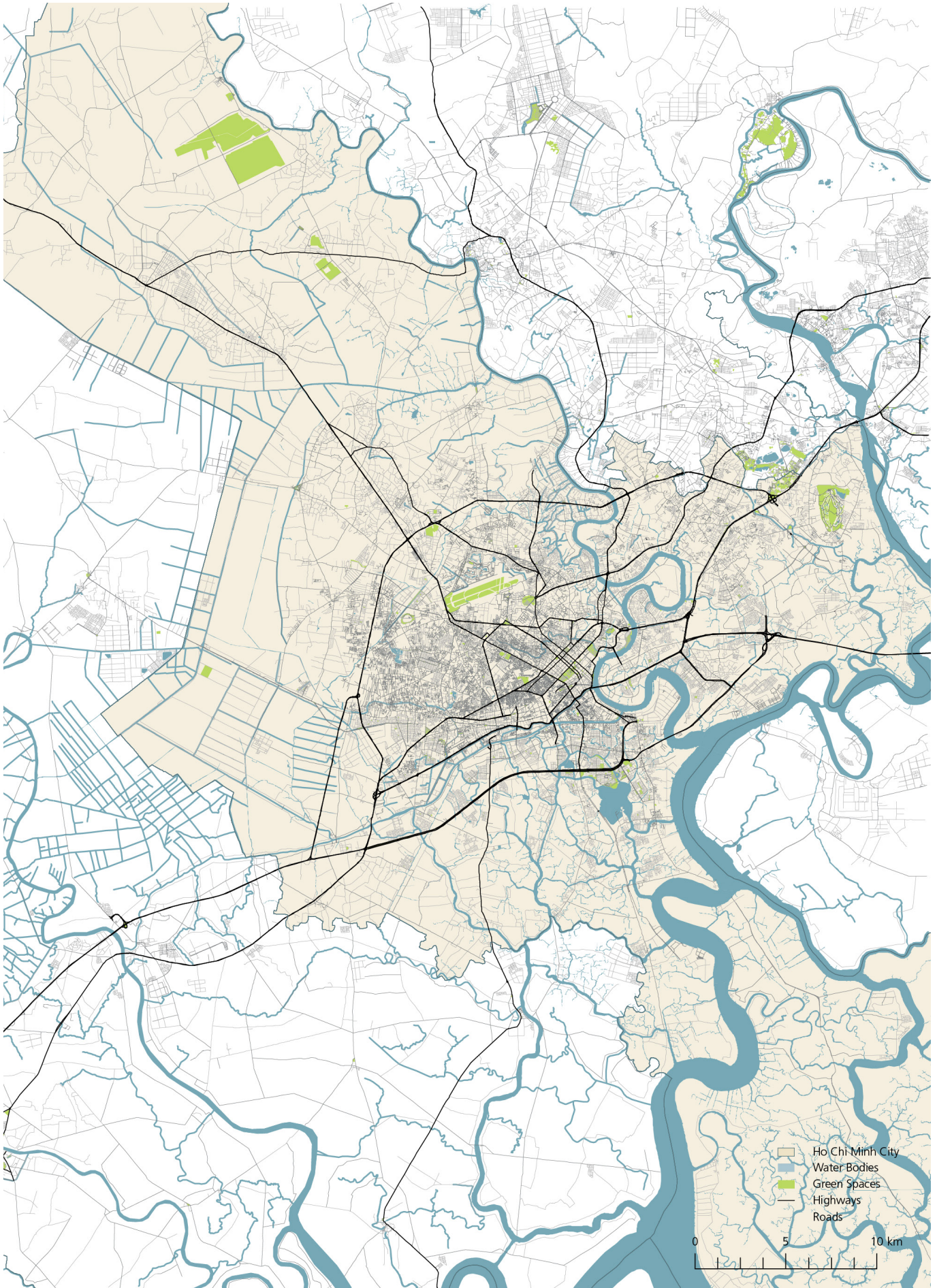


Figure 9: Ho Chi Minh City's main roads, water bodies and green spaces, HCMC City Context Report

When doing this type of context analysis, it is important to assess cross-cutting issues related to climate change adaptation, social inclusion, and human rights. UN-Habitat promotes a **three-pronged approach**, based on a policy triangle comprised of good governance, urban design, and municipal finance.³⁸ The GFCP used this three-pronged approach to assess city needs from a spatial, legal, and financial perspective.

The City Context Reports, Market Maturity and Preparedness reports, and insights from the three-pronged approach set the foundations for subsequent viability assessments of the projects. These looked at technical and municipal capacity for project execution and maintenance, funding options for project execution, alignment with statutory legal and planning frameworks, and opportunities for replicating the projects.

The 2019 normative reports, *Laying the Foundations for Transformative Urban Interventions in Emerging Economies: the Value of the Strategic Development Phase in the Global Future Cities Programme*, and *Addressing Systemic Barriers for Achieving Sustainable Urbanization in Emerging Economies: Learnings from the 19 Cities of the Global Future Cities Programme*, captured learnings from the Strategic Development Phase.

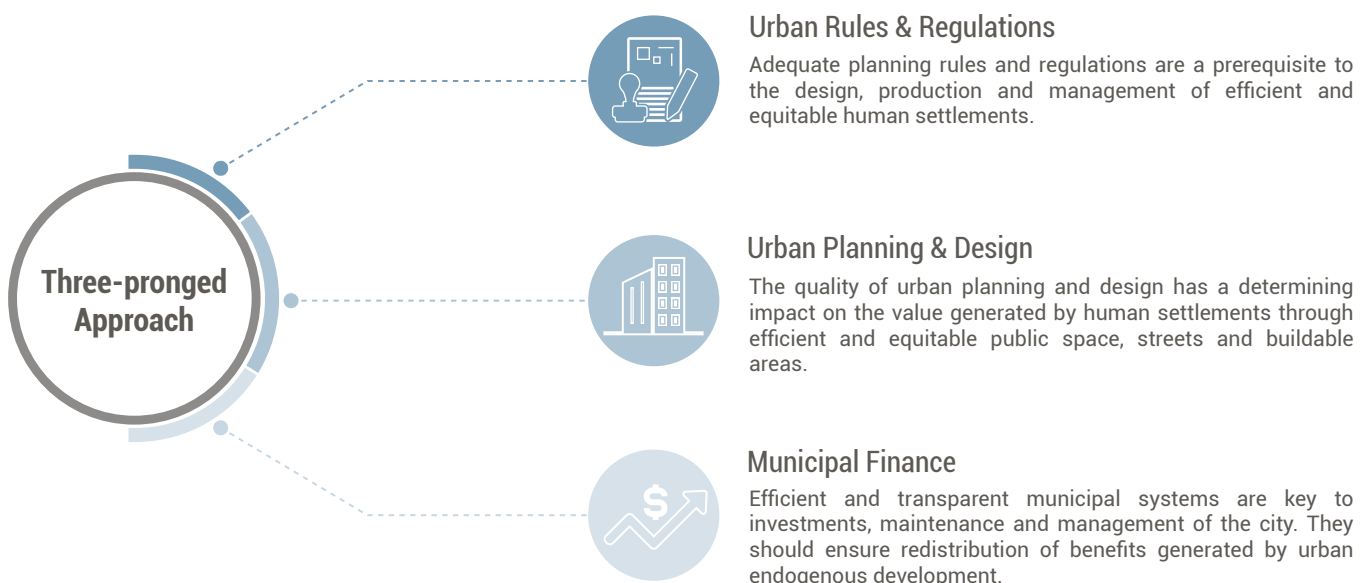


Figure 10: UN-Habitat’s three-pronged approach

3.2

Promoting local ownership from the start

Defining urban priorities and potential projects should be done in a collaborative way that promotes buy-in at the local level. City officials, civil society groups, academics, private sector representatives, national government, and other key stakeholders, need to be included and have a voice to discuss local perspectives. The long-term sustainability of projects is also vulnerable to political changes, making buy-in from different sectors and actors critical for success. Stakeholders can help to improve the definition of projects and need to be aware of how they can contribute to potential interventions.

Stakeholder mapping identifies the people, organisations, and government entities likely to engage in project implementation. It is necessary to include a broad array of actors to avoid possible siloes. These include communities, landowners, the private sector, national government, and city departments and agencies.

Relationship building is crucial for stakeholder engagement. In the GFCP, UN-Habitat's country offices and LSAs were key for building relationships with local stakeholders, working closely with UK FCDO local posts in each of the countries. The LSAs acted as "connectors," bringing stakeholders together for meetings and workshops, bridging language barriers, applying their local knowledge, and providing technical advice. In the foundational phase of a programme, buy-in from stakeholders can be triggered by combining different approaches. These include hosting multi-stakeholder spaces for dialogue and participation (e.g., charrettes and working meetings), maintaining continuous communication channels with city representatives, and holding formal review processes for local stakeholders. In the GFCP, the process of defining projects and promoting local ownership culminated with a Validation Workshop, where local city representatives formally approved the ToR prepared for the projects. This served as a milestone, emphasising city ownership of the projects.

"The cities took ownership from day one. This was never about 'what do we (as the donor) want to see at the end?' It was always, 'this is the city's project from the beginning.' And if we didn't think it was, we wouldn't be doing it with them."

Elizabeth Milsom,
Former Programme Lead, GFCP, UK FCDO

3.3

Using the SDGs to define interventions

By aligning with the SDGs, transformative urban projects can contribute to accelerating local action that addresses climate change and promotes social inclusion and gender equality, while stimulating economic growth and environmental sustainability. As discussed in Chapter 2, the SDGs also provide a common framework for defining projects according to specific targets.

In the GFCP, the applicability of SDGs to local planning was introduced through workshops. These demonstrated the benefits of considering how urban interventions can contribute to numerous SDGs, including those related to climate change. These SDG workshops are valuable because they highlight issues of GESI and other "elephants in the room" that may otherwise not get discussed, notes the UK FCDO's John Green, Deputy Programme Lead for the GFCP.



Figure 11: Charrette in Melaka, Malaysia © UN-Habitat

A challenge with introducing SDGs to urban projects is the knowledge gap that persists when localising the broader SDG objectives. To tackle this, the GFCP developed a guiding framework of “potential impact and objectives alignment,” based on the broad impacts of the three programme pillars (mobility, resilience, urban planning). This framework provided insights on each project’s potential impact on the SDGs and guided definition of the ToRs to ensure they included sustainability aspects.

For future initiatives, it is recommended that UN-Habitat’s SDG Tool (see Chapter 4) is used from the outset to guide project definition. The tool explicitly relates SDG targets with technical specifications that can be incorporated into a project’s ToR. It can also be used to inform a project’s Theory of Change and the logical framework of indicators.³⁹

“To create prosperity for all on our one and only planet, cities can leverage the SDGs for quality assurance of plans and projects, and to align with internationally agreed goals and standards. Demonstrating the SDGs can help cities obtain international financial support. Cities can also contribute to improving overall country results in achieving the SDGs and position themselves within the country and globally as a driver for sustainable development.”

*Naomi Hoogervorst,
Programme Manager, GFCP, UN-Habitat*

3.4

Integrating a long-term perspective and Theory of Change

Urbanisation challenges are complex and typically rooted in factors ingrained in cities and societies. To make change takes time. A long-term perspective and Theory of Change should be used when setting a programme’s foundations.

The GFCP’s long-term perspective

For each project, UN-Habitat made an end-to-end project cycle assessment to identify the factors influencing successful, long-term project implementation. This was based on three phases: planning and design (2-3 years), building (3-7 years), and operations and maintenance (7-15 years). For each phase, five factors were considered to assess the long-term viability of projects: 1) professional capacity, 2) market maturity and preparedness, 3) financial capacity, 4) legal conditions, and 5) spatial context.

Together, these assessments provided an “overall likelihood of success” for each project. For example, the viability assessment for Iskandar Malaysia’s project to develop a [Smart Integrated Mobility Management System \(SIMMS\)](#) indicated low legal and financial barriers during the planning and design phase because the project was well aligned with the city’s existing legal frameworks and the GFCP was covering the requisite funding for the first two years. However, moderate barriers were found in the building, and operations and maintenance, phases. These included a lack of clarity about the city unit responsible for managing the project and the absence of a way to secure funding for setting up and maintaining the system.

These project assessments informed decisions around the actions needed during the GFCP’s Implementation Phase, such as the capacity building programme for city authorities to better execute and maintain the projects (see Chapter 5), or additional considerations for delivery partners’ ToRs.

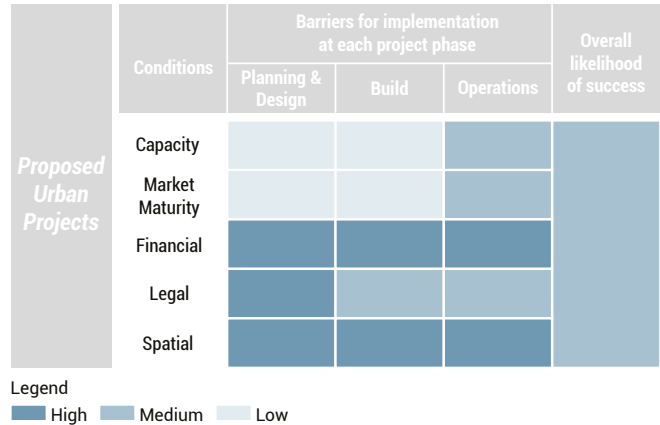


Figure 12: Example of the likelihood of success calculations for a project

The GFCP’s Theory of Change

A [Theory of Change](#) explains how an intervention, or set of interventions, is expected to lead to a specific development change. The process of agreeing on a Theory of Change establishes different views and assumptions among programme partners.⁴⁰ It is a useful tool for managing partnerships and supporting the definition of a common vision among implementing partners, beneficiaries, and donors. The GFCP’s Theory of Change linked project actions with specific impacts in focus cities. The Programme had a Theory of Change for two levels: programme and project.

At the programme level, the Theory of Change was informed by the City Context Reports done in the Strategic Development Phase. It captured critical risks and assumptions about legal, financial, professional, and spatial conditions needed for the projects to achieve expected outcomes. These were linked with the goals of the Prosperity Fund and UN-Habitat and helped inform the GFCP’s Implementation Phase.

Project-level Theories of Change were often captured under a country-level umbrella, where the different outcomes and impacts were related, including indicators for monitoring success and change.

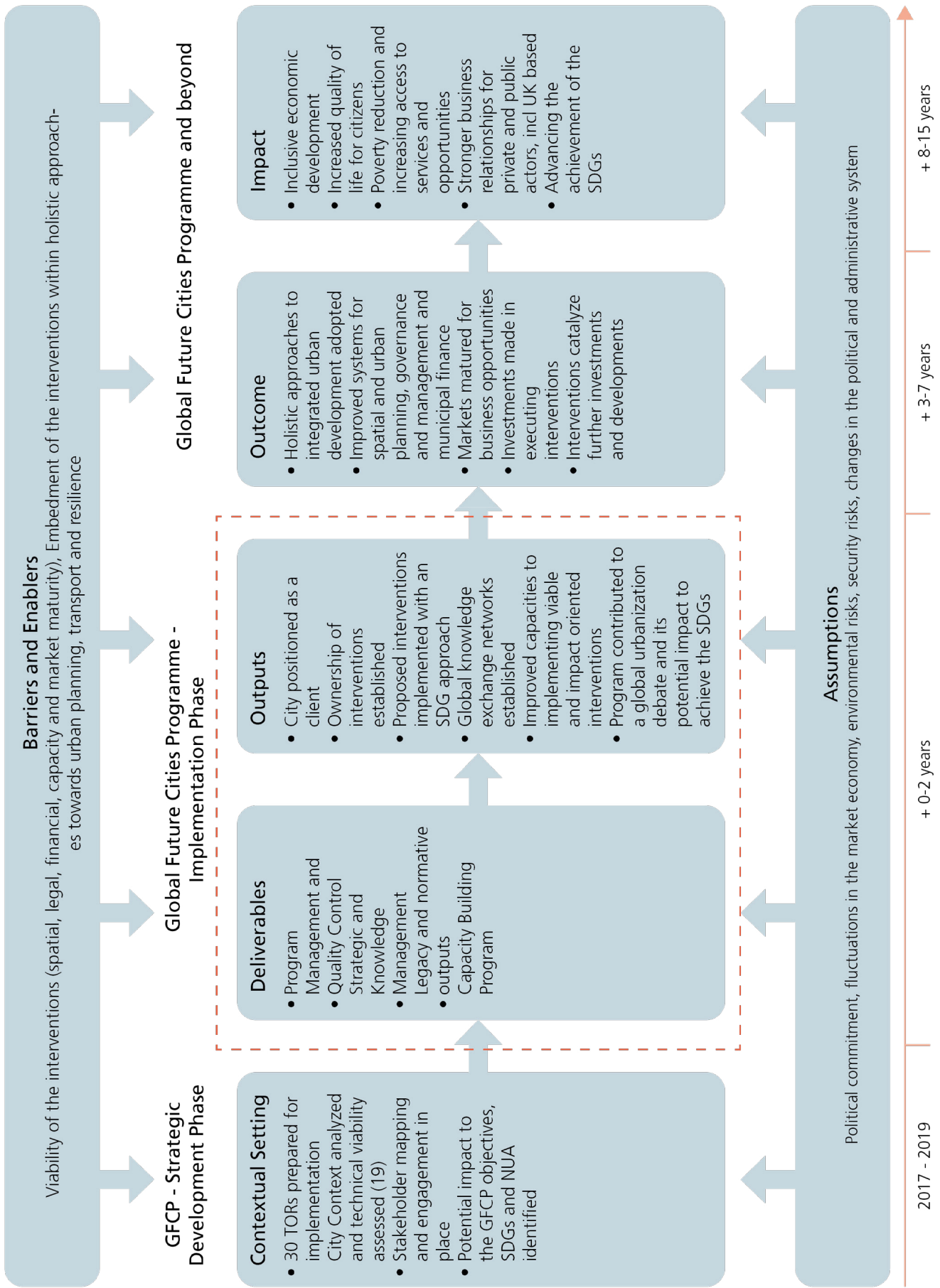


Figure 13: UN-Habitat's guidelines for Theory of Change (within the Global Future Cities Programme)

Box 3.2 Reflections

The importance of timing for a programme's foundational phase

The GFCEP's Strategic Development Phase was instrumental for defining projects, assessing the local context, and generating stakeholder buy-in. It helped build relationships among partners and increased the projects' likelihood of success by mitigating possible risks derived from the lack of local support in subsequent phases. However, it has been critiqued for possibly taking too long.

The Strategic Development Phase began in July 2018. The GFCEP's Implementation Phase began more than a year later. While the City Context Reports and project ToRs were successfully delivered within the first six months of the Strategic Development Phase, additional time was needed to select delivery partners, issue contracts, and prepare for the launch of the Implementation Phase. Some cities were frustrated that actual project delivery took time to get started. In some cases, the gap between the Strategic Development Phase and project implementation meant that the project scope became "out of date" or a project champion within the city had "moved on by the time implementation began."⁴¹ This shows that sufficient time needs to be allocated for all processes involving external stakeholders and the timing of different project stages needs to be carefully considered so as not to lose momentum.

Promoting project-level Theories of Change

A Theory of Change was a requirement for GFCEP projects. However, these were not used to their full potential. The project-level Theories of Change were developed by the delivery partners once the projects had been defined. Typically, these should be developed earlier so that they contribute to project definition. For future programmes, it is recommended that project-level Theories of Change are developed during the foundational phase so that they determine the scope of interventions and inform continued dialogue with city authorities and city stakeholders.⁴² The SDG Tool can also be used to inform the Theory of Change. (Read more about the potential of the SDG Tool in the paper, *Designing Sustainable Urban Projects Using the SDG Project Assessment Tool*.)

Lessons Learned from GFCP

- The GFCP’s foundational phase produced a thorough assessment of local needs, opportunities, and barriers, while considering programme-level goals. This was critical for promoting local ownership of projects, which helped mitigate the risk of project failure.
- The SDGs provided a “common language” for all partners from the outset. Linking GFCP projects to potential impacts on the SDGs helped prioritise actions with the donor, city authorities, and delivery partners, creating a unified vision for project development.
- Some cities felt the foundational phase took too long. This points to the need for programmes to seamlessly transition between a foundational phase and subsequent implementation phase to keep the momentum and not lose political buy-in.
- The Theory of Change for individual projects needs to be developed during a programme’s foundational phase to inform the scope of projects with a long-term, SDG-oriented perspective.

Recommendations

- *Programmes need a foundational phase that involves a multi-dimensional assessment of participating cities' needs and priorities to define initiatives that are relevant for the local context. The time between this phase and project implementation should be minimised.*
- *Programmes need to promote local buy-in from the outset and continue building relationships throughout. City officials, civil society groups, academics, private sector representatives, national governments, and other key stakeholders, need to be included and have a voice to discuss local perspectives and solutions for the urban challenges prioritised.*
- *The needs of vulnerable groups and cross-cutting issues such as climate change, and gender equality and social inclusion, should be considered during the initial definition of projects. Along with the SDGs, these should be clearly linked to a participating city's needs and context.*
- *Multi-partner programmes should use a Theory of Change. This guides long-term thinking and provides a framework for assessing impacts and responding to possible changes during project implementation. The Theory of Change should link with SDG objectives.*



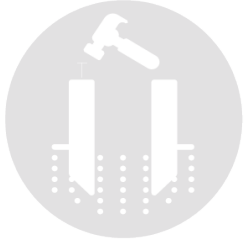
Figure 14: Group Discussions - Workshop in Yangon City Charrette, Myanmar © UN-Habitat

Area	Area	Area	Area	Area	Area	Area	Area	Area	Area
Area 1	Area 2	Area 3	Area 4	Area 5	Area 6	Area 7	Area 8	Area 9	Area 10
Area 11	Area 12	Area 13	Area 14	Area 15	Area 16	Area 17	Area 18	Area 19	Area 20
Area 21	Area 22	Area 23	Area 24	Area 25	Area 26	Area 27	Area 28	Area 29	Area 30
Area 31	Area 32	Area 33	Area 34	Area 35	Area 36	Area 37	Area 38	Area 39	Area 40
Area 41	Area 42	Area 43	Area 44	Area 45	Area 46	Area 47	Area 48	Area 49	Area 50
Area 51	Area 52	Area 53	Area 54	Area 55	Area 56	Area 57	Area 58	Area 59	Area 60
Area 61	Area 62	Area 63	Area 64	Area 65	Area 66	Area 67	Area 68	Area 69	Area 70
Area 71	Area 72	Area 73	Area 74	Area 75	Area 76	Area 77	Area 78	Area 79	Area 80
Area 81	Area 82	Area 83	Area 84	Area 85	Area 86	Area 87	Area 88	Area 89	Area 90
Area 91	Area 92	Area 93	Area 94	Area 95	Area 96	Area 97	Area 98	Area 99	Area 100

What is the priority range?

The priority range is a part of the city's priority range through future economic growth and development. The priority range is a part of the city's priority range through future economic growth and development.

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04

Using the SDG tool to guide project design

Integrating the SDGs into urban initiatives from the start, and throughout the different phases of project development, promotes inclusive, sustainable, and climate resilient development. Doing so helps translate the global SDGs into local actions that improve quality of life for people in cities.

UN-Habitat's SDG Tool guides the design of urban projects that align with the SDGs. It translates the global goals into concrete actions that can be taken at the local level. This chapter shows how to use the tool and shares lessons learned from the GFCP about applying it in project development.

4.1

Designing urban projects to address the SDGs

While the SDGs necessitate a global effort, and are largely used to inform national policies, cities have a huge role to play in helping achieve them. All the goals have targets that relate directly to the work of local and regional governments.⁴³ Up to 65 per cent of the SDGs' 169 targets are at risk if local urban stakeholders do not have “a clear mandate and role in the implementation process.”⁴⁴ However, a common issue at the local level is the lack of awareness about the SDGs and a disconnect between national development policies and local implementation.

By integrating the SDGs in urban projects, city authorities and delivery partners can promote more inclusive and climate resilient development, while actively contributing to SDG implementation in the Decade of Action. Aligning urban projects with the SDGs also creates opportunities for access to financing (see Chapter 6).

To promote local uptake of the SDGs, UN-Habitat developed the [SDG Tool](#), a user-friendly digital instrument that guides city authorities and delivery partners in developing urban projects that align with the SDGs. The Tool translates the [global indicator framework for the SDGs](#) into a series of project actions.

The Tool promotes an enabling environment to ensure the likelihood of successful project implementation and steers a participatory process that creates awareness of how cities can implement the SDGs on the ground.⁴⁵ It is not used for impact assessment but rather as a project development tool. It is not just a “checklist” but is applied via an iterative process that brings stakeholders together to discuss the strengths and weaknesses of a project in an open dialogue.

“We aim with the SDG Tool to [enable] cities to become better clients to the private sector but also to ask the right questions, to announce ownership and stewardship, and to implement projects to promote viable investment. We aim to transform planning and management in cities through learning by doing and developing these projects together.”

Naomi Hoogervorst,
Programme Manager, GFCP, UN-Habitat

Box 4.1 Why use the SDG Tool?

- Improves the quality of urban projects during planning, development, and design to enhance sustainability and inclusiveness.
- Promotes an enabling environment that ensures the implementation and viability of projects in the medium and long term.
- Steers a participatory process between city authorities and delivery partners for developing strategies to optimise a project's alignment with the SDGs.
- Creates awareness of the SDGs at the local level and builds capacity to implement them.
- Allows partners to monitor project progress with a focus on achieving sustainability priorities in line with the global sustainable development agenda.

The SDG Tool has been used throughout the GFCP, typically three to five times per project. Its application entails periodic reviews of the project outputs against the Tool's framework. Project partners meet to discuss the main findings of these reviews in workshops (known as SDG project assessment workshops).

A graphic representation of the project's alignment with the SDGs is used to guide discussion in these workshops (see example image below). The process is facilitated by a UN-Habitat facilitator. UN-Habitat provides a set of recommendations for partners to consider in the next steps of project development. In the GFCP, a final SDG recommendation report is provided at the end of the process. This advises on how the project can be implemented.



Watch this video to learn more about the SDG Tool:

<https://www.youtube.com/watch?v=dPAIA-sDPZA>



Use the SDG Tool on your project:

<https://www.globalfuturecities.org/sdg-project>



The fourth normative report in this series, *Integrating the SDGs in Urban Project Design: Recommendations from the Global Future Cities Programme*, provides a guide for enhancing SDG-oriented project design, based on learnings from the GFCP.

Grey area: maximum possible

performance at the end of the project.

Light shaded colour: maximum possible

performance at the current stage of the project.

Dark shaded colour: current performance of the project, as assessed in SDG Assessment Workshops.

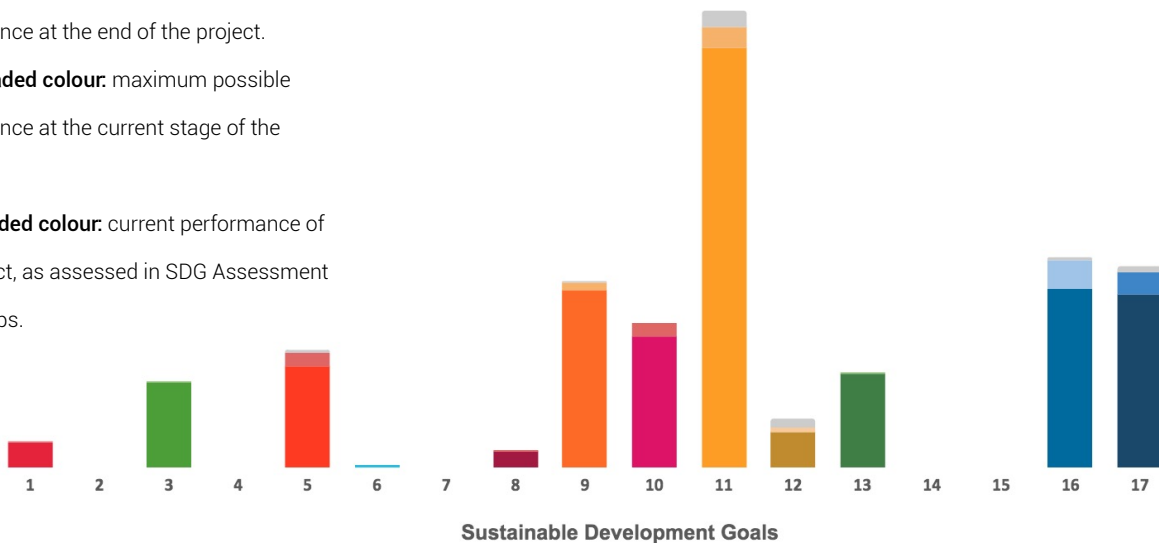


Figure 15: SDG Project Progress Assessment of Ankara's Bicycle Strategy, Master Plan and Pilot Implementation for Integrated Non-Motorized Multimodal Transport in Turkey

PROCESS



The **SDG Tool** should be used as early as possible in project design and development.

It follows a **five-step process**:

For details on how to use the SDG tool please download the General Framework⁴⁶ and User Guide.⁴⁷

Project partners identify a set of relevant sustainability principles (15-20) with attached performance criteria, responding to the project's nature and context. These come from the SDG Tool general framework and are collated into a tailor-made worksheet. This step ensures the consistency and relevance of the SDG Tool for the specific project context.

Partners apply the Tool using the tailor-made worksheet to undertake an assessment of the "milestone deliverable" (documentation from the delivery partner provided at key milestones, containing outputs relevant for the city authorities to review) against the selected sustainability principles. This review identifies strengths and weaknesses of the project's implementation for further discussion.

Based on a presentation of the "milestone deliverable" by the delivery partner, all parties engage in a joint discussion on the project's progress. The discussion is guided by the preliminary results of Step 2 and leads to an agreed assessment of the project based on a scoring matrix.

UN-Habitat compiles an SDG recommendations report with recommendations for the delivery partner and city authorities to improve the project's alignment with the SDGs and ensure its sustainability beyond the GFCP's timeframe.

Delivery partners and city authorities consider the recommendations and take steps to improve the quality of project implementation.



ITERATIVE PROCESS

4.2

SDG Tool in practice: lessons learned and opportunities for the future

GFCP delivery partners and city authorities used the SDG Tool to guide project development. Delivery partners shared their experiences at a series of Expert Group Meetings held as part of the SDG Cities Global Conference in October 2021. They reported that the SDG Tool helped create a “common vision” for cities and delivery partners and raised awareness about the SDGs. In the process, the Tool built capacity for cities and delivery partners, making them think differently about urban development and prompting them to focus on issues such as gender equality, social inclusion, and climate change.

The SDG Tool ensured that there was “early recognition that SDG alignment relied on meaningfully engaging communities, particularly in terms of gender and social inclusion,” says Nishendra Moodley, Team Lead at Future Cities South Africa. “This had a tangible impact on refining our approach to community engagement and aligning team behaviours to do no harm and leave no one behind.”

Delivery partners reported that the SDG Tool is effective as an engagement tool that brings project partners together to share different perspectives. It provides space for delivery partners to explain high-level concepts and terminology around the SDGs to city authorities. It helps break the SDGs down into achievable actions.

The Tool has also prompted delivery partners to strengthen their advocacy for the SDGs. Some noted that the private sector has a role to play in influencing global thinking around the SDGs while prompting clients to connect their master plans and Key Performance Indicators (KPIs) with the SDGs.⁴⁸

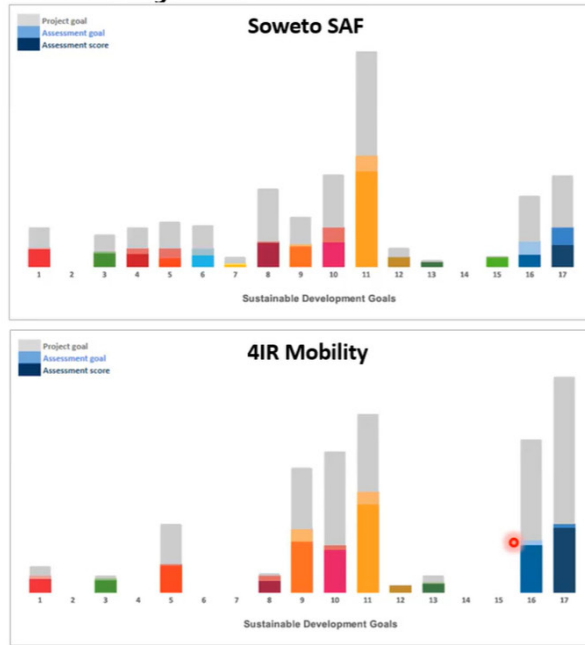
Incorporating the SDGs in the development of urban projects does not necessarily imply additional costs, noted some participants at the first Expert Group Meeting. While using the SDG Tool involves additional background work and work sessions, the related costs are

offset by the gains in creating more sustainable, inclusive, and bankable projects. However, SDGs need to be incorporated at the inception phase, or preferably earlier, and must be consistent with all subsequent project cycle phases, from budgeting prioritisation and procurement, to development, implementation, and reporting and monitoring.⁴⁹ Once cities see the value in aligning projects with the SDGs, it becomes “quite infectious,” says Peter Oborn, Strategic Advisor at UKBEAG. “They begin to see how sustainable projects become bankable projects; bankable projects become fundable projects; fundable projects become deliverable projects; and deliverable projects deliver impact.”

The Tool has also posed challenges for the GFCP. Some delivery partners found the Tool to be complex, with too many criteria, some of which overlap, making it time-consuming to use. The Tool can feel quite “external” to city authorities and delivery partners. This is particularly the case in cities where authorities are not familiar with the SDGs and have not incorporated the goals into their action plans or done VLRs.⁵⁰ Additionally, delivery partners identified the need to better link the SDG Tool and local SDG implementation with national SDG efforts and assessment processes. Delivery partners suggested simplifying the Tool, making it more agile, and considering ways to overcome language barriers. A key lesson learned is that the Tool could have been introduced earlier in the GFCP. This would have provided the opportunity to incorporate it into project workplans, deliverables, and contracts.

Despite some challenges, the Tool has proved to be adaptable. In the Philippines, delivery partner Broadway Malyan is supporting development of a sustainability plan for New Clark City. The team at Broadway Malyan sought to simplify the SDG Tool. For the delivery of a new park, they developed eight clear project goals, based on the SDGs, and used those to guide practical components, such as what types of trees to plant.⁵¹

SDG Project Profiles



UN-HABITAT | LAB
urban planning and design



Figure 16: Online SDG Session for Soweto, South Africa

UN-Habitat will revise the SDG Tool and develop an updated version that builds upon the feedback from GFCP partners. After validation, the new version of the Tool will be applied on a global level. It will offer a user-friendly experience so that donors, city authorities, and delivery partners can integrate it from the foundational phase of any urban project.

“As the private sector, we have to think about the outcomes for the planet and the outcomes for society...Personally, I changed my mindset. In urban design and architecture, you are so keen to make changes to the built environment. But now we are talking about something different -- a more resilient, more sustainable perspective.”

Sertac Erten,
Local Team Leader of Cankaya Healthy Streets,
Arup Turkey

Box 4.2 Using the SDG Tool for spatial transformation in Soweto, South Africa

Soweto is South Africa's largest township and home to almost a third of the City of Johannesburg's population of over 5 million.⁵² Soweto represents an ongoing South African challenge, rooted in the former apartheid government's approach to spatial planning: the disconnect between where poor people live and where much-needed jobs are located.

The City of Johannesburg sees the potential for Soweto to grow into a "true city district that can function independently and provide its residents with integrated human settlement where they can live, work and play."⁵³

To promote inclusive economic development, GFPC delivery partner FCSA is working with the City of Johannesburg to develop The Soweto Strategic Area Framework. This is a non-statutory planning instrument to guide Johannesburg's capital investment and other programmes in the core of Soweto through targeted spatial interventions. The Framework has a strong focus on cocreation, gender, and social inclusion. Community members and local businesses will take part in implementing it.

The City and FCSA used the SDG Tool to guide the development of the Soweto project from the beginning of 2021 until March 2022. The Tool provided the opportunity to have a joint discussion on draft scoring for the SDGs, pre-populated by a UN-Habitat facilitator.

"The process was different to an audit or evaluation of the delivery partner as was initially feared," says Nishendra Moodley, Team Lead at Future Cities South Africa. "Rather, it turned out to be a dialogue-based assessment between city officials and the delivery partner."

The process also built capacity. "Everyone involved is now familiar with the SDGs and how we need to arrange project outputs," he says.

The SDG Tool improved the quality of deliverables through periodic reviews and assessments. It ensured that SDG alignment relied on meaningful community engagement, particularly in terms of gender and social inclusion, and provided a constant reminder about the "line of sight" between the project outputs, methods, and the bigger picture of being a transformative urban project.

"The process was most valuable in providing a structured format for a facilitated dialogue between city officials and the delivery partner on the products, the resulting change desired, and the institutionalisation needed," says Moodley.

SDG TOOL NUMBERS

93

SDG SESSIONS

Delivered across 31 projects
103 SDG Sessions planned
3 sessions average per project

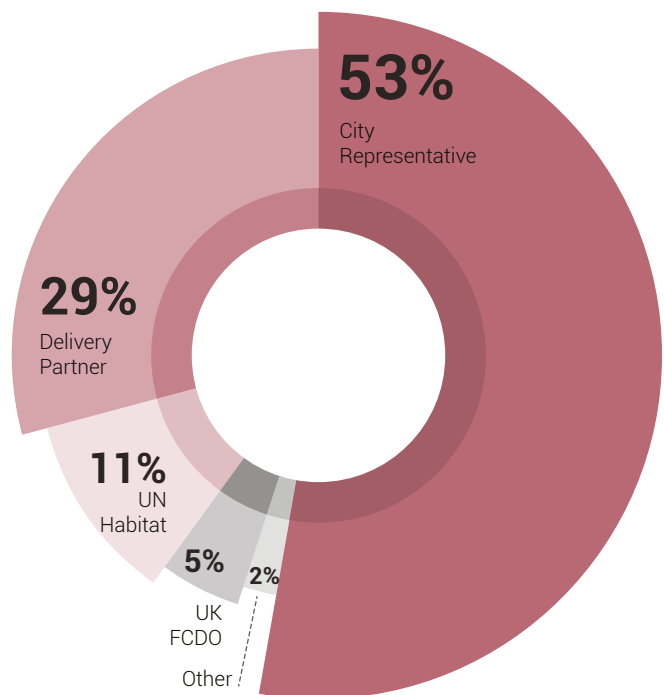
1437

PARTICIPANTS

15 Average # per session

52% ♀

48% ♂



80

SDG REPORTS

Delivered for 31 projects
110 SDG Reports planned

34 INCEPTION REPORTS

33 Inception Reports planned

41 SDG RECOMMENDATIONS REPORTS

46 SDG Rec. Reports planned

5 FINAL RECOMMENDATIONS REPORTS

31 Final Rec. Reports planned

288

TECHNICAL REVIEWS OF DELIVERABLES

* Numbers as per February 2022

Box 4.3 Using the SDG Tool for transport planning in Iskandar, Malaysia

People in Iskandar Malaysia, a rapidly growing logistics hub close to Singapore, already spend long hours stuck in traffic. Commuting by car is expected to get more tedious since the metro's population is set to double from 1.5 million in 2006 to 3 million by 2025.

To minimise future traffic woes and cut exhaust fumes, the city is developing a Smart Integrated Mobility Management System (SIMMS) to plan and manage traffic more effectively. The GFCP is supporting an implementation strategy for SIMMS. A second project component involves building city capacity to use smart technologies and data analysis to inform future spatial and transportation plans.⁵⁴

Over two years, project partners (Mott MacDonald, city authorities, and local UK FCDO posts) held four workshops to assess the mobility project using the SDG Tool. They selected 54 SDG criteria that contribute directly to 11 of the SDGs.

The SDG Tool workshops brought partners together to discuss strategic opportunities, turn SDG-related concepts into tangible actions, and improve programme delivery, explains Carol Koh, the UK FCDO's Prosperity Future Cities Programme Adviser for Malaysia.

Discussions included questions like, "What can we do to increase the bankability of the projects?" and "Does the city have the capacity to deliver this project in the long term? If not, what needs to be done to close that gap?" she says. Discussions also addressed inclusivity with a focus on which

stakeholders needed to be engaged in the process. The SDG workshops also helped partners evaluate the long-term sustainability of the project beyond the programme. "The SDG Tool allows us to bring the city along on this journey," says Koh. "In a way, it's also helping to build their capacity in delivering projects with sustainability in mind, while emphasising the importance of monitoring and evaluation."



Figure 17: Iskandar city view, Malaysia © UN-Habitat

Lessons Learned from GFCP

- In the GFCP, the SDG Tool proved most valuable as an engagement tool and a capacity building exercise for city authorities and delivery partners as opposed to an assessment tool. It brought partners together in a structured way to discuss technical project aspects and their alignment with the SDGs. This process empowered cities to raise their voices and take ownership of on-the-ground project implementation.
- The SDG Tool helped break the global SDGs into common objectives for delivery partners and city authorities, translating them into concrete project actions.
- Some GFCP partners found the SDG Tool complex and time-consuming. This speaks to the inherent complexity of localising the global SDG framework into concrete project actions and suggests the need for UN-Habitat to develop a simplified version of the Tool.
- The GFCP would have benefitted from introducing the Tool earlier in the Programme, allowing for its use to be incorporated into project workplans, deliverables, and contracts.

Recommendations

-  *Donors, delivery partners, and city authorities who seek to align their urban projects with the SDGs can use the SDG Tool, with support from UN-Habitat, for project design and development.*
-  *The SDG Tool needs to be introduced at the early stages of project identification and design. It should be embedded in a project's ToR and guide development of the project logframe and Theory of Change.*
-  *Partners need to agree on a common understanding of the SDG Tool's principles and criteria at the beginning of project design, through preparatory consultations, to avoid any conflict or misunderstandings that could arise in later stages.*
-  *The process of implementing the SDG Tool is complex and the content covers detailed technical criteria. It requires experienced, capable, and knowledgeable facilitators, such as those from UN agencies or similar organisations.*



COLLABORATIVE
INFORMAL
SETTLEMENT ACTION

PARTICIPATORY
PLANNING AND DATA
COLLECTION

Discuss with
Liam to start
next

Play sessions

Let us know
at 10:30

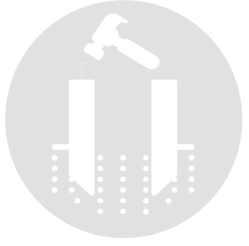
Wagner
complexity -
will need to
address during

Case 22 -
need for planning
and data collection
to be on the
ground to build
a trust

TRIAL
LITERATURE

Get real
ground data
to inform
planning

Figure 18: SDG Workshop Session in Durban, South Africa
© UN-Habitat



05

Building capacity and sharing knowledge

The GFCP's collaborative approach to capacity building emphasised city-owned change for each project and peer-to-peer knowledge sharing between city authorities and international experts. The GFCP also presents an opportunity to share knowledge that contributes to the global discussion on sustainable urban development with a broader audience of urban actors.

This chapter highlights key processes involved in the GFCP's capacity building and knowledge sharing activities, with recommendations for effectively building the capacity of local authorities and sharing knowledge, best practices, and normative outputs at the global and local levels.

5.1 Approach to capacity development

The GFCP’s core focus for capacity building has been to enable city-owned change for each project. The Programme has supported authorities to overcome the technical, financial, and legal obstacles to implementation, promoting project sustainability and long-term impact. Capacity building took place via three complementary streams.

At the **programme level**, UN-Habitat and UKBEAG developed and hosted a capacity building programme comprised of a Transition Training and Dialogue (involving a week of face-to-face capacity development in London in 2018), a thematic learning programme, city-to-city knowledge exchanges, in-country events, and regional leadership events (see 5.2 and 5.3). UN-Habitat also delivered a series of knowledge-sharing sessions during Urban October in 2020 and 2021 (see 5.4).

At the **project level**, delivery partners provided capacity building to city authorities. In Iskandar Malaysia, for example, Mott MacDonald provided training on Smart GIS (Geographic Information System) to city authorities with three sessions between October and December 2021. These provided hands-on learning about GIS tools, platforms, and data analytics relevant to the SIMMS project. Authorities included key teams from Iskandar Regional Development Authority, Iskandar Puteri City Council, Pasir Gudang Municipal Council, and the Public Transport Corporation of Johor. In Bangkok, Mott MacDonald gave a [workshop](#) to 28 participants from 13 city departments on GESI. Topics included definitions of gender equality and social inclusion, legal and institutional frameworks in the UK and Thailand, gender and social stratification, gender-disaggregated data, and gender-inclusive urban planning and policy. Finally, **UN-Habitat’s reviews and sessions on the SDGs** (described in Chapter 4) built the capacity of local authorities and delivery partners to do things like include safety in gender sensitivity in non-motorised transport solutions in project design.



Figure 19: Capacity Building and Knowledge Management component

“We don’t provide bricks and mortar. We provide the cities with the skill base, the skillset, the experience, to take on [the] work and be sustainable once the programme ends.”

John Green,
Deputy Programme Lead, GFCP, UK FCDO

5.2 Identifying capacity and knowledge gaps

Before providing capacity building, it is necessary to identify and understand capacity and knowledge needs from the bottom up. To do this, in 2018 UKBEAG and UN-Habitat did initial scoping studies and visits to each of the 19 participating cities to gain an understanding of market maturity and professional capacity. This involved interviewing city authorities, UK FCDO local posts, and LSAs to better understand challenges and opportunities in each city. “People need to talk to one another. It’s about collaboration, mutual understanding, and mutual respect, rather than forcing any issues on a city,” says Adrian Malleon, Programme Director at UKBEAG.

This groundwork helped inform the first capacity building event, the Transition Training and Dialogue, hosted in-person in London in 2018 and attended by 40 city representatives from all 19 cities. Based on this research, and a subsequent workshop, five thematic areas were identified which presented challenges to most of the cities: 1) Integrated and inclusive urban planning, 2) Governance and collaboration, 3) Evidence-based design and effective use of data, 4) Project finance and procurement, 5) Implementation, enforcement, monitoring and evaluation.

Based on the five themes, a range of subject matter experts delivered a **thematic learning programme**, comprised of [seven events](#) between January and March 2021, to engage city authorities and delivery partners. Experts from leading UK institutions presented at the events. These included: Bristol City Council, the British Standards Institution, the University of Cambridge Institute for Sustainability Leadership, the Design Council, the Infrastructure and Projects Authority, the International Finance Corporation, the International Growth Centre, University College London (UCL), and the Bartlett Development Planning Unit.

These learning sessions explored each of the five themes with the cities, providing practical information and giving participants the opportunity to reflect on their current practices and capacity development needs. For example, the session on [Integrated and Inclusive Planning](#) considered the importance of integrated and inclusive planning as a prerequisite for achieving lasting social, economic, and environmental improvement while addressing the needs of marginalised and vulnerable people. This was facilitated by the Design Council and UCL’s Bartlett Development Planning Unit and drew on examples from Bristol’s [One City Plan](#).

Each city was subsequently invited to do a capacity needs assessment across the five thematic areas. UKBEAG then produced a report for each country highlighting capacity needs for each city and identifying opportunities for city-to-city learning to inform the in-country events.

UKBEAG used these assessments to establish the next steps for capacity building based on:

- The need for capacity development for each city against each theme;
- The level of interest in learning from other cities in future city-to-city events;
- A list of potential “Local Capacity Development Champions” who would engage in the capacity building events and make use of the GFCP’s international knowledge base and network to carry each project towards implementation.

Box 5.1 Belo Horizonte's capacity development champion

As Coordinator of Belo Horizonte's Smart City Programme, Jean Mattos Duarte is focused on using technology and data to provide better services to people in Brazil's sixth largest city. One way he is doing that is through a GFCP-supported project to develop an Intelligent Mobility Solution to better understand how city residents use public transport. This will help the city plan its bus system for the Expresso Amazonas, the main transport corridor, with a focus on accessibility, gender sensitivity, and inclusion.

"We need to address specific policies for women," says Duarte. "The key users of our buses are women – workers and mothers – that live in vulnerable areas."

In the GFCP, Duarte is the local capacity development champion for Belo Horizonte. He has been actively engaged in the GFCP's capacity building programme from the start. The main learnings from the GFCP's capacity building sessions have been around how to manage data, govern the way it is used and collected, and engage with stakeholders, he explains. As Belo Horizonte's Deputy Secretary of Planning, Budget, and Management, Duarte coordinates with various officials and has applied some of what he has learned to smart city projects beyond the GFCP. For example, the municipality is introducing a project on Building Information Modelling (BIM), a process of generating and managing digital information about construction projects. Duarte was inspired by a 2018 capacity building session that covered BIM, and offered insights from the United Kingdom, a global leader in BIM, about planning and implementing such a system. This helped him initiate the project with

infrastructure agents in the municipality. Duarte says the 2018 London Training Dialogue event in London provided useful insights on urban planning, resilience, and the built environment. It gave him an understanding of how Belo Horizonte could connect the Intelligent Mobility Solution project to the SDGs and prompted him to consider ways of building capacity at home. Following the London event, Duarte started a project to increase data analysis capacity in city hall. This is developing public servants' skills for data management and analysis, use of data dashboards, and other tools for decision-making.

Hearing about the experiences of other cities in the GFCP has also been valuable. "The issues the cities are facing may be similar in terms of subjects, like mobility or resilience, but how to 'attack them' needs to be different," he says. "But you always [learn] something about the challenges, the change management, and the strategies they're using."

Duarte notes that the capacity building sessions are not always about learning something new but often about validating a concept that his municipality has already been working on. He points to Belo Horizonte's latest master plan (*Plano Diretor*), approved in 2019, and its approach to transport and land use, as an example.

"We don't necessarily take a new idea to implement here," he says. "In many capacity building sessions, when I heard about the experiences from the UK and other partners, I [thought] 'ok, that's what they're doing and it's a case of success. We're doing it in the same way and it's good to know we're on the right path.'"

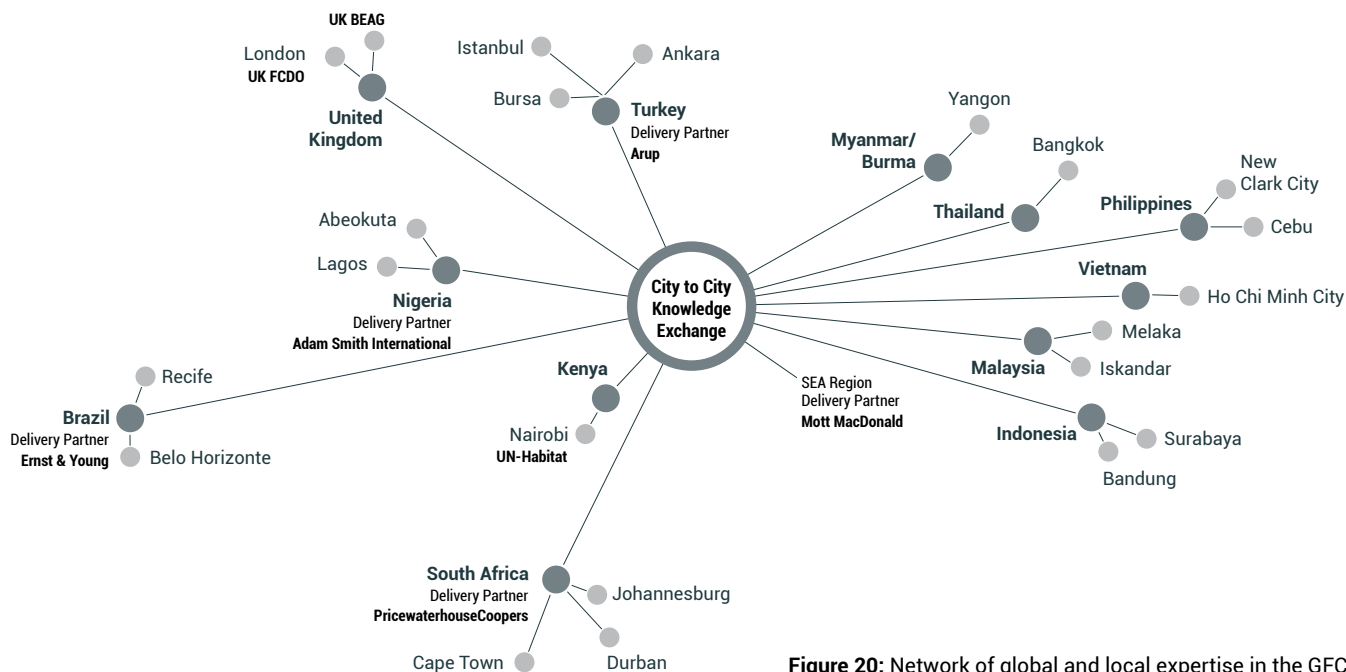


Figure 20: Network of global and local expertise in the GFCP

5.3 Strengthening municipal capacity and promoting city-to-city learning

To promote local ownership of projects and support an enabling environment for long-term implementation, programmes should strengthen municipal capacities for overcoming technical, financial, and legal barriers to project execution. UKBEAG and UN-Habitat used three types of sessions for strengthening municipal capacities.

City-to-City knowledge exchanges

There were four city-to-city knowledge exchanges held between August and November 2021. UKBEAG and UN-Habitat matched cities to ensure the relevance of issues identified in the capacity needs assessments. The sessions gave city authorities space to share experiences and learn from one another within the five thematic areas. International subject matter experts also shared their insights as “critical friends” of the GFCP. The sessions were delivered in English with simultaneous translation into languages spoken by participants. The aim of these

events was to create connections between city officials. Since they were held during the COVID-19 pandemic, participants had to grapple with the new realities of online workshops, which don’t foster the type of networking that happens organically at an in-person event. To nurture city-to-city connections, and create links between local authorities and international experts, willing participants and subject matter experts shared their contact details and were encouraged to connect and continue sharing experiences.

“A big learning for me throughout has been, wherever possible, facilitate city-to-city learning. These cities we are working with have shared challenges that they’re approaching in different ways. Get them talking to each other. It’s so valuable.”

Adrian Malleon,
Programme Director UKBEAG

ROYAL INSTITUTE

66



OF BRITISH ARCHITECTS

Welcome

66



Figure 21: GFCP Transition, Training and Dialogue in London, UK © UN-Habitat

Box 5.2 **City-to-city learning**

The GFCP has a focus on building city-to-city networks and promoting shared learning. Bringing cities together has led to collaborative learning.

- In 2018, city authorities from Bangkok visited King's Cross, known globally as a symbol of urban regeneration via Transit-Oriented Development (TOD), as part of the London Transition Training and Dialogue event. Bangkok is working on a TOD plan as part of the GFCP and wanted to learn more about integrated transport and land use. The city subsequently asked for a capacity building session built around King's Cross as a project, which UKBEAG facilitated with the Greater London Authority, Argent, and the IGC. "What we're seeing now is that some of the ideas, the seeds, that were planted [at the 2018 event] are becoming embedded in Bangkok's approach to transport," says Adrian Malleson, Programme Director at UKBEAG.
- In Abeokuta, Nigeria, the transport policy project includes the establishment of a twinning arrangement between Ogun State's Ministry of Transportation and the UK's Transport for Greater Manchester as a follow-on activity to build capacity.

Box 5.3 **The promise and pitfalls of online engagement**

Many of the GFCP's capacity building and knowledge exchange sessions ran through the height of the COVID-19 pandemic. This made the shift to online delivery a necessity. Virtual workshops opened new opportunities but also came with their challenges.

On the plus side, hosting virtual events allowed for engagement with large numbers of people. In Bangkok, for example, a digital workshop for urban stakeholders was initially planned for 30 people, including senior staff, but was then made available to 100 attendees.⁵⁵ But the downside of virtual events is the lack of face-to-face engagement.

"What's missing, and it's so difficult to express, is that just sitting across the table with someone is different to having an [online] meeting, and that can't be readily replicated" says Adrian Malleson, Programme Director at UKBEAG. "Technology has been important and allowed us to do things we couldn't have done, but in terms of relationship building - it's weakened that."

With the shift to mostly online meetings, facilitators need to consider how to make sessions interactive and hands-on. This doesn't necessarily rely on using the latest app, or technological tool for online workshops, since these can sometimes shift the focus away from the human element. "With online events, we must ensure we don't lose

sight of the fundamental objective of capacity building -- improving the facilitation of connecting people," advises Gregory Meckstroth, an Urban Planning and Mobility Expert with UN-Habitat. "As technology continues to evolve, organisers should consider how to make online events as human as possible with the idea of connecting people through storytelling and interaction."

In-country events

Held between November 2021 and February 2022, these brought together different cities within each country for in-depth discussions regarding unique national and local opportunities and challenges within the five thematic areas. The events were also tailored to the scope and context of the projects. They allowed authorities to consider the additional steps needed to ensure project success.

UKBEAG worked closely with city stakeholders, UN-Habitat, UK FCDO, and delivery partners to tailor the format, content, and timing to the specific needs of each country. This resulted in events running as half-day interactive workshops, two-hour presentation-style formats, and expert-led roundtable discussions, among others.

These events helped cities address long-term challenges. For example, in Nigeria experts from the African Development Bank and Infrastructure and Projects Authority emphasised the value of having a policy in place that guarantees investors there will not be future policy or governmental changes that put project implementation at risk. This was helpful for city authorities to learn about what they need to make their projects investor-friendly and bankable.

Malaysia's in-country event featured the National Budget Director from the Ministry of Finance. The session allowed city authorities to better understand the national budget allocation plans during the pandemic recovery and discuss how to access financing from the Federal Government for implementation of projects.

Regional leadership events

To provide capacity building that really address local needs, programmes need to remain adaptable and open to city perspectives. Through the capacity developing work, a sixth theme emerged as a need among cities: leadership and change management. This became the focus of two final sessions, delivered in partnership with the Cambridge Institute for Sustainability Leadership in February 2022.

The leadership events featured insights from experts including Marvin Rees, the Mayor of Bristol; Sir Paul Collier, Director of the IGC; and Lucy Bruzzone, Programme Director at the University of Cambridge Institute for Sustainability Leadership. UN-Habitat and UK FCDO discussed the importance of the GFCP in the Decade of Action to deliver the SDGs and fulfil collective commitments to climate change and the COVID-19 recovery. The events included feedback from delivery partners, focused on barriers and enablers to project implementation, and input from senior city officials about the future of the GFCP projects. As a way of closing the capacity development programme and promoting ownership, participants received leadership certificates.

"This [first leadership] session has shown that leadership is not static but a dynamic process. It involves collaboration, inclusion, empowerment, and interaction with people."

City Official,
feedback from the leadership event

5.4

Bridging the knowledge gap

The GFCP generated a vast amount of knowledge about sustainable urbanisation and inclusive development. A primary aim of the programme was to share this knowledge broadly so that partners, and others, could learn from, and with, each other.

The GFCP's experiences with knowledge sharing highlight important aspects to consider for multi-partner programmes operating across countries and regions. These include:

- **Making global knowledge locally relevant:** The GFCP communicated about the relevance of the SDGs and broader global development frameworks with cities. It shared UN-Habitat's guidebooks and normative best practice publications on urban sustainability with local partners and used the SDG Tool to make universal SDG concepts relevant to cities.
- **Sharing local knowledge globally:** To share the experiences of cities on the ground, the GFCP published human interest and impact stories on its [Knowledge Management Platform](#). This helped increase visibility of the programme and created a collection of best practices for other cities to learn from.
- **Broadening the impact globally:** To share lessons learned, UN-Habitat presented and discussed the GFCP at international forums. These included the Marmara Urban Forum, the Asia-Pacific Urban Forum, the World Urban Forum, the Innovate4Cities conference, and the World Planning Congress 2021, hosted by the International Society of City and Regional Planners. This helped communicate the learnings of the GFCP and position it as a pioneering multi-stakeholder, multi-country programme.
- **Promoting peer-to-peer learning:** The knowledge sharing sessions and city-to-city events facilitated peer-to-peer learning opportunities between cities.
- **Sharing knowledge between city departments:** Capacity building activities can also serve as a strategic tool to bring different city departments together and encourage them to share knowledge around a specific topic. For example, in Yangon, Myanmar, during the start of the project, capacity building activities targeted multiple municipal departments working in the urban environment, where various stakeholders engaged in discussions around scalable pilot projects to upgrade public spaces in the city centre.

Core components of the GFCP's approach to knowledge sharing are highlighted below:

The **GFCP's Knowledge Management Platform**, operated by UN-Habitat, provides information about the Programme and projects. It houses resources to inform best practices for SDG-aligned urban projects within the GFCP and globally. Resources include normative reports, guidelines for using the SDG Tool, news stories, and a database of best practices from urban development initiatives around the world. It also features recordings of GFCP expert group meetings, capacity building sessions, and knowledge-sharing events. The platform is directly linked to the capacity building sessions, providing participants with speaker bios and presentations, event livestreaming, and post-event recordings. The platform also links to UN-Habitat's [New Urban Agenda platform](#), which shares progress, action, and knowledge on the implementation of the New Urban Agenda. To amplify stakeholder voices to a broader audience and provide insights into real world experiences on the ground in cities, the Knowledge Management Platform published **human interest stories**. The LSAs were given a template and then developed stories based on interviews with community members and city officials. Delivery partners also shared updates and stories via newsletters published on the Knowledge Management Platform.

OVERALL NUMBERS

22

CAPACITY BUILDING SESSIONS

- 7 Thematic Sessions
- 9 In-country Events
- 4 City to City Sessions
- 2 Regional Leadership Forums

CAPACITY DEVELOPMENT COMPONENT

UKBEAG
UK Built Environment Advisory Group



UN HABITAT
FOR A BETTER URBAN FUTURE

13

KNOWLEDGE SHARING ACTIVITIES

- 4 Knowledge Sharing Sessions
- 2 Expert Group Meetings
- 7 LSA to LSA Sessions

KNOWLEDGE SHARING COMPONENT

UN HABITAT
FOR A BETTER URBAN FUTURE



Delivery Partners

30,998

VISITORS

438 Active users

KNOWLEDGE MANAGEMENT PLATFORM

UKBEAG
UK Built Environment Advisory Group



UN HABITAT
FOR A BETTER URBAN FUTURE



Delivery Partners

173 Stories uploaded

127 Shared knowledge

51 Resources uploaded

22 Best practices shared

To promote peer-to-peer learning, the GFCP also hosted a series of **city-to-city dialogues**, focusing on issues like [data-oriented solutions](#).

UKBEAG and UN-Habitat **delivered four knowledge sharing sessions** during Urban October 2020 and 2021 to coincide with World Cities Day and World Habitat Day. Each webinar focused on four specific GFCP projects. Partners shared experiences on [planning for and with communities during the pandemic](#), [innovative methods to decarbonise planning and mobility](#), [adapting cities for climate resilience](#), and [integrated planning and housing](#). In total, representatives from 21 countries and 80 cities took part in these sessions.⁵⁶

The GFCP also held [two expert group meetings](#) about SDG-oriented urban development. In the first, programme partners shared best practices and lessons learned about integrating the SDGs into urban project design. In the second, programme partners and external experts discussed the growing financial opportunities available to innovative SDG-oriented projects.

Finally, the GFCP produced a series of **normative reports**, based on the collection and analysis of local and global best practices applied in the Programme. These provide guidance to donors, urban practitioners, and policymakers to inform local action for sustainable and inclusive urban development (see Box 1.4).

Importantly, the GFCP **took language barriers into account to make knowledge accessible**. The Knowledge Management Platform offers translation into over 70 languages. Translation was done for capacity building events and other online meetings.

Box 5.4 **Knowledge sharing event - planning for and with communities during the pandemic**

In Urban October 2020, UN-Habitat invited GFCP partners, including city authorities, civil society organisations, delivery partners, and international experts to a knowledge sharing session on planning for and with communities during the pandemic.

The session focused on two aspects: 1) How to deliver effective stakeholder and community involvement throughout the project life cycle, and 2) How the pandemic influenced and challenged inclusive stakeholder and community engagement. Partners shared the ways they were innovating to do participatory community processes within the constraints of the pandemic.

Monique Suksmaningsih, Broadway Malyan's lead for the [Surabaya Urban Transformation Project](#), discussed how community members were invited to digital focus group discussions using video chat software. These informed the urban transformation strategy for the former red-light district in Surabaya, known as "Dolly."

Temilade Sesan and Segun Ogunleye, from Future Cities Nigeria, shared experiences of using WhatsApp to connect with local communities in lieu of being able to meet physically. They noted that digital communication tools are useful but don't create the same type of group dynamics as face-to-face interactions and are not sufficiently inclusive.

Ernst & Young's Rafael Colnago explained how his team in Brazil surveyed 400 people from global companies, NGOs, and representatives from vulnerable groups, using virtual sessions assisted by simultaneous translation, to inform development of Belo Horizonte's [Intelligent Mobility System](#) and [Recife's Data System for Urban Governance](#).

Dr. Seda Özdemir, Project Team Member with Istanbul's Sustainable Urban Mobility Plan, under the Directorate of Transportation Planning, Istanbul Metropolitan Municipality, presented the city's plan to "drive more inclusive, innovative and integrated performance-based mobility." She emphasised that minority groups, representatives of religious groups, refugees and asylum seekers, and members of the LGBTQ community should be included as potential stakeholders.

For a full write-up on the event visit <https://www.globalfuturecities.org/article/planning-and-communities-create-future-cities-all>

Box 5.5 **Reflections**

Shared city challenges can be made relevant to individual cities

A learning from the GFCP is that providing useful capacity building to multiple cities involves being able to make general urban challenges relevant to individual cities.⁵⁷ For example, good governance and collaboration between government departments is an issue shared by each city in the GFCP. But each city struggles with that issue in different ways. The GFCP's thematic approach helped identify the general issue. The city-to-city event on this topic allowed cities to share experiences with each other. Then, the in-country events allowed UKBEAG and partners to tailor the offering, as much as possible, to the needs of the cities.

Increased collaboration is needed with capacity development champions

The GFCP identified capacity development champions who would engage in capacity building events and make use of the GFCP's international knowledge base and network to carry each project towards implementation. However, not all cities had a champion who was consistently available. In some countries champions did not take part. This points to the need to engage champions from the early stages and work collaboratively with them to co-design capacity building activities.

An additional challenge is that some cities have high staff turnover with senior officials and key contacts being replaced during a programme. Expanding the group of champions within a city can help to anchor and broaden the capacity building approach.

Users should help shape development of channels for online communication

To encourage peer-to-peer learning and knowledge sharing outside facilitated events, the GFCP developed an online community forum, available via the Knowledge Management Platform. However, this was not well used with programme partners preferring other avenues to engage. This points to the need for scoping and analysis of partners' needs before developing such communication channels to see if there is an appetite for them and to get users' inputs on their preferred methods for engaging online.

Lessons Learned from GFCP

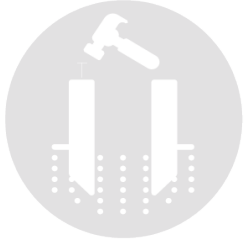
- Asking cities what they need in terms of capacity development, and having conversations with local stakeholders, helped ensure that capacity development was relevant to city contexts and promoted local buy-in. Doing this involves collaboration, mutual understanding, and respect.
- Delivering capacity development training with partners on the ground is key. Solely using outside experts can create challenges.
- Engaging with cities was sometime challenging for the GFCP, especially during the COVID-19 pandemic. Authorities are busy and can sometimes seem disengaged. The continuous facilitation and support from LSAs through phone calls, visits, and reminders of events ensured consistent engagement.
- Partners will not automatically make use of virtual forums and platforms for networking and community building. The shift to online engagement requires new ways of thinking about building and maintaining relationships between programme partners.
- Partners outside of UN-Habitat did not share as much information as they might of on the GFCP's Knowledge Management Platform. This points to the need for active communication and information sharing between all partners in a large global programme.

Recommendations

- *Humanise online sessions and create connections between people by using icebreakers and/or smaller breakout rooms that allow people to get to know one another.*
- *Identify city champions (ideally senior officials with willingness and capacity to engage) at the beginning of a programme. Collaborate with them to co-design capacity building processes that elicit buy-in from cities.*
- *Rely on local engagement and partnerships with local institutions to deliver capacity building together with international experts. Listen to local needs and be driven by local ways of communicating and sharing knowledge.*
- *Make the capacity building programme's importance explicit to city partners from the beginning. This will help them appoint dedicated staff for capacity building activities.*
- *Create an open online platform to share knowledge, resources, and programme experiences to inform global discussions on sustainable urbanisation and SDG acceleration with a broader audience.*
- *Create normative outputs to share programme learnings and provide guidance for future action on sustainable urban development.*



Figure 23: Durban city view, South Africa © UN-Habitat



06

Financing and realising SDG-aligned urban projects

The common disconnect between strategic planning and capital budgeting often results in potentially transformative urban projects not making it all the way to final execution. The increasing optimism about accessing alternative financing for projects that align with the SDGs can help bridge this gap.

This chapter identifies the common challenges for financing transformative urban projects. It highlights opportunities available for projects that align with the SDGs, such as UN-Habitat's Cities Investment Facility.

6.1

Challenges with realising transformative urban infrastructure projects

Cities are drivers of domestic revenues, generating an estimated 80 per cent of global GDP⁵⁸ and housing highly taxable forms of income and consumption that form a strong and growing revenue base.⁵⁹ Well-planned cities with good public services that keep pace with growth are more productive and crowd in private investment.⁶⁰ If appropriate mechanisms are in place, investing in cities generates value, which can support strong financial planning.

However, challenges related to financial planning are often a barrier to investments in cities. Unfulfilled political visions, flashy renderings from external consultants that never come to fruition, and urban plans that only exist on the shelf are all familiar phenomena in cities around the world. Even the most strategic projects risk falling short of implementation if financial planning is not part of project development. Some of the primary challenges, along with the way these were addressed in the GFCP, are detailed below.

Local capital budgeting is not well linked to spatial and strategic plans

Local governments are increasingly at the centre of poverty reduction, social development, and environmental resilience as least developed countries continue along the path of urbanisation. Local governments use their capital budgets to invest in development, globally spending more than \$1 trillion per year on capital investments.⁶¹

There is broad recognition of the need for local strategic and urban planning to guide urban growth and development. With the move towards decentralised governance in recent decades, local governments are playing an increasing role in strategic planning for the future. However, there is often a disconnect between the strategic and spatial planning processes and capital budgeting.

This disconnect arises in three ways: 1) Local budgets have little discretionary capital spending, with capital expenditures either being limited, devoted to urgent maintenance issues, or earmarked by a higher level of government; 2) Strategic plans do not include costed project priorities, and local planning staff lack capacity to engage with the budgeting process in a way that translates strategic plans into budget allocations; 3) Even when there is a mechanism for linking the capital budget prioritisation process with a strategic plan, spending priorities of high-level officials, donors, or financing entities take priority over planning-based metrics. The result is that transformative infrastructure projects that arise during the strategic planning process may never receive appropriate budgetary allocation for implementation.

The GFCP presents a unique opportunity to shed light on issues of local capital budgeting and project prioritisation. As discussed in Chapter 3, during the Strategic Development Phase UN-Habitat and its partners established a baseline for each city, identified viable projects, and issued City Context Reports on major issues, including the local financial situation. UN-Habitat and UK FCDO encouraged thoughtful budgeting and prioritisation by stakeholders at the local level and better collaboration with national counterparts.

For example, as part of the [Ho Chi Minh City Smart Ticketing System project](#) in Vietnam, the national government was engaged to allow for the possibility of potential international financing. Additionally, instead of applying a cess on the fare for public transit to pay for the system, alternate revenue streams were identified that simultaneously acted as a financial deterrent to private transport. In Iskandar Malaysia, for the [SIMMS project](#), the city authority worked closely with Mott MacDonald and UN-Habitat to identify revenue streams that could be tapped to raise financing for project delivery.



Figure 24: Workshop session in Cape Town, South Africa © UN-Habitat

Revenue generation and funding streams are often an afterthought of project development

Often, project design proceeds without consideration of funding streams to pay for investments or potential revenue generation. These critical issues are left until the design phase is complete or never broached. Even when financial planning is an expected component of project design, it often only happens at the end. With delays in project planning, the financial component is at risk of being compromised or dropped. Leaving revenue generation and funding considerations to the end of the project design phase means that changes to the project to improve its financial viability are more difficult to consider and plan.

An iterative process that tests various designs with their financial viability is rarely used, weakening the design of a project and its prospects for implementation. Compromises in project design to improve financial feasibility may undermine the original goals and envisioned project benefits, particularly if they price out the poor or reduce project quality. Considering financial dimensions early in the process can help the design phase more realistically achieve the project's goals.

The GFCP built in financial planning from day one by:

- Examining each city's budgetary structure and revenue streams, as well as the applicability of land-based finance.
- Including financial planning as a specific deliverable in each city's workplan.
- Building financial and revenue criteria into the SDG Tool, ensuring these would be considered at various points in the planning process.
- Offering capacity building on project finance and procurement via a thematic [session](#)⁶² on methods for securing project finance and ways to present bankable projects for funding, and another [session](#)⁶³ on using the SDG Tool to improve sustainable investment options.

Creating bankable projects

Effective project preparation is a major hurdle for many cities. The lack of a pipeline of bankable projects is arguably the biggest bottleneck to municipal project finance. The project preparation stage can take years or even decades for large infrastructure projects. Costs can be up to 10 per cent of total project costs, with associated risks that are unacceptable to most investors.⁶⁴ Integrating SDG metrics early in the project preparation process can help produce impactful, bankable projects. Aligning projects with the SDGs improves project quality and creates a space for honest dialogue between project partners.⁶⁵

To improve project bankability, local governments can make use of UN-Habitat's pioneering [Cities Investment Facility](#) (CIF), which helps SDG-aligned urban projects access technical and financial support. It assists with access to global debt and equity investors interested in investing in projects that localise the SDGs and contribute to Nationally Determined Contributions (NDCs). (See box 6.1).

Box 6.1 UN-Habitat's Cities Investment Facility

Some 4.2 billion people live in cities, and that number is growing by 1.5 million each week. Most of this urban growth is happening in developing countries in Asia, Africa, the Middle East, and Latin America. This fast-paced urbanisation is creating an annual urban infrastructure financing gap of more than \$3.2 trillion.⁶⁶ At the same time, too few bankable sustainable infrastructure projects are being developed in low- and middle-income cities. Often, projects proposed by municipalities do not align with investors' financial and impact requirements.

UN-Habitat's Cities Investment Facility (CIF) aims to help bridge the financing gap. It accelerates SDG implementation in cities in frontier and emerging markets by directing significant capital towards financing projects that are inclusive, SDG compliant, integrated into local development plans, and align with the development priorities of UN Country Teams and UN-Habitat Country Programmes. It also provides advice to projects at the pre-feasibility stage to enhance design, bankability, and SDG- impact.

Learn more:

<https://unhabitat.org/programme/cities-investment-facility-cif>



Figure 25: The three instruments of UN-Habitat's Cities Investment Facility

Life cycle considerations do not feature in project development

Beyond initial capital investments, the operations, maintenance, and eventual replacement of public assets often does not factor into project planning or capital budgeting. Assessments using the [Public Expenditure and Financial Accountability](#)⁶⁷ methodology reveal that at the local government level, a process for estimation of recurrent cost implications of the investment budget is often lacking. The failure to consider life cycle costs in project planning contributes to poor maintenance, disrepair, and disuse of public infrastructure projects. Additionally, the stop-and-go method of maintenance (where maintenance is carried out only when usage is interrupted) multiplies life cycle costs, hitting the public purse.

The GFPC built life cycle considerations into financial planning by using the SDG Tool. The Tool includes ratings of whether a project is “based on a background assessment of the financial requirements needed for execution, maintenance, and operation” and whether “long-term debt, operations, maintenance and depreciation costs have a dedicated funding stream to draw from.”⁶⁸ In Lagos, for example, life cycle costs for

the Lagos State Government’s project to introduce a [water transport system](#) were estimated for a 30-year concession period and factored into financial planning for the project.

Limited access to capital markets

The failure to consider project revenue streams during development limits access to project financing. However, more fundamental problems are at play, particularly in low-income countries and smaller cities. Major challenges include the inability of local governments to borrow for statutory reasons relating to weak decentralisation; weak generation of own-source revenues due to a combination of the limited revenue base and inefficient revenue administration; and high risk, or high perceptions of risk among investors, linked to poor credit ratings.

Local government authorities often have limited access to capital markets, constraining their ability to invest and reducing the possibilities for infrastructure project implementation. Where possible, the GFPC attempted to ringfence project revenues, de-risk them from the municipality’s general credit risk, and use these ringfenced revenues to raise project financing for implementation.

6.2

Financial opportunities created through SDG alignment

The worlds of finance and sustainable urban development are converging and will continue to do so in the face of climate change and other threats to sustainable development. This convergence is creating opportunities for financing transformative urban development and infrastructure projects that align with the SDGs.⁶⁹

Alternative financing

Investors are increasingly expecting sustainability to factor into their investments. “The SDGs are becoming the universal language, the umbrella language, for all aspects of financial investments,” said Tom Eveson, Founding Partner at Emerging Markets Infrastructure Fund Group, as part of an [Expert Group Meeting](#) on sustainable financing hosted by the GFCP. The SDGs are going from a “nice to have” to a “must have,” particularly for projects that want to access private capital, he said.

S&P Global Ratings [notes](#) that ESG factors “can – and do – influence credit quality, specifically, the capacity and willingness of borrowers to meet financial commitments.” These factors play “a prominent role” in the agency’s credit ratings.⁷⁰ Furthermore, SDG-alignment is important to investors and relevant to risk mitigation and debt repayment.⁷¹

“When I would meet with investors a decade ago, ESG wasn’t something that came up all that often. But as the years have gone on, and more recently, every conversation is about it.”

Scott Zuchorski,
Managing Director and Head of North American
Infrastructure at Fitch Ratings

SDG alignment makes projects more attractive to private investors. But it also opens the door to additional sources of finance, including climate finance and social impact investing. One example is **diaspora bonds**, issued by a country to raise money from residents living overseas. These can be a good fit for countries with high remittances, channelling the investing power of nationals living abroad who are interested in improving the social situation at home. Diaspora investors are sometimes willing to accept lower returns, termed the “patriotic discount,” and are typically less concerned with taking on the risk of a local currency bond.⁷² **Green bonds** are another alternative financing example. These operate similarly to ordinary bonds but attract a wider array of investors by supporting environmentally sustainable projects. For example, the African Development Bank issued a \$500 million green bond in 2013. Socially responsible investors bought 84 per cent of subscriptions, compared to the Bank’s typical benchmark bonds, where central banks and other official bodies account for 75 per cent of subscriptions.⁷³

Alternative revenue streams

By aligning projects with the SDGs, planners and policymakers can test ways of improving how projects benefit typically underserved communities and prioritise environmental sustainability. Strengthening or testing alternative revenue streams is an emergent opportunity. For example, municipal leaders in Durban, South Africa, are testing new revenue streams tailored to projects for underserved communities. They are testing new mechanisms of land value capture for the [GFCP project](#) to operationalise a TOD policy for the city that includes access by low-income communities.

Uplifting poor households and communities through SDG-aligned infrastructure investments also has the long-term effect of broadening the local revenue-base, which is constrained in many developing cities by the large number of people and enterprises that fall below taxable

“The innovation being applied to sustainable-themed financing is incredible and inspiring. Municipalities, individual project financing groups -- there’s a huge demand for sustainable fixed income instruments out there. We’re moving to asset-backed project specific bonds that are being issued. Coming to the table for these projects with an SDG tool already representing the project is only going to help everyone.”

Tom Eveson,
Founding Partner, Emerging Markets Infrastructure
Fund Group

thresholds. During the GFCP capacity building sessions for the Philippines, opportunities for instituting a carbon credit market to fund the development of sustainable infrastructure in New Clark City were explored. Although not currently prevalent in the Philippines, this would be a game-changer for funding sustainable infrastructure there.

De-risking projects and curbing capital costs

Aligning with the SDGs can help to de-risk projects, making them more resilient to climate change and disasters. Issues examined with the SDG Tool can help investors make informed decisions, identify vulnerabilities, and reduce uncertainty. Financiers view risk critically when determining the cost of capital in project financing. Reduced risk is rewarded with a lower cost of capital. This results in lower overall project costs since the costs associated with financing and interest payouts reduce. Equity investors also require a lower rate of return on their invested capital as the risks associated with their investment are reduced. For example, investing in the GFCP project to develop a GIS for the drainage system in [Ho Chi Minh City](#) (one of the 10 cities most

affected by climate change) and making judicious planning decisions based on the data collected over time, would curb the risk to urban infrastructure across the city, cutting costs for financing infrastructure projects. Additionally, tools like the CIF work specifically to reduce project and geographical risk to enable investments from global investors who would otherwise not invest in higher-risk locations.

Lessons Learned from GFCP

- Early consideration of project financing enabled financing questions to be considered during project design, improving potential for financial feasibility while meeting project design goals. However, challenges remain due to limited financing capacity among city authorities and opaque financing structures including the process for capital allocations from higher levels of government.
- Incorporating financial feasibility in project design was critical for assessing the likelihood of successful implementation. However, initial estimates of implementation costs required for a back-of-the-envelope estimation of feasibility was often a hurdle, especially because project costs differ by city.
- Each city has unique funding, financing, and procurement options. Legal and regulatory systems shape the financing tools available and the ways they are applied. Initial factfinding on these issues was critical for making context-relevant financing recommendations. However, in some cases, the applicability of financing tools was unclear.
- Project implementation often depends on city authorities’ high-level endorsement, which is political and can change during project development. Early planning should consider the city’s approach to funding and financing along with political considerations.

Recommendations

- *Identify revenue streams and potential funding (direct or indirect) during project development and consider alternative financing options made possible by SDG alignment.*
- *Create a process to estimate project costs early on and throughout the project design phase as updates occur, either by drawing on local information or a global database of cost information.*
- *Consider legal and governance frameworks impacting revenue streams, funding, and financing options. Pursue local expertise on these issues early so that unknowns do not create a barrier to effective financial planning.*
- *Map potential donors and financing institutions for each city and/or country during the foundational phase. Include them as stakeholders who provide comments on project development. Secure buy-in from those with high-level authority for funding and financing decisions. This can help projects access funds and/or financing when concluded.*
- *Continue to incorporate financial capacity building components alongside project design, especially in cities where local authorities do not have a strong track record of financing strategic projects.*



Figure 26: Ankara city view, Turkey
© UN-Habitat

07

Conclusion

Time is running out in the Decade of Action. To meet the ambitions of the 2030 Agenda for Sustainable Development requires collaborative action that puts the SDGs at the forefront. The GFCP has shown how donors and development partners who want to accelerate transformative change in cities need to invest in urban development programmes that align with the SDGs, tackle systemic barriers, and empower local governments to take ownership of urban projects.

This chapter highlights key recommendations for international multi-partner programmes that aim to drive inclusive, resilient, climate compatible urban development in line with the SDGs.

2030 is on the horizon. With the twin threats of climate change and the pandemic battering rapidly urbanising cities around the world, there is an urgent need for close and effective collaboration, globally and locally. By investing in SDG-oriented programmes that drive transformation in fast-growing cities, urban development actors can support development pathways that build resilience, create economic opportunities, and improve the lives of urban residents. The GFCP has shown how this can be done by aligning its objectives with the SDGs, tackling systemic barriers in cities, and empowering local governments to take ownership of projects.

Importantly, the GFCP highlights the value of putting the SDGs at the forefront of programme and project development, creating a “common vision” for partners to work towards. At the project level, by using the SDG Tool, the GFCP translated the global goals into localised actions, connected to policy, practice, and budgeting, with careful consideration of equity and inclusion. This process showed the private sector that incorporating SDGs into project design and delivery does not necessarily imply additional costs. It prompted delivery partners to focus on SDG alignment in their projects outside of the GFCP. There is also a financial incentive for aligning projects with the SDGs: doing so can satisfy investor requirements for ESG compliance and make projects more resilient to threats like climate change.

In the Decade of Action, UN-Habitat is ramping up its efforts to accelerate action on the SDGs in cities by collaborating with donors, city authorities, national governments, and delivery partners on SDG-oriented programmes like the GFCP. The agency invites partners to join this effort. By working together, across cities, countries, and disciplines, partners can drive transformative urban development for cities that are resilient, inclusive, and able to withstand climate change and future pandemics.

Box 7.1 **What's next for the Global Future Cities Programme?**

The GFCP global programme ends in March 2022. However, continued support for some projects until December 2022 is being explored. The programme has generated great momentum which will continue to be nurtured. Already, cities are pursuing GFCP project-related initiatives.

In Turkey, for example, Istanbul has received funds from the European Union to develop the financial feasibility of various actions proposed in its [Sustainable Urban Mobility Plan](#). In Ankara, the municipality will implement the pilot design for a [bicycle transportation system](#) using its own budget. For the Cankaya Healthy Streets project, the municipality has adopted the design guidelines. In Bursa, the UK FCDO allocated extra budget for the creation of a [Smart City Hub](#) within the municipality.

The GFCP has also facilitated new partnerships across borders. For example, the launch of a partnership between Malaysia's Iskandar Regional Development Authority and the UK's Transport for West Midlands to collaborate on knowledge exchange for transport innovation.

Local UK government posts in participating countries will continue to provide support, maintaining relationships with cities and UN-Habitat, and encouraging further development of the initiatives.

Programmes that seek to drive transformational change in cities should aim to:

- **Work collaboratively with a diverse mix of partners** from different sectors, countries, and cities, while using the SDGs as a “common vision” to guide programme implementation.
- **Do a thorough assessment during the programme's foundational phase** to identify local needs, set priorities, define interventions, promote stakeholder buy-in, and lay the foundations for project success.
- **Apply a transformative approach** that targets the institutional settings and sectors that need to be involved to drive change, maximise impact, and promote long-term project sustainability.
- **Ensure that relevant urban plans and strategies are in place**, or developed, as a tool to help identify synergies between various projects and initiatives.
- **Integrate a long-term project cycle approach and Theory of Change** to increase the likelihood of project success at all stages (at programme and project level).
- **Empower city authorities to take ownership of projects** by building their capacity for tackling financial, legal, and spatial challenges, and establishing cross-departmental governance structures.
- **Bring partners together around a shared vision for SDG-aligned urban projects**, using tools like the SDG Tool, which translates the global goals into concrete and achievable actions at the local level, and empowers city authorities to steer delivery partners to integrate the SDGs into project deliverables.
- **Work with independent institutions, such as UN-Habitat, that can play the role of strategic partner and knowledge manager**, linking local and global thinking and experience of sustainable urban development, while providing technical support to facilitate work and activities on the ground.
- **Foster an environment for peer-to-peer learning and exchange of global and local best practices, knowledge, and solutions.**
- **Incorporate financial assessments and planning in the project development cycle, and support cities in accessing alternative financing and revenue streams to ensure project realisation.**

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GLOBAL FUTURE CITIES PROGRAMME

Charrette towards an inclusive and prosperous Durban

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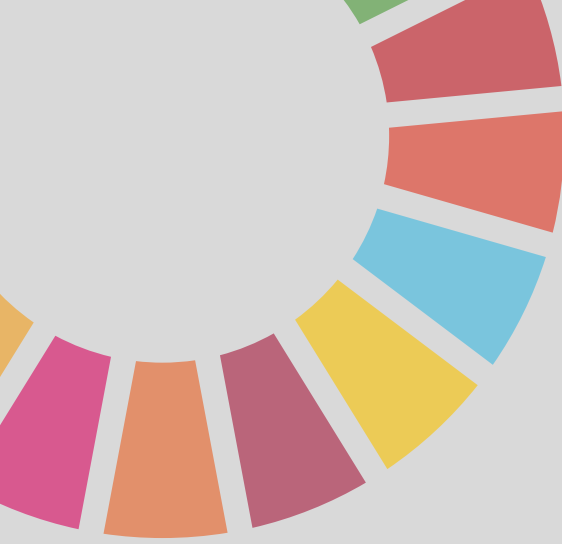


Figure 27: Charrette in Durban, South Africa
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The Global Future Cities Programme (GFCP) is a three-year multi-partner programme, funded by the UK Foreign Commonwealth and Development Office (UK FCDO), that promotes sustainable development and increased prosperity in 19 cities in 10 countries. It provides technical and strategic support to cities, including knowledge sharing, with a focus on accelerating local SDG implementation and building the capacity of city authorities.

Based on experiences from the GFCP, this report provides guidance to international donors, city authorities, UN agencies, and delivery partners about how to design and run multi-partner urban development initiatives that drive transformative impact and accelerate SDG implementation in rapidly urbanising cities.

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