

Global State of National Urban Policy 2021

Achieving Sustainable Development Goals and Delivering Climate Action

SYNTHESIS
BROCHURE

Summary

Why has national urban policy become a focus for governments? (page 2)

All 162 countries studied have national-level urban policies.

The COVID-19 crisis raised the profile of NUP.

Recommendations:

- Promote NUP as a key framework to rethink post COVID-19 urban paradigms
- Enhance the role of NUP as a comprehensive, strategic and shared vision

What is the nature of national urban policy? (page 4)

Definitions of NUP vary, but they often refer to a common vision and co-ordinating diverse actors.

NUPs matured since the first edition of the global monitoring.

Recommendation:

- Share knowledge and experience on NUP through multi-stakeholder dialogues

How does national urban policy create better lives for citizens? (page 6)

More than two-thirds of countries recognise NUP's potential to advance the SDGs.

Forward-looking NUP can help cities be more resilient.

Recommendations:

- Leverage the role of NUP as connector of urban and climate-related ministries
- Embed more diverse and innovative environmental policy instruments in NUPs
- Enhance the contribution of NUP to global and regional agendas
- Align NUP targets and indicators with the SDGs and other global indicators

Where will the future of national urban policy take us? (page 8)

Challenges to effective NUPs persist.

Several factors enable NUP.

Recommendations:

- Engage local and regional authorities, and stakeholder groups
 - Consider varied sources of finance to support the implementation of NUP
 - Invest in robust urban-scale data to design NUPs
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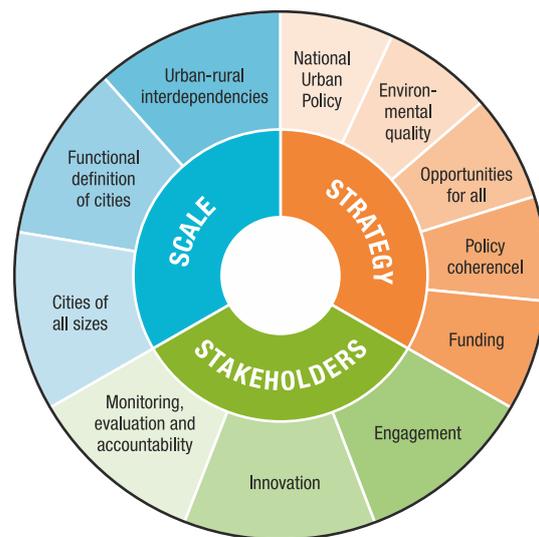
Monitoring National Urban Policy at the Global Scale

More people live in cities than ever before. Urban populations more than doubled from 1.5 billion in 1975 to 3.5 billion in 2015 or 48% of world population, estimated to reach more than 50% by 2050. This affirms the importance of national urban policy (NUP) and the role of cities in sustainable development. Principle 4 of the OECD Principles on Urban Policy refers to setting a clear vision for NUP, and UN-Habitat highlights the essential role of NUP for implementing the New Urban Agenda.

UN-Habitat Action Framework for Implementation of the New Urban Agenda 2016



OECD Principles on Urban Policy 2019



The COVID-19 crisis shed light on the potential of NUP to shape more resilient, green and inclusive cities with the duty shared across levels of government. The pandemic profoundly affected the health, lives and work of urban dwellers, magnifying and exploiting many persistent urban challenges. But it also triggered paradigm shifts in considerations of how to plan and design cities to deliver resilient and sustainable growth, inclusiveness, well-being and opportunities for all.

Lessons from the accelerated experiences with teleworking, accessibility, mobility, public space, local services, green amenities, the built environment and city governance pave the way towards a 'new normal' for the cities of tomorrow. Local and national governments share responsibility to shape green, smart and inclusive cities that can be more resilient to shocks and pressures, notably in the face of global megatrends such as climate change, demographic shifts and digitalisation.

This booklet contains highlights from *Global State of National Urban Policy 2021: Achieving the Sustainable Development Goals and Delivering Climate Action*, which monitors and evaluates the progress of NUP across 162 countries. It showcases how countries use NUP to enhance sustainable urban development, advance global agendas and address challenges magnified or revealed by the COVID-19 crisis. The report is an outcome of the tripartite collaborative National Urban Policy Programme (NUPP) set up by OECD, UN-Habitat and Cities Alliance.

Based on a comprehensive survey of 86 countries combined with desk research on an additional 76, this second edition of the global monitoring reveals significant improvements regarding NUP design and implementation around the globe. In particular, it documents the greater integration of social and environmental objectives, evidence-based monitoring of NUP effectiveness and outcomes, and significant mainstreaming of the Sustainable Development Goals, the Paris Climate Agreement and other global agendas into NUP design and implementation.

Why has National Urban Policy Become a Focus for Governments?

The **COVID-19 crisis** raised the profile of NUP as key to more resilient, greener and more inclusive cities and part of countries' recovery packages. Beyond the public health emergency to contain the virus and protect citizens, the pandemic prompted cities to rethink how they deliver services, how they plan their space and how they can resume economic growth.

All **162 countries studied have national-level urban policies**, although in different forms, at different development stages and with varying thematic foci. The majority (56%) take explicit form, namely consisting of a dedicated policy entitled 'National Urban Policy' or equivalent, while others are embedded in national development strategies or sectoral plans (e.g. housing, transport, land-use). Through NUP, countries primarily aim to achieve "balanced territorial and urban development" (55%), "a coherent vision for national urban development" (44%) and "improved policy co-ordination across sectors" (31%).

The New Urban Agenda, adopted at the Habitat III Conference in Quito in 2016, and other global agendas adopted in 2015 – the Paris Agreement, the Sendai Framework, and the Sustainable Development Goals (SDGs) – elevated the momentum of NUP.

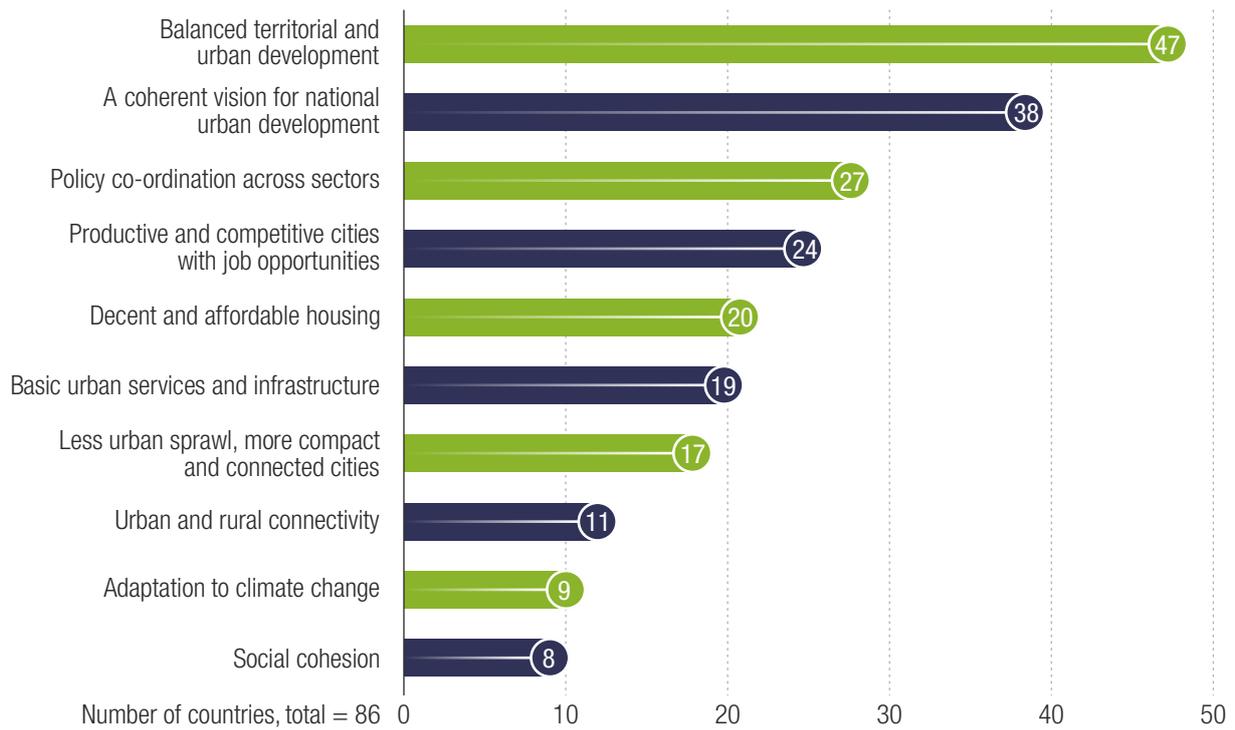
Evolution of the NUP Context



Country Example

In **Germany**, the National Urban Development Policy is an initiative of the Federal Ministry of the Interior, Building and Community; the Conference of German Building Ministers; the German Association of Cities; and the German Association of Towns and Municipalities. As a collective communication platform, it brings together interested parties around the topic of cities.

Key Outcomes Countries Aim to Achieve Through NUP



Note: Countries were asked to select three key outcomes they aim to achieve through NUP.

55% of surveyed countries recognise the role of NUP frameworks in shaping balanced territorial and urban development in a country

Recommendations

- **Promote NUP as a key framework to rethink post COVID-19 urban paradigms** towards just, green and smart cities that can anticipate and respond to future shocks.
- **Enhance the role of NUP as a comprehensive, strategic and shared vision** for balanced, quality and polycentric urbanisation, and effective alignment and co-ordination across places, sectors and levels of government.

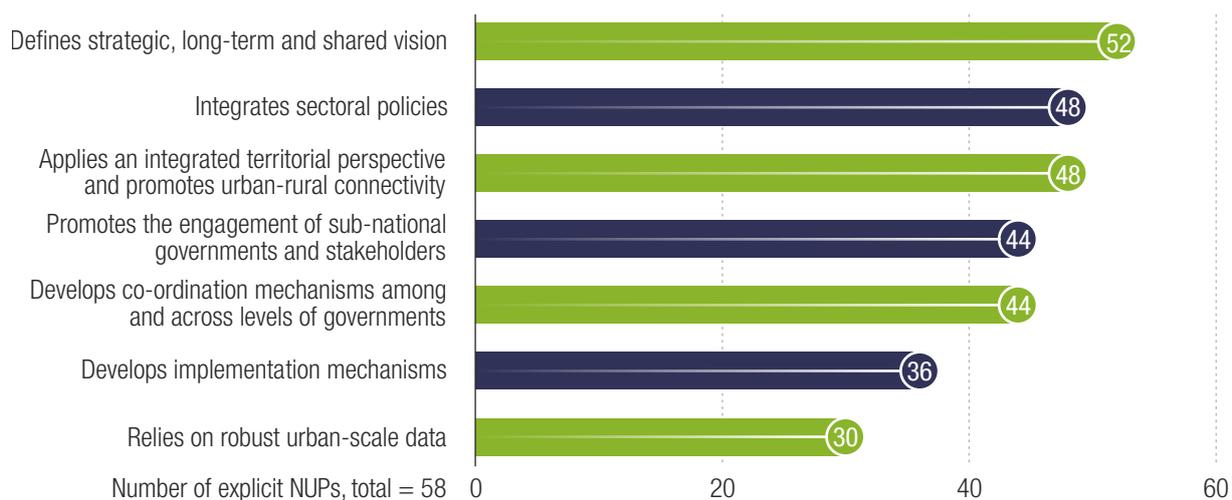
What is the Nature of National Urban Policy?

Definitions of NUPs vary, but they commonly refer to a coherent set of decisions through a deliberate, government-led process rallying and co-ordinating diverse actors towards a common vision and goal to promote transformative, productive, inclusive and resilient urban development for the long term. Where explicit NUPs exist, they “set a common strategic vision” (90%), foster “multi-sectoral policy co-ordination” (83%) and “enhance integrated territorial perspective” (83%). Countries use formal multi-ministerial platforms (74%) and formal bilateral co-ordination mechanisms (30%) between the leading NUP ministry/agency and other sectoral ministries.

- Definitions range from outcome-based dimensions, such as sustainable urban development and social inclusion, to process-based dimensions, such as stakeholder engagement.
- While some NUPs aim to achieve improved quality of life and well-being for all urban residents, others distinctly target disadvantaged urban areas. This underlines the need for more granular and contextualised NUP monitoring across and within countries.

NUPs matured since the first edition of the global monitoring in 2018. They take more explicit forms (from 51 to 56%), advanced to implementation stage (from 61 to 62%) and embrace wider objectives, including climate resilience (from 36 to 48%).

Explicit NUPs Fulfilling Selected Characteristics

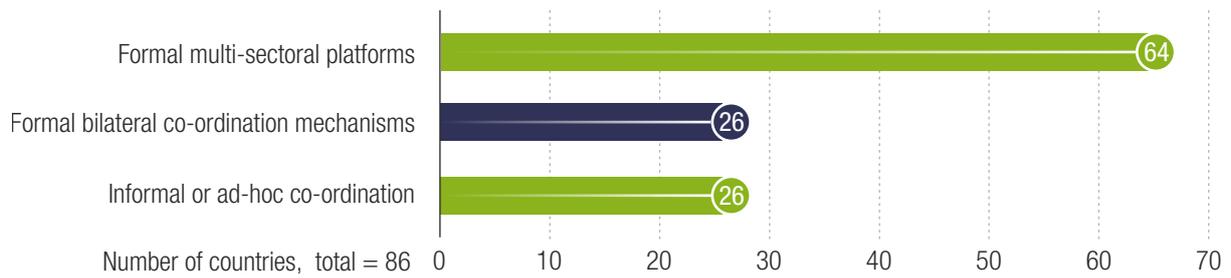


Country Examples

In **Zambia**, during the diagnosis and formulation stages of the NUP, the Ministry of Local Government engaged grassroots women’s organisations and the People’s Process on Housing and Poverty in a technical committee to ensure the NUP process was fully inclusive.

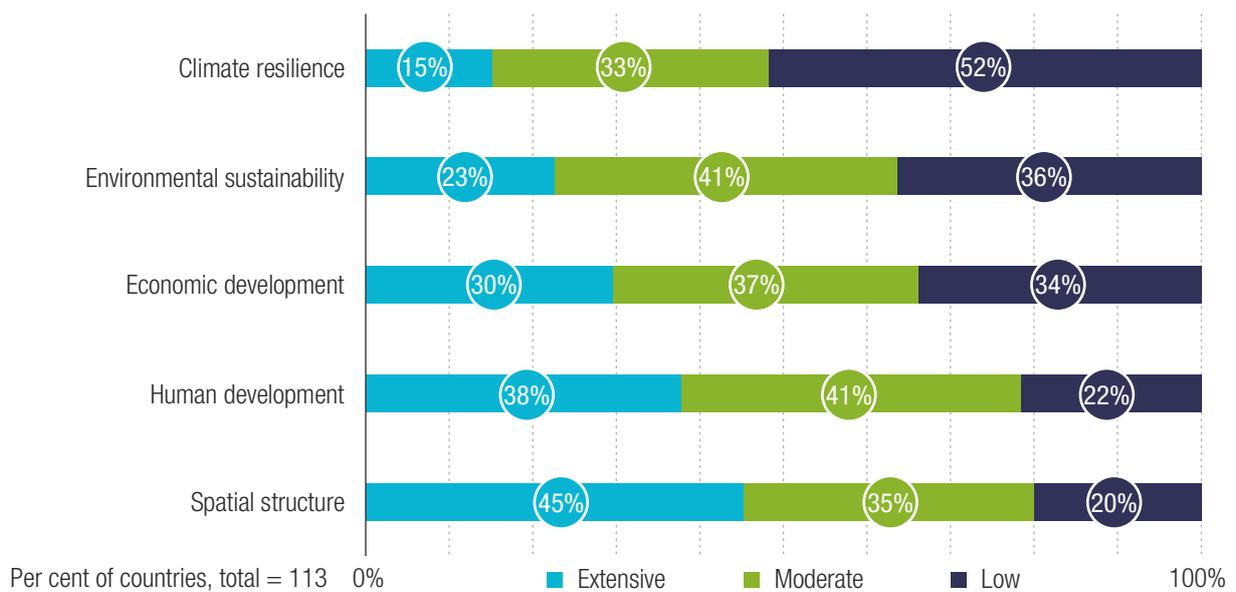
In **France**, urban policy focuses on national and local cohesion and solidarity with disadvantaged areas and their inhabitants. Its approach is inter-ministerial, partnership-based, contractual and participatory, with decentralised and deconcentrated implementation and integration of the social, urban and economic dimensions within the city contract, and the setting up of citizens’ councils. City contracts (“contrats de villes”) engage national and local stakeholders, pool financial resources to support multi-level governance and ensure co-ordinated NUP implementation.

Mechanisms to Align NUP with Sectoral Policies at the National Level (Between the Leading NUP Ministry/Agency and Other Sectoral Ministries)



Spatial structure and human development are the two most common themes in NUP

Levels of Attention Given to Selected Themes in NUPs



Recommendation

- **Share knowledge and experience on NUP through multi-stakeholder dialogues, peer-learning and collaboration in global platforms such as the National Urban Policy Programme.**

How does National Urban Policy Create Better Lives for Citizens?

More than two-thirds of countries recognise NUP's potential to advance the SDGs in addition to Goal 11 devoted to "Cities and Communities" (most prominently Goal 6 "Clean Water and Sanitation", Goal 8 "Decent Work and Economic Growth", Goal 9 "Industry, Innovation and Infrastructure" and Goal 13 "Climate Action").

- A total of 30 countries (41%) report NUPs that fulfil the criteria for SDG11.a.1, i.e. responding to population dynamics, ensuring balanced territorial development and increasing local fiscal space.
- Beyond the SDGs, many countries recognise NUP as key to other global and regional urban agendas such as the New Urban Agenda (61%), the Paris Climate Agreement (54%) and the Sendai Framework for Disaster Risk Reduction (34%).

Forward-looking NUP can help cities be more resilient, not only by responding to a crisis but by preventing or preparing for future crises, through paradigm shifts that make cities more resilient and more connected with rural areas in terms of production, energy and transport. More than 50 NUPs address both climate resilience and the low-carbon transition to leverage synergies with low-carbon mobility (88%), mixed-use and compact development (77%), sustainable buildings (70%), risk assessment (66%) and risk-sensitive land-use policies (62%). However, countries also highlight knowledge gaps (37%) and a lack of co-ordination (30%) as challenges to integrating climate change in NUP.

Number of NUPs Contributing to SDGs Other Than Goal 11

67% of countries report that their NUP can contribute to the implementation of the 2030 Agenda for Sustainable Development



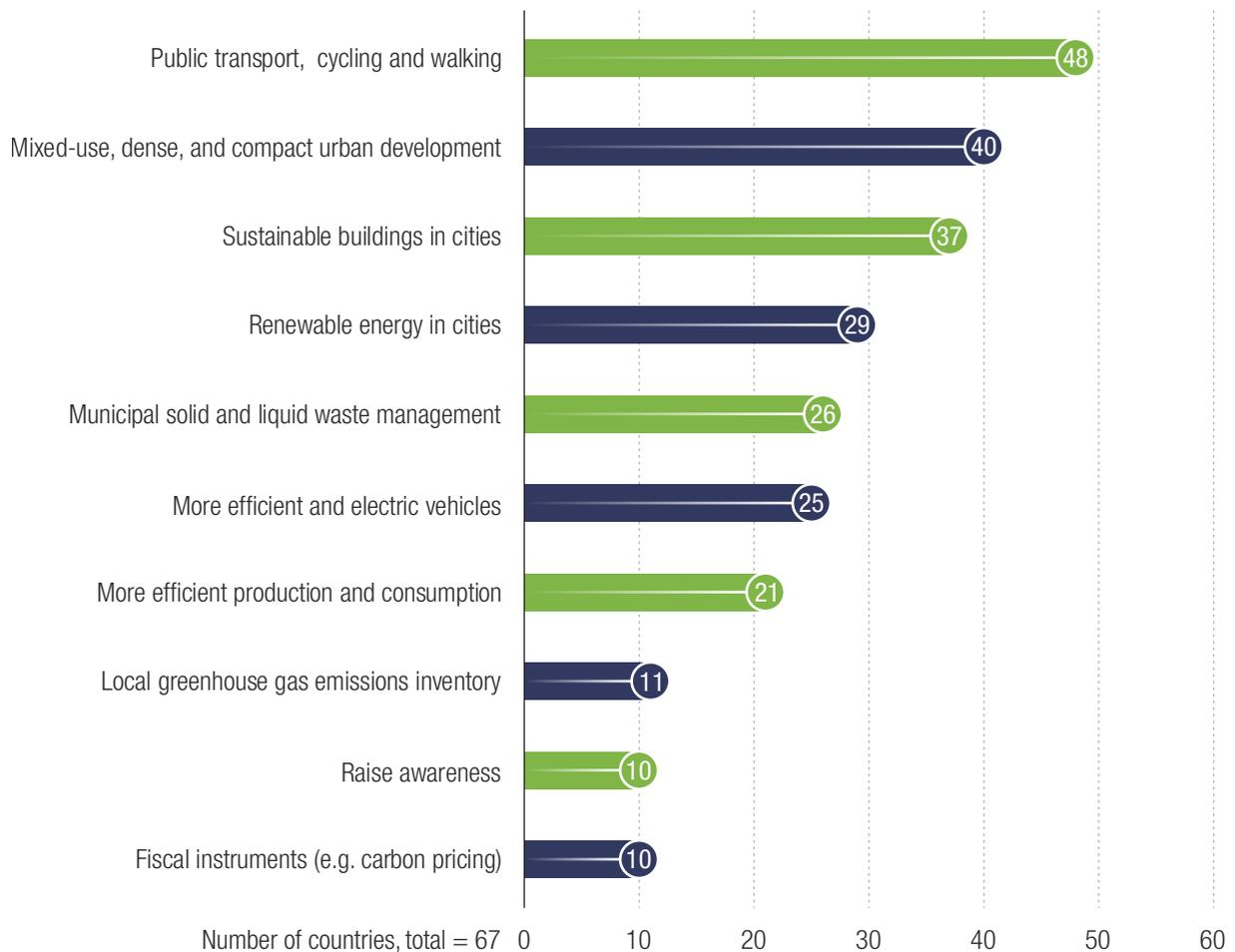
Number of NUPs extensively contributing to SDGs, total = 86

Country Examples

In **Costa Rica**, NUP gives political orientation to implement the National Urban Agenda and achieve the SDGs, particularly from the point of "resilient infrastructure and sustainable communities".

Ghana has an operational Urban Advisory Platform that comprises all urban-related ministries, departments and agencies, allowing urban stakeholders to evaluate the progress of programmes and seek opportunities for partnerships as they arise.

Urban Low-Carbon Transition Actions Addressed by NUPs



Recommendations

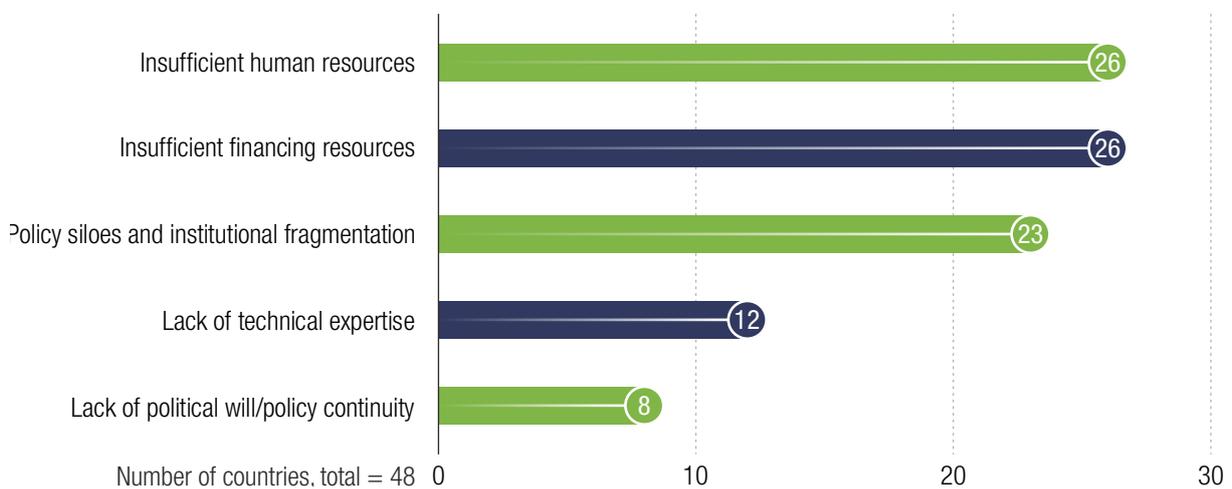
- **Leverage the role of NUP as connector of urban and climate-related ministries** through bridging knowledge gaps and enhancing inter-ministerial co-ordination to scale up climate action.
- **Embed more diverse and innovative environmental policy instruments in NUPs**, such as carbon pricing to reduce emissions, taking into account their distributional effects on vulnerable groups.
- **Enhance the contribution of NUP to global and regional agendas**, notably the SDGs, the New Urban Agenda, the Paris Climate Agreement and Sendai Framework for Disaster Risk Reduction.
- **Align NUP targets and indicators with the SDGs and other global indicators** to build a coherent monitoring and evaluation framework.

Where Will the Future of National Urban Policy Take Us?

Challenges to effective NUP persist, including co-ordination, resources, capacity and data gaps. The lack of financial (50%) and human (45%) resources are the main challenges to implementation. A lack of expertise at the intersection of climate change and urban policy (37%), and limited co-ordination mechanisms between national and local levels (30%) are common obstacles to integrating climate objectives in NUP. Despite growing concerns, socio-spatial inequalities and divides in cities (e.g., urban-rural connectivity, spatial segregation) are not extensively addressed in surveyed NUPs. Lastly, bottom-up processes for data collection could be improved, with only 40% of countries using data from subnational governments in the NUP process.

Several factors enable NUP, including stakeholder engagement, key for better policy prioritisation in formulating and implementing NUP, which can also guide countries, regions and cities to more concerted alignment of their actions and agendas. In addition, conducive constitutional and legislative frameworks, fiscal transfers from central to local governments, the capacity and performance of local government, and democracy and transparency in governance are important enabling factors.

Top Five Challenges for NUP Implementation



Country Examples

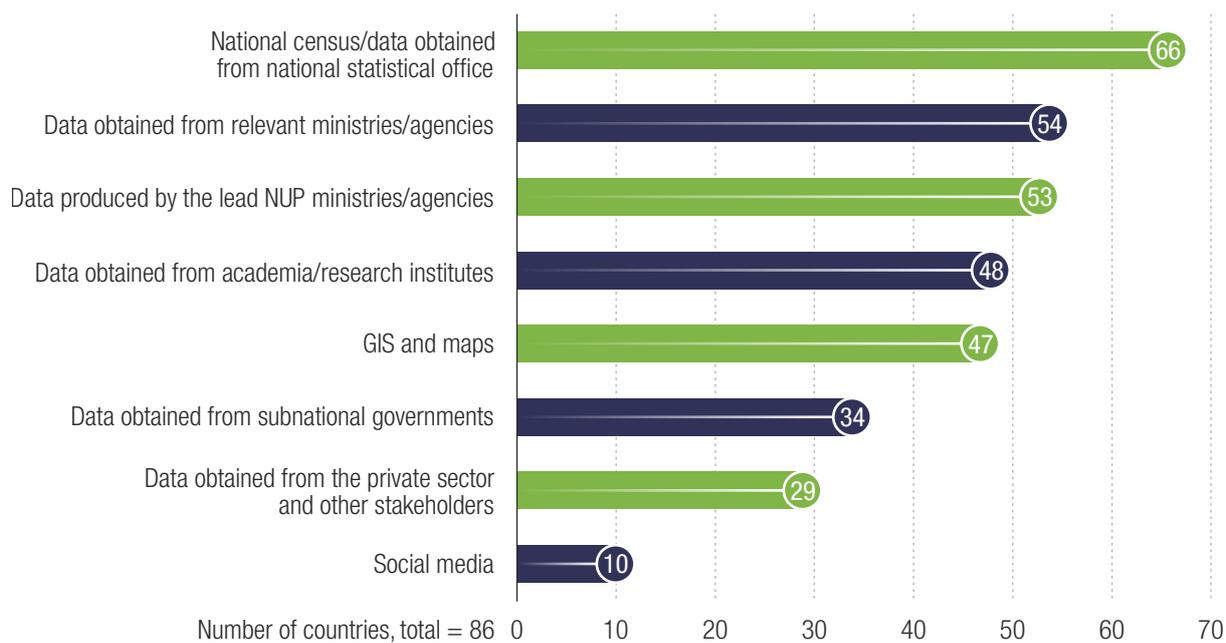
Rwanda's NUP clearly illustrates the importance of urban-rural linkages and the role of secondary cities and towns.

Chile established a multi-stakeholder National Council for Urban Development to monitor NUP implementation and support a holistic view of urban development through diverse representatives from the central government, local governments, the private sector and civil society. They also established several regional councils for urban development, with a view to fostering place-based urban policymaking.

Costa Rica's National Urban Development Policy 2018–2030 and corresponding Action Plan 2018–2022, features “effective and efficient urban planning” as its first core pillar, focused on the importance of considering climate change and other environmental factors in a cross-sectoral way.

In the **Netherlands**, the 2019 Draft National Strategy on Spatial Planning and the Environment (NOVI) highlights the importance of a climate-resilient, water-robust built environment, accompanied by sufficient, open, green and blue infrastructure to mitigate heat stress and store water.

Data Sources Used in the NUP Process



Stakeholder engagement leads to better policy prioritisation and alignment of actions

Recommendations

- **Engage local and regional authorities, and stakeholder groups** in the design, implementation and monitoring of NUP, involving all segments of society to address the needs of the most vulnerable, such as women, the elderly, youth, the disabled, migrants and minorities.
- **Consider varied sources of finance to support the implementation of NUP**, including national-subnational co-financing arrangements, public-private partnerships, private financing and initiatives led by communities or co-operatives.
- **Invest in robust urban-scale data to design NUPs** that address place-based concerns, foster monitoring and evaluation, and facilitate evidence-based stakeholder dialogue, accountability and integrity throughout the NUP process.

About the National Urban Policy Programme

The National Urban Policy Programme (NUPP) facilitates sharing countries' experiences with national urban policy (NUP) and provides them with targeted support, building on the expertise of the OECD, UN-Habitat, Cities Alliance and supporting partners. The NUPP was established in 2016 at the Habitat III Conference and operates on two-year workplans. Under the NUPP framework, the three organisations conduct regular and systematic NUP monitoring on a global scale. In addition, the NUPP Workplan 2021–22 focuses on thematic studies and policy dialogues, enhancing knowledge exchange, and strengthening engagement and collaboration.

www.oecd.org/cfe/national-urban-policies.htm

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About the OECD



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

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About UN-Habitat



The United Nations Human Settlements Programme (UN-Habitat) is the United Nations agency for human settlements. It is mandated by the UN General Assembly to promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all. UN-Habitat promotes and consolidates collaboration between national governments, local authorities, and private and non-governmental organisations in implementing the Sustainable Development Goals (SDGs), in particular Goal 11. It is also task manager of the human settlements chapter of Agenda 21, and focal point for monitoring, evaluation and implementation of the New Urban Agenda.

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About Cities Alliance



The Cities Alliance is a global partnership fighting urban poverty and supporting cities to deliver sustainable development. Hosted by UNOPS, the organisation comprises 29 members including multi-lateral organisations, UN agencies, governments, NGOs, local governments and city networks. Its core topics of work include economic growth, gender equality, migration, climate resilience and innovation, with a focus on informality.

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