



Territorial Development and SDGs Localisation

I. Key messages

Local authorities are crucial actors to mitigate the complex and multifaceted impacts of the COVID-19 pandemic and to build forward better. They are at the forefront of both emergency response and recovery efforts and are best placed to localise the Sustainable Development Goals (SDGs) within local communities. Building on the achievements of past G20 Presidencies¹, we are committed to work with all levels of government, as appropriate to country contexts, to support local authorities to lead the efforts towards an inclusive, resilient and sustainable recovery and address the causes and consequences of climate change.

We recognize the importance of living in harmony with nature, building resilience and accelerating the reduction of greenhouse gas emissions, in line with the long term goal of the Paris Agreement and taking into account economic, environmental and social circumstances of each individual country, the diverse degree of autonomy of sub-national entities, and of the diversity of their urban contexts.

We underscore the relevance of adopting territorial approaches for the design and implementation of multi-level governance systems, dialogues and policies that are sensitive to local, regional, national and international contexts and respond, as appropriate, to the specific needs of different geographical areas and institutional settings, while advancing the implementation of the 2030 Agenda. Such approaches should take into account as appropriate the interconnection between human and animal health and the environment, in line with the One Health approach and subject to national contexts and circumstances.

We recognize that intermediary cities² offer a significant, but often unexplored and underutilised, transformational potential for achieving the SDGs at the local level and play a key role as strategic partners for a sustainable and inclusive growth, to accelerate the pace of our efforts to tackle climate change and speed up the clean, sustainable energy transitions and provide an enabling environment for the empowerment of women, youth, and people living in vulnerable situations, including those in remote and rural areas and informal settlements. Intermediary cities act as “bridges” in local economic systems and national urban systems. They can play a determinant role in articulating a rural-urban continuum, addressing problems, finding solutions, and implementing actions, in concert with national governments, to advance a development model that is more inclusive, resilient and sustainable, and leaves no one and no place behind. They deserve greater attention, in all countries, and in particular in developing and emerging economies, to leverage their rapid growth, overcome vulnerabilities, foster job creation and strengthen access to adequate social protection, better connect to national strategies and those of development partners. Intermediary cities also have a strong social dimension; local authorities and local actors play an important role in social cohesion.

¹ G20 Guidelines on Quality Infrastructure for Regional Connectivity (2020), G20 Smart Mobility Practices (2020), G20 Principles on Quality Infrastructure Investment (2019), G20 High Level Principles on Sustainable Habitat through Regional Planning (2018), G20 Initiative on Rural Youth Employment (2017) and G20 Initiative on Supporting Industrialization in Africa and LDCs (2016).

² Intermediary cities are those agglomerations, usually of small and medium size, that play a key intermediation role within urban systems, as well as with rural and peri-urban areas. https://www.gold.uclg.org/sites/default/files/GOLDIV_ENG.pdf.



We underscore that enhancing rural-urban linkages and connectivity, including through the G20 Principles for Quality Infrastructure Investment and the G20 Guidelines on Quality Infrastructure for Regional Connectivity, contributes to the localisation of the SDGs, fostering in particular local employment, responsible consumption and production, local environmental protection, food security and sustainable supply chains, and should be adequately prioritized in development strategies. It is urgent to design and implement SDG localisation strategies linking the spatial and physical planning of intermediary cities in the medium and long-term with the financing of their investments in sustainable and quality infrastructure, water and sanitation, food systems, transport and housing systems, public services, digitalisation, as well as other basic facilities that enhance the well-being of the population, building on the G20 High Level Principles on Sustainable Habitat through Regional Planning, the G20 Rural Youth Employment Initiative and in line with national priorities and strategies.

In this respect, we intend to foster innovation and knowledge co-creation with all stakeholders, especially local actors, to advance the localisation of the SDGs. We aim to promote multi-level policy dialogues and partnerships and mobilise support and capacity building to scale-up actions that address the main gaps and binding constraints limiting the potential of intermediary cities and their surrounding territories. In particular: a “knowledge gap”, resulting from insufficient information and empirical evidence on intermediary cities; a “policy gap”, related to fragmented national policies and governance structures that overlook them; a “financing and resources gap” due to low revenue base, high reliance on transfers and limited access to financial markets; a “capacity gap” related to staff, skills and technical equipment to fulfil their duties and engage with public and private partners to develop programmes and projects.

These gaps are intrinsically connected and must be addressed through strategic and coordinated actions at different levels of government as well as through international and city-to-city cooperation. Therefore, we establish a G20 Platform on SDG Localisation and Intermediary Cities – an open and inclusive space for policy dialogue to support local, national and international actions to address these gaps and optimise the development potential of intermediary cities and supporting efforts for SDGs localisation. This collaborative G20 Platform will build upon the existing knowledge base and networks to develop and broker analysis and knowledge products on intermediary cities and SDG localisation. During the Italian Presidency, we also developed the “G20 Rome High-Level Principles on city-to city partnerships for localising the SDGs”. Building on these principles, the G20 Platform will promote city-to-city partnerships for SDG localisation and prepare a Compendium of good practices and inspiring examples on such partnerships. We invite the governing bodies of OECD and UN-Habitat to consider providing technical support to the G20 Platform, in line with their respective mandates, budgets and work programmes, and in close coordination with the G20 DWG and relevant international organisations and partners.

II. G20 platform on SDGs Localisation and Intermediary Cities: building blocks of a preliminary programme of work

Objectives. The G20 Platform on SDGs Localisation and Intermediary Cities (G20-PLIC) will operate as an open, voluntary and collaborative space gathering G20 and other interested parties for peer dialogue, knowledge sharing, capacity building and consensus building on effective approaches to SDG localisation and the strengthening of intermediary cities and rural-urban linkages. As such, it will foster regular policy dialogues, gathering and structuring



the dialogue between various stakeholders from G20 (including Urban20) and developing countries, international organisations, as well as national, regional, local government representatives and their networks. The added value of the Platform will rely on providing a forum for exchange of approaches, initiatives and lessons learned related to strengthening the roles of intermediary cities and unlocking their transformative role, based on the series of key potentials identified above (in Section I). This will be an open platform fostering discussions on the main challenges, opportunities for sustainable development, and identifying which strategies work and which do not. The Platform will also promote discussions on the implementation of the One Health approach which recognizes the link between human, animal and environmental health and how this can support the attainments of the pertinent SDGs, as well as fostering gender equality and youth inclusion as cross cutting issues, particularly at local levels. Open discussions will allow for greater coherence across areas of common interest, while promoting partnerships among international organisations and networks working on issues related to intermediary cities, rural-urban linkages and SDGs localisation. Through the Platform, the G20 and its DWG aim to:

- Promote greater **common understanding** on the transformative roles of intermediary cities and rural-urban linkages for all aspects related to a sustainable and inclusive post-COVID-19 recovery, climate actions, the localisation of the SDGs, the empowerment of women and youth, and the implementation of the One Health approach at the local level.
- Foster **knowledge production and sharing**, while promoting multilevel **policy dialogue** on actions to address the knowledge, policy, financing and capacity gaps limiting the potential of intermediary cities and territories, as well as on ways to accelerate the achievement of SDGs in intermediary cities in developing countries.
- Support the development and piloting of **intermediary city-to-city partnerships** to enhance their transformative roles in developing countries, which will be supported by G20 countries and cities on a voluntary basis (this objective is closely related to the development of the Compendium on good policy practices and inspiring examples to promote intermediary city-to-city partnerships for the SDGs). These partnerships will aim to build long-term solutions that address common challenges.

Activities. The Platform aims to start with a three year project cycle (2022-2024) and will be launched in the fourth quarter of 2021. The Platform will submit an annual report to the G20 Presidency incorporating the progress of the activities. The priority themes of the first cycle of the project may focus on a) sustainable and inclusive post-COVID-19 recovery as well as sustainable rural-urban and economic transformation; b) response and resilience to climate change, biodiversity loss, natural hazards and other related challenges; and c) development of innovative tools for a territorial approach to the development of intermediary cities and rural areas, while taking into account the priorities of the current and future G20 presidencies. All these themes will be addressed taking into account existing knowledge, capacities and experiences as well as fundamental cross-cutting issues such as gender equality and youth inclusion.

The outputs of the Platform could be delivered through various activities, based on available resources, including:

- An annual **policy dialogue** under G20 leadership, with support from OECD and UN-HABITAT and other partner international organisations in line with their respective mandates and work programmes. The dialogue aims to raise the profile of intermediary cities and localisation of the SDGs on the international agenda, as well as amplify ongoing efforts. The dialogue will closely coordinate and articulate with UCLG and build synergies with



its World Forum on Intermediary Cities, a consultation process that culminates in a high-level event every two years gathering the key issues and needs from and by Intermediary Cities with the participation of key global institutions and partners. This could be done in tandem with the Urban20. The policy dialogue, will continue to foster debates and exchanges on effective strategies for strengthening intermediary cities, steer the outcomes of the dialogue to address the Knowledge Gap, Policy Gap, Financing and Resources Gap and the Capacity Gap highlighted above, individually and as interrelated challenges.

- **A series of knowledge products**, focusing on intermediary cities, territorial development and rural-urban linkages, aiming to address the identified *gaps* in a simultaneous and coordinated manner. More precisely, the Platform will produce empirical analysis, policy documents, pilot case studies, as well as annual reports summarising the progress on the ground of the initiative. Moreover, the Platform will also make use of peer learning and knowledge sharing techniques to generate synergies and deliver policy documents based on consensus building, and formulating evidence-based recommendations to foster the role of intermediary cities in the localization and achievement of the SDGs.
- **A compendium of good practices and inspiring examples** that promote SDG localisation and intermediary city-to-city (and their respective territories, including remote and rural areas) partnerships (see Section III). The priority areas will be identified collectively by G20 members and may include inter alia climate change adaptation and mitigation, sustainable food systems, nature-based solutions or ecosystem-based approaches, poverty reduction, quality infrastructure, One Health, the empowerment of women and creation of decent work for working age youth, as well as digital connectivity for remote areas and e-government services delivery etc.
- The G20 Platform could also explore the possibility to design a **G20 Financial and Capacity Development Facility**. This Facility could support intermediary cities in developing countries to strengthen human and institutional capacities and improve access to financing, building on existing mechanisms and initiatives. Funding for the Facility will be voluntary and open to G20 and other partners. The activities will include training, peer-to-peer-learning, and financing pilot projects. The financing options for the Facility will be flexible and on a voluntary basis. The progression of the Facility will also be subject to reviews and adjustments by the Steering Committee, in accordance with the priorities of future G20 Presidencies.

Governance, engagement and outreach. A G20 DWG Steering Committee, composed of G20 Troika members and interested DWG members that provide financial or technical support to the PLIC, will oversee the activities of the Platform in line with the above and the priorities of future G20 Presidencies. The Steering Committee, in coordination with DWG members, will design an outreach strategy and invite selected representatives of national and local governments in developing countries, development partners and international organisations. The Steering Committee will take an advisory role and provide feedback on the Platform's outputs during the annual G20 DWG meetings. The OECD and UN-HABITAT will co-host the G20 Platform, under their respective programmes of work and mandates. The Platform will leverage on G20 partnerships with developing countries and international organisations. These partnerships will support the Platform's efforts to build synergies with ongoing initiatives from cities, such as



the U20 and UCLG's Intermediary Cities Forum and networks of local and regional authorities that are already working on the issue of intermediary cities and help facilitate co-creation of knowledge. The partnerships and synergies will maximise impact and avoid duplication, while providing support in the preparation and implementation of the Platform's programme of work during future G20 presidencies and contributing to joint discussions on the progress of the Platform's activities. Moreover, the partnerships, policy dialogues, and empirical analysis of the Platform will help strengthening the global community of practice and facilitate policy-oriented discussions to defragment knowledge, promote peer learning, and more generally identify and act on key actions and share good practices of strengthening rural- urban linkages and localisation of the SDGs. The Platform is open to voluntary financial and technical contributions from G20 members and other interested countries.

III. The ten G20 Rome High Level Principles and Compendium of good policy practices and inspiring examples to promote intermediary city-to-city partnerships for the SDGs

As part of the development of the G20 Platform, the DWG – supported by the OECD and UN Habitat - will engage with relevant actors to identify and compile a Compendium of good policy practices and inspiring examples to promote the localisation of the SDGs ("Compendium") in particular in developing countries through partnerships between cities, notably intermediary cities, in coordination with national governments. The goal of this initiative will be to provide a common framework of good practices and inspiring examples for policy makers at international, national, regional, and local levels to initiate, develop and monitor city-to-city partnerships for the SDGs and promote greater attention to and involvement of small and intermediary cities, including by leveraging on relevant existing initiatives and material. The Compendium will build upon the ten G20 "Rome High-level principles on city-to city partnerships for localising the SDGs", while taking into account their voluntary nature. It will be an action-oriented experience-based and lesson-learnt guiding document and will support national, regional and local governments in the implementation of city-to-city partnerships, including through pilot projects in intermediary cities.

G20 Rome High-level Principles on city-to city partnerships for localising the SDGs. The DWG engaged member states, regional and local governments, international organisations, experts and G20 engagement groups in the development of High-Level Principles to promote intermediary city-to-city partnerships for the SDGs, taking into account the diversity of intermediary cities across G20 and partner countries and respecting national sovereignty and borders. These principles (see Box) represent a stand-alone output of the DWG under the Italian G20 Presidency and will be part of the Compendium to be developed within the G20 Platform.

Ten G20 Rome High-level Principles on city-to city partnerships for localising the SDGs

- 1. Territorial Approach.** Promote city-to-city partnerships as a means to enhance the implementation of territorial approach in responding to and recovering from the COVID-19 pandemic, reducing vulnerability to climate change impact and achieving the SDGs as common goals and guiding principles for policy-making.
- 2. Multi-level Governance.** Strengthen multi-level integrated governance and coordination for greater effectiveness of city-to-city partnerships and for more demand-based initiatives, while considering local and regional contexts



and responding to the specific needs of different geographical areas and governance systems, as appropriate.

3. **Rural-urban Connectivity.** Enhance rural-urban connectivity, and co-operation, including between primary and intermediary cities, including through past G20 work on infrastructure.³
4. **Data and Indicators.** Encourage local and regional governments to exchange approaches and practices in mainstreaming SDGs indicators into planning and policy documents at all levels of government and produce disaggregated data towards strengthened context-specific analysis and assessment of territorial disparities in collaboration with national governments, which could also support countries in developing their Voluntary National Reviews.
5. **Monitoring and Evaluation.** Taking into account different national and local contexts, develop monitor and evaluation (M&E) indicators towards a result framework for evidence-based city-to-city partnerships, documenting their impact and providing recommendations to optimize those partnerships.
6. **Peer-to-peer Learning.** Focus on mutual benefit, peer-to-peer learning, support and review in city-to-city partnerships, including the exchange of knowledge on sustainable urban planning and capital investment planning.
7. **Capacity Development.** Support capacity development and build local managerial capital and skills for effective, efficient and inclusive city-to-city partnerships implementation.
8. **Stakeholder Engagement.** Engage all relevant stakeholders to implement territorial network modalities of city-to-city partnerships towards the achievement of the SDGs, including by establishing partnerships with the private sector.
9. **Financing.** Call on local and regional governments to develop effective financing and efficient resource mobilization strategies and instruments in collaboration with national governments as appropriate, through existing mechanisms to support the implementation of the 2030 Agenda through city-to-city partnerships, including by integrating the SDGs in budgeting processes.
10. **Digitalization.** Develop strategies to build human, technological, and infrastructural capacities of the local and regional governments to make use and incorporate digitalization best practices in city-to-city partnerships.

Developing the Compendium on good policy practices and inspiring examples to promote city-to-city partnerships for the SDGs on a voluntary basis. Building on the Rome High-Level principles, the Compendium will analyse the framework conditions - in terms of policies, strategies, multi-level governance and dialogue, legislation, data, financing and stakeholder engagement - for effective and sustainable city-to-city partnerships, with particular attention to the specific conditions of developing and emerging economies. It will include good policy practices and inspiring examples on city-to-city partnerships towards the SDGs and analyse possible challenges and opportunities. It will also highlight the enablers for achieving the SDGs locally and provide guidance on how to engage the private sector in achieving the SDGs. During the first project cycle of the G20 Platform, the Compendium will be co-developed by the DWG members and other partners through a voluntary peer learning process that will engage the key stakeholders on the localisation of the SDGs and on city-to-city partnerships, in cooperation with Urban20. The Compendium will be a living document and structured along the lines of a wiki platform to encourage contributions from all actors towards compiling an

³ Including: the Principles on Quality Infrastructure Investment, the G20 Guidelines on Quality Infrastructure for Regional Connectivity and the G20 High Level Principles on Sustainable Habitat through Regional Planning.



exhaustive list of good policy practices, incorporating inputs and examples over time.

Building on the Compendium to develop new partnerships for the SDGs. The Compendium will support G20 members and interested cities to increase the effectiveness and impact of city-to-city partnerships by providing good policy practices and inspiring examples. It aims to support the generation, on a voluntary basis, of pilot projects, or new city-to-city partnerships, between intermediary cities in G20 and partner countries. Key areas for pilot projects could include, among others:

- Implementing a holistic, inclusive approach to build resilience in recovering from COVID-19 pandemic and against future pandemics, addressing health, climate change, disasters, food security and other major challenges, restoring ecosystems and decreasing human encroachment into natural habitats and fostering the adoption and implementation of the One Health approach at the local level, with the aim of ensuring no person is left behind;
- Enhancing the coordination and cooperation between national, regional, and local governments to promote public private partnerships to accelerate inclusive and clean energy transitions and the implementation of Nature-based Solutions or Ecosystem based Approaches within and around cities, and to support the active involvement of all relevant non-state actors, including Indigenous People, local communities, academia, women, youth and low-income and underrepresented communities;
- Reducing vulnerability to climate change impacts by increased adaptive capacity and recognizing the initiatives of some countries to facilitate development of leading net-zero or low greenhouse gas (GHG) emissions local communities and international city-level collaboration toward decarbonization, taking into account local circumstances and the respective country governments' systems;
- Ensuring food safety, the sustainability and inclusivity of local food systems and improving accessibility of healthy and nutritious diets, including through stronger rural urban linkages, preserving local food culture, traditional knowledge, agrobiodiversity, scaling-up smallholders and family farmers;
- Developing climate resilient and more circular economies and reducing greenhouse gas (GHG) emissions in line with the goals of the Paris Agreement and the objective of the United Nations Framework Convention on Climate Change (UNFCCC) and promoting context-specific ecosystem-based approaches or nature-based solutions, and new tools and technologies;
- Promoting data for development and enabling greater access to inclusive digital innovations that help enable smart, sustainable, resilient and inclusive cities and communities;
- Benefiting from rural-urban connectivity to accelerate poverty alleviation, fostering local economic development to promote inclusive and equitable education, promote decent work for all, in particular women, youth, rural populations, persons with disabilities, minorities and people living in vulnerable situations, migrants, refugees, displaced people, and promoting sustainable urban and peri-urban development through a regional planning approach;
- Boosting investment in quality infrastructure, with focus on water and sanitation, electrification, internet access and innovative transport strategies, promoting the sustainable use of building material, finding innovative strategies for inclusive solutions and for reducing pollution from public transport, in line with the G20 Principles on Quality Infrastructure Investment and the G20 Guidelines on Quality Infrastructure for Regional Connectivity;



- Promoting policy, regulation, transparency, participatory, multi-level governance and dialogue for demand-based solutions with a particular focus on the inclusion of disadvantaged groups and people living in vulnerable situations, including those living in rural areas, and on the empowerment of women, and youth;
- Adopting integrated urban planning for sustainable cities that includes economic, social and environmental objectives and addresses the full range of sectoral policies and strategies, ensure coherence of actions in different locations within the city and with surrounding territory. It will involve all relevant levels of government and different stakeholders. Ensuring the coherence of management plans at city level such as integrated urban storm water and waste water management plans, solid waste management plans, air quality management plans, sustainable urban mobility plans and energy efficiency and climate action plans;
- Improving the quality of life for both host and refugee communities in line with the goal for building more sustainable and resilient cities;
- Supporting the improvement of local finances, including local revenue generation, public and gender-responsive budgeting, financial management, creditworthiness and sustainable and climate smart investment planning.