

**URBAN  
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Transforming  
Cities for People  
and Planet

# THE CITIES WE NEED: Seven Equitable Urban Transformations

**WEBINAR**

**March 10, 2022**

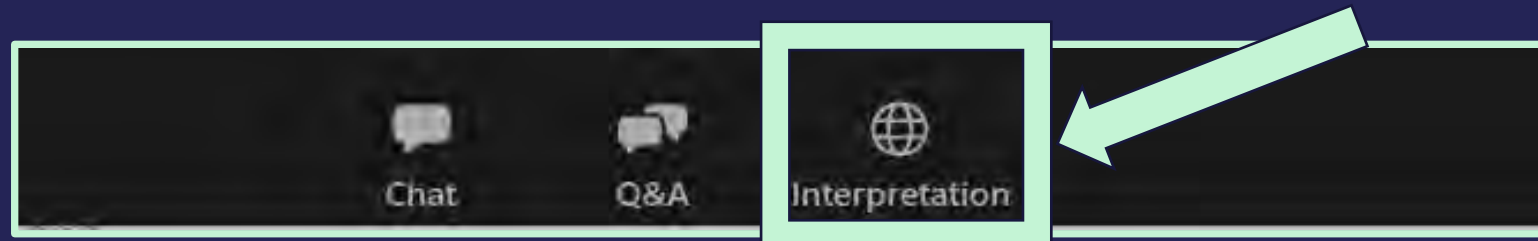
**8 – 9AM CRT / 9 – 10AM EST /  
11AM – 12PM BRT & ART**

# Live Interpretation

**EN:** We have simultaneous interpretation in English! Click on the "interpretation" icon at the bottom of your screen to listen to the event in English.

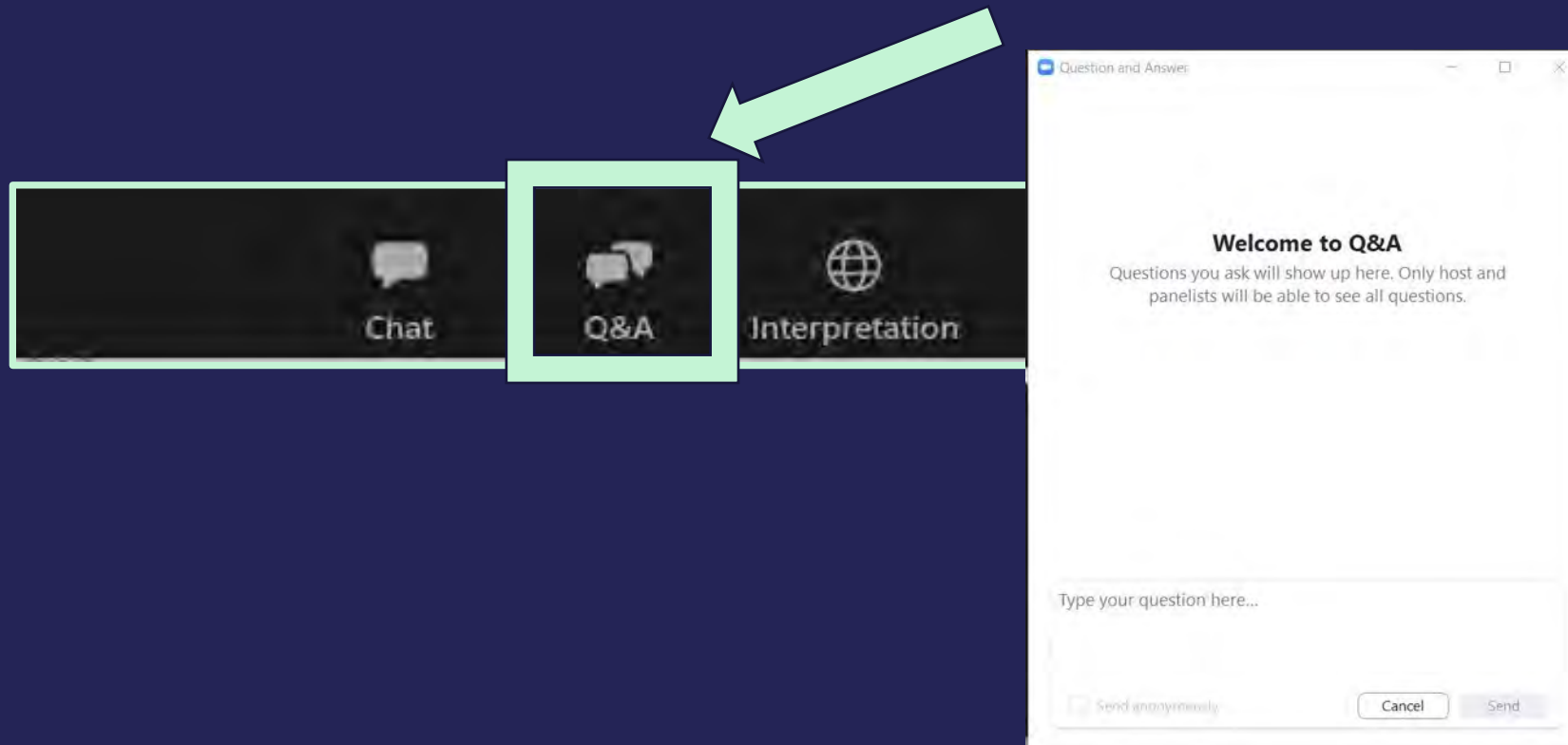
**ES:** ¡Tenemos interpretación simultánea en español! Haga clic en el icono de "interpretación" en la parte inferior de la pantalla para escuchar el evento en español.

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# Questions & Answers

If you have any questions about the presentation during the event, please feel free to enter them into the Q&A box. We will try our best to respond to the questions in real time or address them after the presentation.



The image shows a navigation bar with three buttons: 'Chat', 'Q&A', and 'Interpretation'. The 'Q&A' button is highlighted with a red box, and a red arrow points to it. To the right is a screenshot of the Q&A interface. The interface has a title bar that says 'Question and Answer'. Below the title bar, it says 'Welcome to Q&A' and 'Questions you ask will show up here. Only host and panelists will be able to see all questions.' There is a text input field with the placeholder text 'Type your question here...'. At the bottom, there is a checkbox labeled 'Send anonymously' and two buttons: 'Cancel' and 'Send'.

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# AGENDA & SPEAKERS

- **Introduction:** Rogier van der Berg
- **Overview of the Seven Transformations:** Robin King
- **Transformation 5 – Financing and Subsidies:** Carmenza Saldias Barreneche
- **Audience Choice Transformation:** Anjali Mahendra
- **Q&A**



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Director of Knowledge  
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Director of Global  
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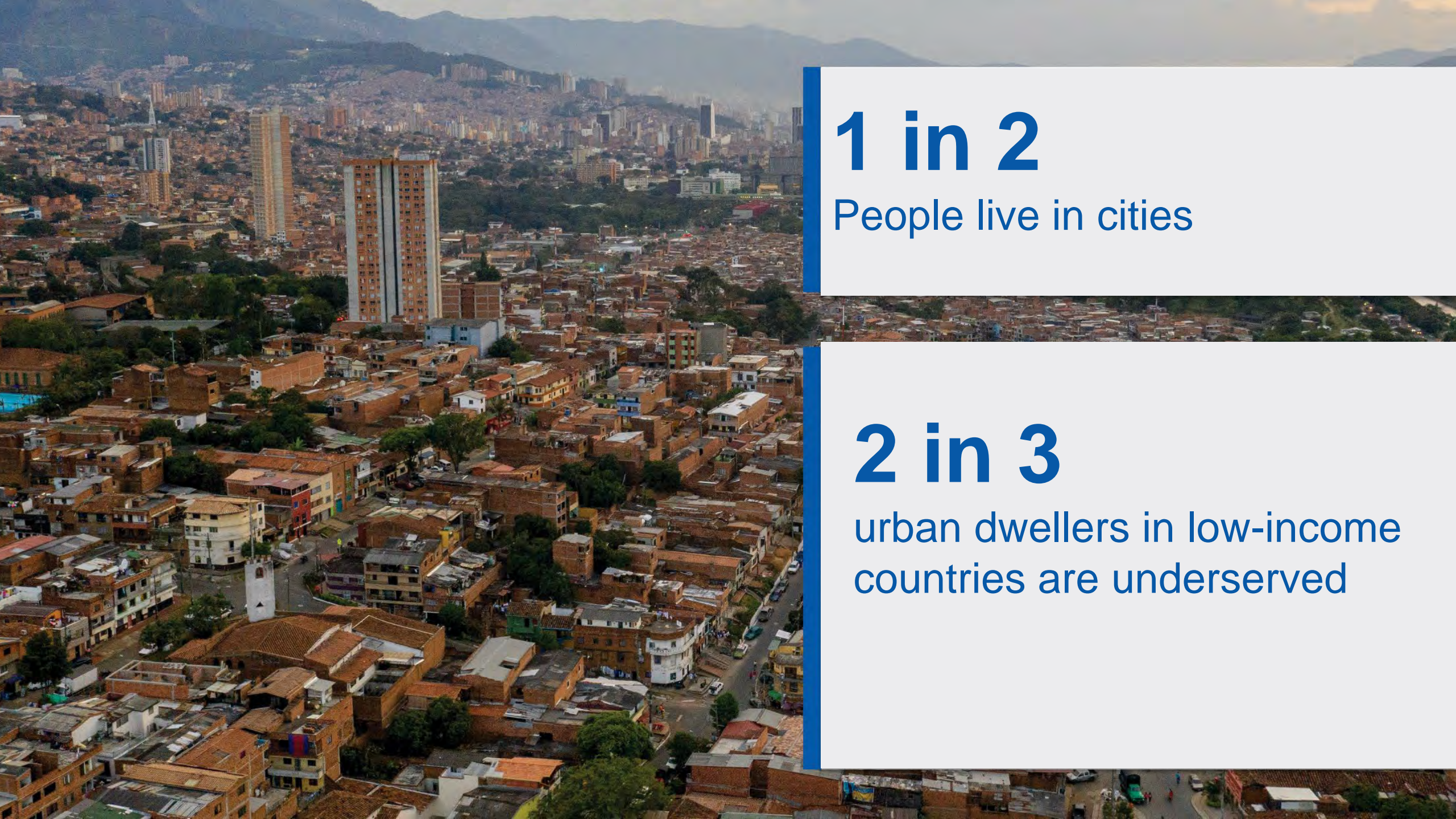


World  
Resources  
Report

TOWARDS A MORE EQUAL CITY

# Seven Transformations for More Equitable and Sustainable Cities

Anjali Mahendra, Robin King, Jillian Du, Ani Dasgupta  
Victoria Beard, Achilles Kallergis, and Kathleen Schatch



**1 in 2**

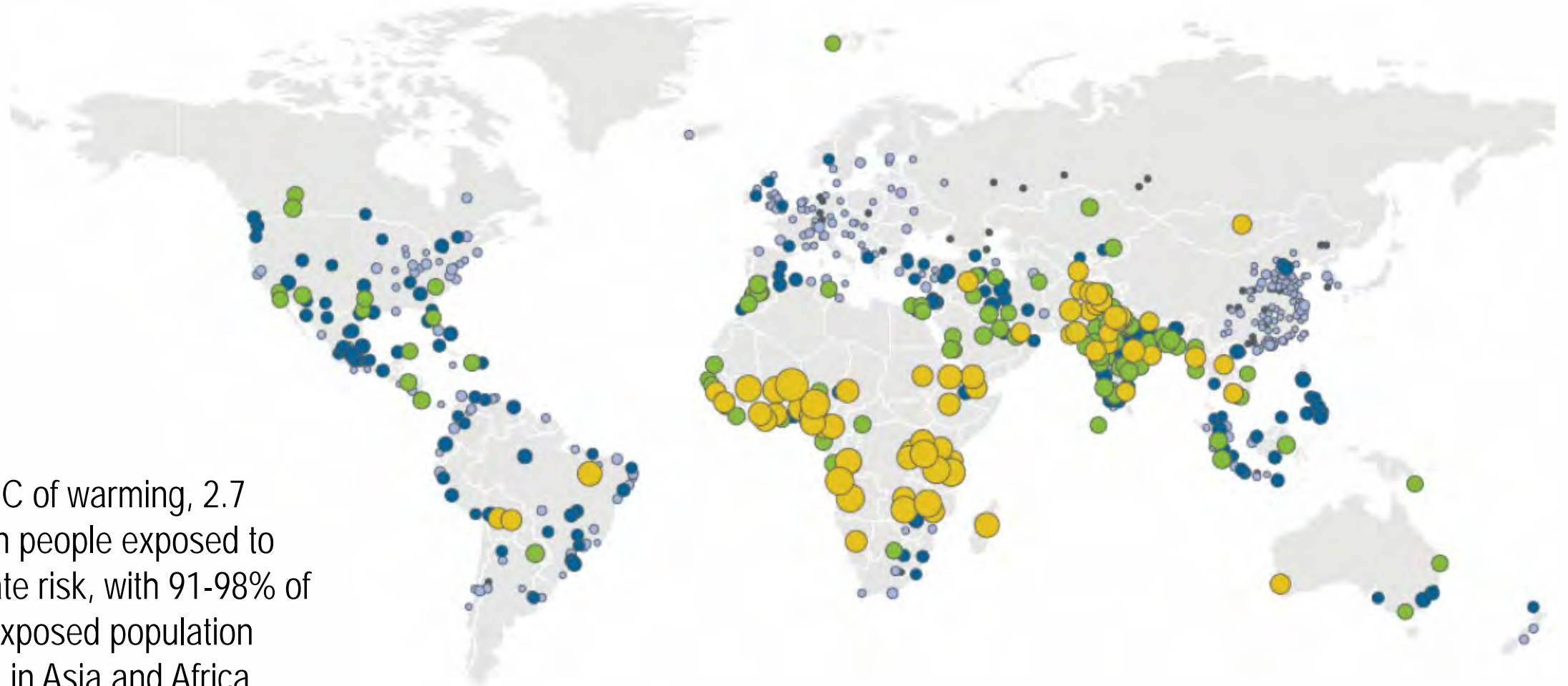
People live in cities

**2 in 3**

urban dwellers in low-income countries are underserved

# CURRENT ERA OF URBANIZATION NEEDS NEW SOLUTIONS

At 2°C of warming, 2.7 billion people exposed to climate risk, with 91-98% of the exposed population living in Asia and Africa



Projected Change in Urban Population, 2015-2030

- <1%
- 1-15%
- 15.01-30%
- 30.01-45%
- >45%



# WHAT IS THE WRR: TOWARDS A MORE EQUAL CITY?

*Quality, reliability and affordability* of everyday services, like housing, water, transport, electricity – for all people – should be the metrics for a functional and thriving city.

- Provides opportunities to live productive, healthy lives
- Supports investment and productivity of businesses
- Can prevent vulnerability to all kinds of risks

1.2b

city dwellers lack access to affordable, secure housing

58%

urban population in low-income countries with access to electricity

50%

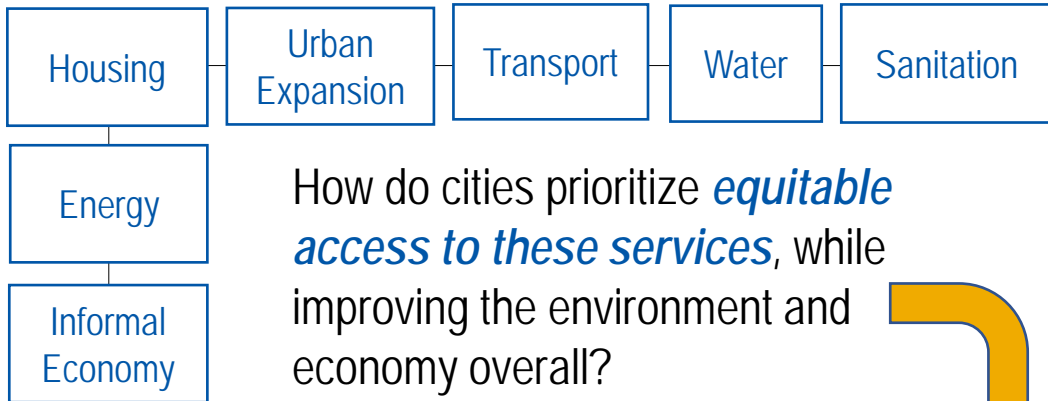
population in 15 major global south cities lack access to piped water

35%

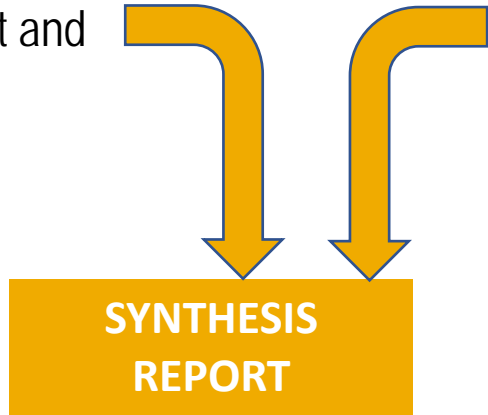
household income spent on commuting

# WHAT WE DID

## 7 Thematic Papers

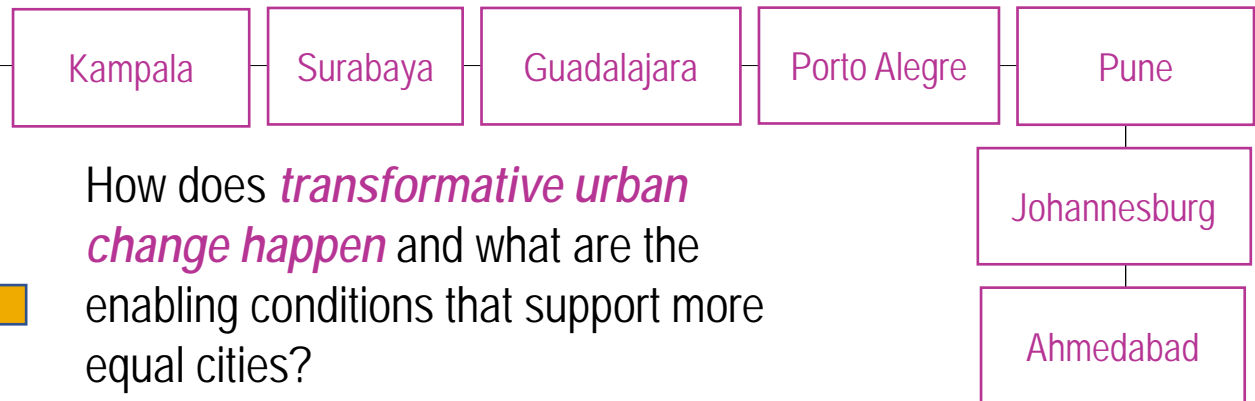


How do cities prioritize *equitable access to these services*, while improving the environment and economy overall?



7 crucial shifts needed to advance equity and achieve transformative change in cities

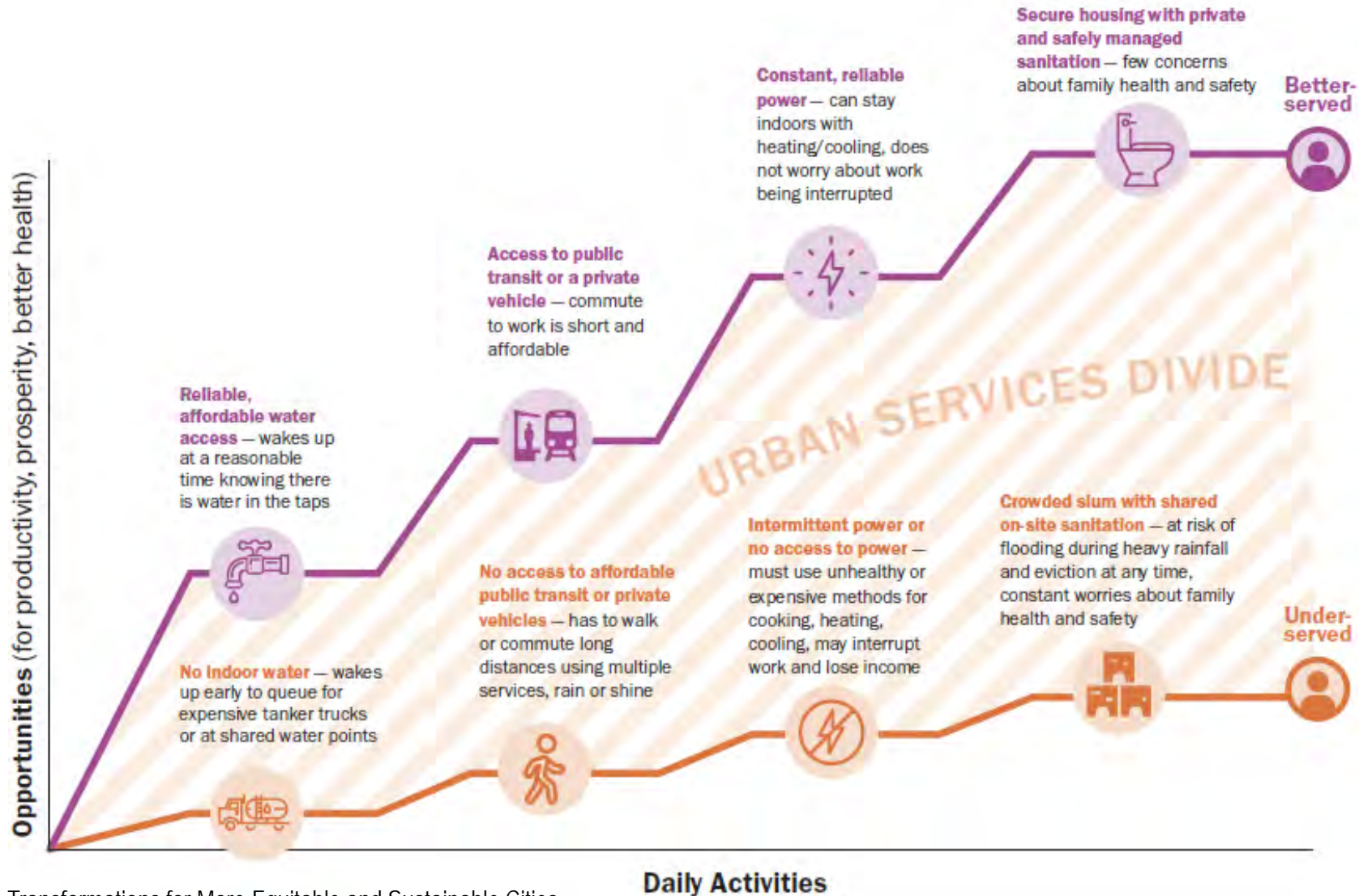
## 7 City Case Studies



How does *transformative urban change happen* and what are the enabling conditions that support more equal cities?



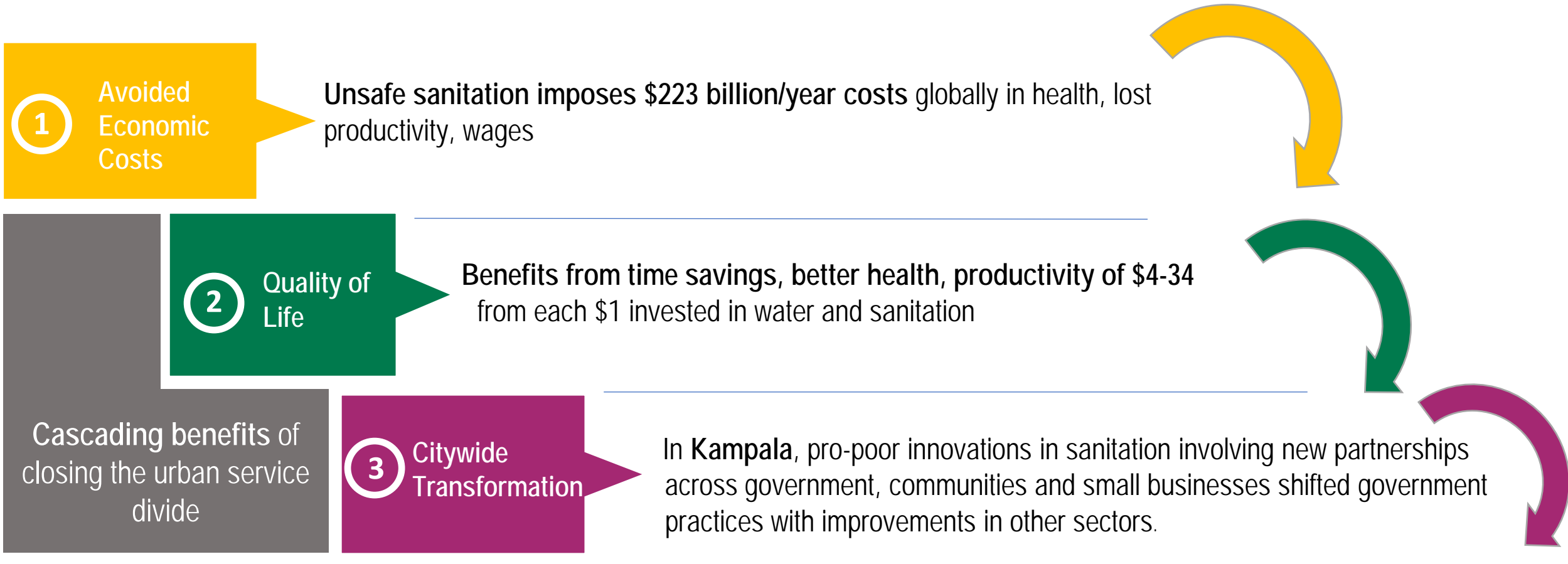
# THE LIVED EXPERIENCE OF THE URBAN SERVICES DIVIDE



Household with reliable, affordable, and safe access to water, sanitation, energy, transport, decent housing

Household with no or poor access to water, sanitation, energy, transport, decent housing

# CASCADING BENEFITS OF CLOSING THE URBAN SERVICES DIVIDE



# OUR FINDINGS: 7 TRANSFORMATIONS FOR MORE EQUITABLE, SUSTAINABLE CITIES

## Reimagine Service Provision



TRANSFORMATION 1

Infrastructure Design and Delivery



TRANSFORMATION 2

Service Provision Models

## Include the Excluded



TRANSFORMATION 3

Data Collection Practices



TRANSFORMATION 4

Informal Urban Employment

## Enable Change



TRANSFORMATION 5

Financing and Subsidies



TRANSFORMATION 6

Urban Land Management



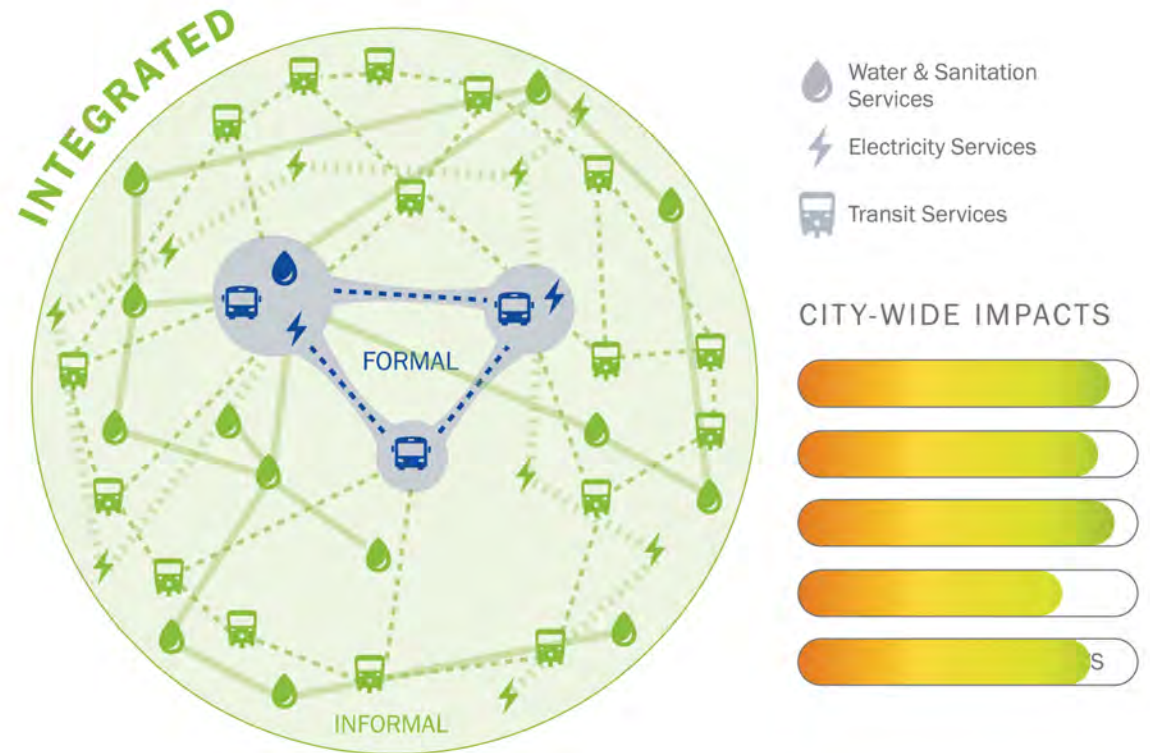
TRANSFORMATION 7

Governance and Institutions

# REIMAGINE SERVICE PROVISION

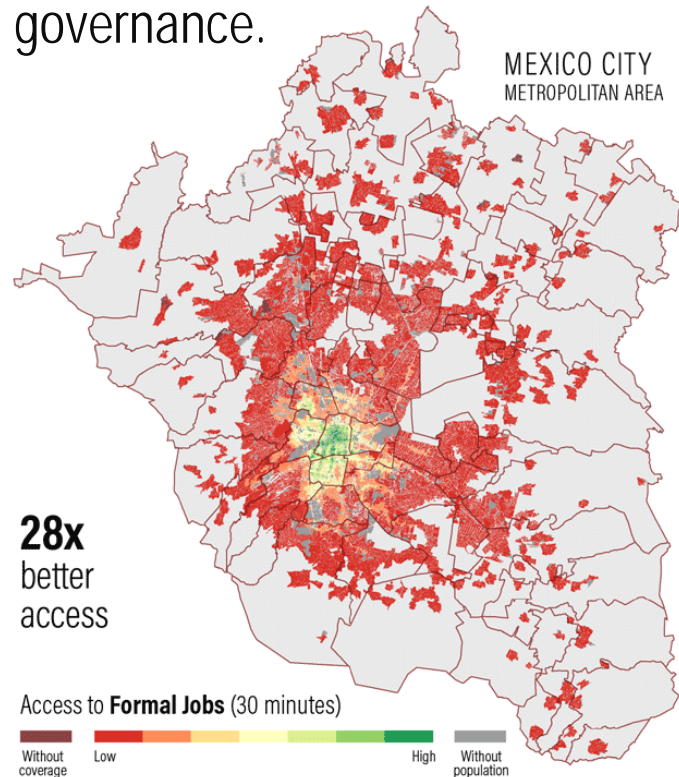
2) **Service provision models:** Cities can **integrate alternative services** in the short and medium term, with new partnerships for joint service delivery to increase access for more people.

**Integrated** — Once recognized, integration with formal systems through partnerships, financial assistance, and supportive regulations can enable more efficient, safe, and affordable access for all.



# INCLUDE THE EXCLUDED

- 3) **Data collection practices:** New technologies, partnerships, and community engagement can generate better local data for decision making and improve governance.



- 4) **Informal Urban Employment:** Recognizing and supporting informal workers and expanding their access to public space, services, customers, and social safety nets can improve livelihoods and economic resilience of cities.

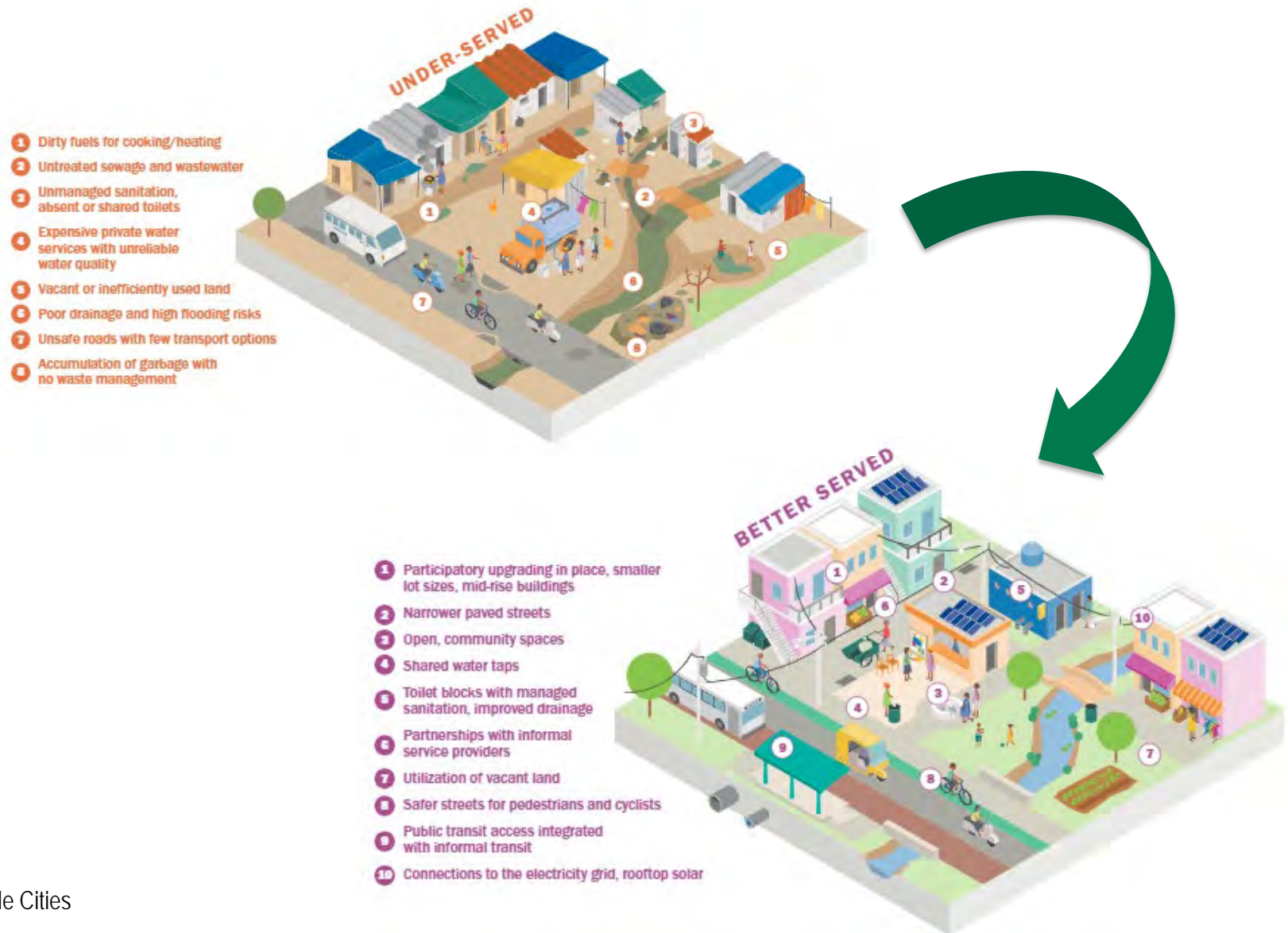


# ENABLE CHANGE

5) **Financing and Subsidies:** Higher national investment with targeted subsidies can get money where it is needed most. Innovative financing instruments and creative payment methods can increase affordability.

## 6) **Urban Land Management:**

Transparent, well-regulated land and housing markets, and **integrated spatial planning** are central, both to delivering services equitably and to managing growth sustainably.





# ENABLE CHANGE

7) **Coalitions of diverse actors** can galvanize political action, promote inclusion, and achieve lasting change.

**Aligning national and local policies** around a shared vision can reduce costs and help cities achieve strategic objectives.

**When actors are not aligned**, the city suffers from the costs of conflicting agendas, uncoordinated investments, inefficiencies, and short-lived change.



**When actors are aligned towards a shared vision**, the city benefits from harnessing synergies, minimizing trade-offs, and increased collaboration between actors on implementation.



# ROLES OF SPECIFIC ACTORS IN ADVANCING THESE TRANSFORMATIONS

## *An Action Plan for:*

1. City Government and Urban Sector Specialists
2. National Government
3. Civil Society including NGOs, Experts, and Researchers
4. Private Sector
5. International Community, including Development Finance Institutions

# OUR FINDINGS: 7 TRANSFORMATIONS FOR MORE EQUITABLE, SUSTAINABLE CITIES

## Reimagine Service Provision



TRANSFORMATION 1

Infrastructure Design and Delivery



TRANSFORMATION 2

Service Provision Models

## Include the Excluded



TRANSFORMATION 3

Data Collection Practices



TRANSFORMATION 4

Informal Urban Employment

## Enable Change



TRANSFORMATION 5

Financing and Subsidies



TRANSFORMATION 6

Urban Land Management



TRANSFORMATION 7

Governance and Institutions

# Transformation 5: FINANCING AND SUBSIDIES



# Transformation 5: Financing and Subsidies

*Substantial, innovatively targeted financial investment requires national government support, especially in the global South. Targeted subsidies, innovative financing instruments, creative payment methods, and engaging local communities can get money to where it is needed most.*

Chronic under-investment  
in core services

## PRIORITY ACTIONS

- Increase national government investment, directing it where the need is greatest
- Create well-structured, targeted subsidies for affordability and social return
- Use innovative financing instruments and creative payment schemes
- Regulate private entities and strengthen oversight capacity
- Incorporate social costs and benefits into financial analysis and involve the community

Higher investment in core  
services, targeted at most  
vulnerable

# Transformation 5: Financing and Subsidies

PRIORITY ACTION	CITY EXAMPLE
<p>Increase national government investment, directing it where the need is greatest.</p> <p><i>National governments are uniquely positioned to finance the large up-front capital investments needed to build and connect infrastructure. They collect almost three-quarters of total public revenues worldwide, dwarfing what cities can raise.</i></p>	<p>PROTRAM, a federal program in <b>Mexico</b>, offers grants to city, state, and regional government agencies for up to 50 percent of the infrastructure cost of urban mass transit project.</p>
<p>Create well-structured, targeted subsidies for affordability and social return.</p>	<p>Many cities in <b>South Africa, Chile, and Colombia</b> subsidize water for households below a certain income threshold, using existing socioeconomic classifications.</p>
<p>Use innovative financing instruments and creative payment schemes.</p>	<p><b>Ouagadougou</b> tapped funds from sewerage bills for higher income households to support safe on-site sanitation for low-income households, create a training program for safe emptying practices, and construct school latrines.</p>
<p>Regulate private entities and strengthen oversight capacity.</p>	<p><b>São Paulo</b> regulates all private mobility companies operating in the city – requiring they provide trip and pricing data that the city can use to plan transport services, operate the road network more efficiently, and charge fees from these companies for the use of public streets.</p>
<p>Incorporate social costs and benefits into financial analysis and involve the community.</p> <p><i>Cities can get social benefits worth between 4 and 12 times the cost of improving water and sanitation.</i></p>	<p>Experience from <b>Porto Alegre</b> emphasizes how well-structured participatory budgeting can catalyze citizen involvement and agency to allocate these public funds to meet community needs.</p>

# Transformation 5: Financing and Subsidies

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: NATIONAL GOVERNMENT

**Support financing of large capital investments in urban areas** through enabling fiscal transfers with conditions for performance outcomes related to equity and sustainability.

**Ensure adequate funding to urban authorities to support bottom-up processes**, such as participatory budgeting.

**Channel funding from international aid agencies** and external programs to cities that are unable to directly access these funds.

**Enable alternate, innovative financing techniques** by creating the right regulatory and policy frameworks, such as public-private partnerships and land value capture; ensure financial regulators are not working at cross-purposes with other policies; incorporate social costs and benefits into financial analysis and oversight

**Authorize local and state governments to increase own-source revenues and collect land-based revenues and taxes.**

**Create and fund well-structured, targeted subsidies** for affordability and social returns

**Regulate private entities and strengthen oversight capacity**

# IN CONCLUSION

- There is no one-size-fits-all solution, but our research shows that, overall, the cumulative benefit of improving access to basic services for the underserved far outweighs the investment.
- Not all cities will follow the same path or have the same entry point, but wherever they start, our research shows that priority actions in the WRR will help close the urban services gap, lead to greater equity, and can lead to transformative change.

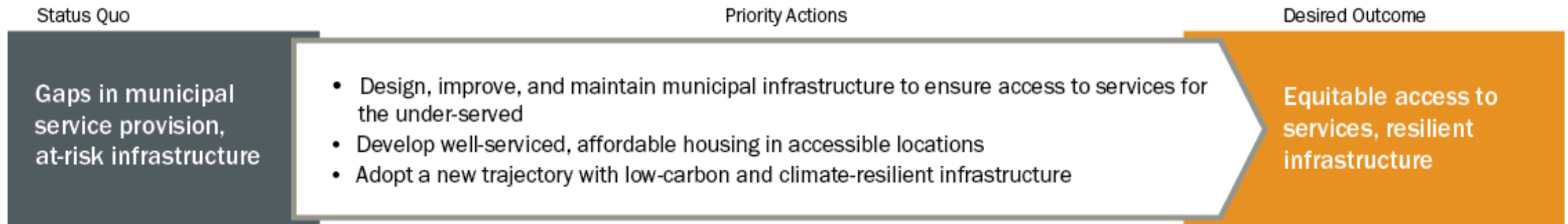


# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY



# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

Municipal infrastructure must be designed and delivered to prioritize neglected populations, address backlogs, minimize carbon lock-in, and anticipate future risks.



# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

PRIORITY ACTION	CITY EXAMPLE
<p>Design, improve, and maintain municipal infrastructure to ensure access to services for the under-served – detailed sector by sector recommendations</p> <p><i>Alternative informal or private water services cost 18 times more in Cebu and 13 times more in Maputo than publicly provided water.</i></p>	<p><b>Medellín</b> showed how investing in safe and affordable multimodal public transportation services, including cable cars, can tame congestion and connect poor, peripheral, or hillside communities with jobs in the city center, reducing one-way commutes from 2 hours to 30 minutes in some cases.</p>
<p>Develop well serviced affordable housing in accessible locations.</p> <p><i>By 2025, the affordable housing gap will affect 1.6 billion people.</i></p>	<p><b>Bangkok</b> partnered with community groups and NGOs to upgrade informal settlements through the Baan Mankong program, creating a model that has scaled up to over 215 cities in 19 Asian countries.</p>
<p>Adopt a new trajectory that emphasizes low-carbon and climate-resilient infrastructure.</p> <p><i>Sea level rise and storm surges alone could cost coastal cities US\$1 trillion each year by midcentury, affecting more than 800 million people.</i></p>	<p><b>Durban</b> and <b>Rosario</b> upgrading infrastructure in physically and socially vulnerable areas, such as flood-prone slums and planning for resilience.</p>

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: CITY GOVERNMENT AND URBAN SPECIALISTS—TRANSPORT SECTOR

### **Build complete and safe street networks**

- Complete street networks to improve accessibility for all in city
- Democratize streets by prioritizing road space for modes used by the majority—walking, cycling, and public transport
- Improve pedestrian safety and security

### **Develop an ecosystem of integrated, user-oriented transport services**

- Connect existing services into an integrated multimodal network combining public, private, informal, and active (nonmotorized) transport modes
- Prioritize investment in affordable public transport to improve citywide access for the under-served
- Proactively upgrade and integrate informal operators
- Harness technology to improve productivity and user experience

### **Manage the demand for private vehicle use**

- Discourage private vehicle use in dense city cores
- Price car use and parking to account for true social costs of driving
- Promote shared mobility solutions
- Ensure new development is well connected to economic opportunities by public transport

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: CITY GOVERNMENT AND URBAN SPECIALISTS—ENERGY SECTOR

### Accelerate the shift to cleaner cooking

- Move away from solid fuels to cleaner liquefied petroleum gas, electricity, biogas, and ethanol to reduce indoor pollution
- Promote the use of low-emissions, efficient cookstoves for solid fuels

### Scale up renewable energy

- Encourage the use of distributed renewable energy such as solar PV, providing affordable, reliable clean energy access to the under-served

### Increase the energy efficiency of buildings and appliances

- Develop and enforce energy-efficient building codes and appliance standards to save energy costs and reduce citywide emissions

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: CITY GOVERNMENT AND URBAN SPECIALISTS—WATER SECTOR

### **Extend formal piped water network to improve access**

- Increase piped water connections to the home or plot, where feasible, considering access gaps and climate risks as part of infrastructure planning
- In the short and medium term, provide water standpipes and kiosks located close to homes for those who do not have access to piped water
- Diversify water supply sources, conserve natural water resources, and integrate climate risk information into planning and design of resilient water supply systems

### **Address context-specific causes of intermittent water service**

- Increase universal use of water meters, improve billing systems, and use technology to detect leaks
- Improve regular infrastructure maintenance to reduce leaks, manage demand with growth, and plan for climate risks such as flooding

### **Pursue diverse strategies to make water affordable, with special consideration for low-income consumers**

- Increase affordable water connections
- Implement strategies to make monthly water service affordable (including subsidized water, cross-subsidies, “free basic water,” incremental block tariffs, and spatially targeted subsidies)
- Promote flexible payment arrangements for water and water connections

**Support informal settlement upgrading in locations with low climate risk to improve water access to the urban under-served**

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: CITY GOVERNMENT AND URBAN SPECIALISTS—HOUSING SECTOR

### **Upgrade informal settlements in situ when located in low-risk, climate-secure locations**

- In situ upgrading is preferred over relocation programs, except where there are location-based risks
- Utilize upgrading programs to finance services, amenities, and security of occupancy rights, beyond merely shelter improvement
- Ensure programs are comprehensive, participatory, and financially sustainable

### **Support rental housing markets**

- Improve legal frameworks
- Avoid financial biases against renting
- Provide well-structured subsidies

### **Convert under-utilized urban land to affordable housing in accessible, well-serviced locations**

- Establish realistic regulations and standards, allowing for incremental housing improvements and construction as well as community ownership
- Create straightforward, easy-to-understand processes and zoning rules
- Tax under-utilized land and buildings, and provide incentives for production/conversion to affordable housing

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: NATIONAL GOVERNMENT

**Establish policy frameworks to support service provision for under-served communities**, such as national frameworks for informal settlement upgrading and national frameworks for land regulations and integrated urban planning

**Establish pro-poor regulations and provide incentives** to encourage and enable utilities to extend service provision and maintain infrastructure

**Enable the participation of local communities**, especially from the under-served, peri-urban, and/or smaller towns, in infrastructure planning, design, and delivery; this is particularly relevant for issues and strategies that extend beyond the administrative boundaries of the city

**Collect independent information** about services and charges to better understand the realities of service provision (e.g., the utility's service area, associated risks and vulnerabilities, detailed socioeconomic and spatial data)

**Raise commitments and investments** for low-carbon and climate-resilient infrastructure, recognizing the role of community and local knowledge; integrate these investments into national and regional climate adaptation and mitigation plans

**Monitor and report on progress** for equitable service provision as part of national and global goals; involve community groups or civil society organizations in monitoring, evaluation, and learning programs (e.g., water watch groups)



# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: CIVIL SOCIETY, INCLUDING NGOS, EXPERTS AND RESEARCHERS

**Work with the public sector** to upgrade informal settlements and improve access to affordable and reliable services; ensure that strategies and solutions are locally determined and appropriate

**Support strong community-based coalitions** to build political and social capital, establish government partnerships, and organize with other social movements

**Harness community-based knowledge** and experience to guide decisions around infrastructure plans, service provision, and locally relevant strategies for climate-smart infrastructure and climate resilience

**Bring forth issues of representation of marginalized communities** in multiple stakeholder engagement platforms and other decision-making forums

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: PRIVATE SECTOR

**Work with the public sector and communities** to provide safe, reliable, and affordable services, especially for the under-served, in areas outside of formal networks, and in areas vulnerable to climate impacts

**Support and build on existing, localized innovations for delivering services affordably and sustainably** (e.g., rooftop solar, rainwater harvesting, mobile payments for water)

**Consider large but under-served housing market segments**, engaging with the public sector and financial institutions to structure and undertake workable projects

Invest in **low carbon, climate resilient urban services infrastructure** and affordable housing in well serviced, accessible locations

# Transformation 1: INFRASTRUCTURE DESIGN & DELIVERY

## ROLES OF SPECIFIC ACTORS IN ADVANCING TRANSFORMATIVE URBAN CHANGE: INTERNATIONAL COMMUNITY, INCLUDING DEVELOPMENT FINANCE INSTITUTIONS

**Support funding schemes** that target improved service access for the urban poor, considering local needs

**Articulate equity and justice criteria** within multilateral arrangements, projects, and financial documents, considering the local social, political, and economic context

**Ensure that funding reaches local levels**, effectively impacting the most under-served

**Prioritize strategies and programs** that incentivize equitable, low-carbon, and climate-resilient infrastructure design and delivery at scale

# QUESTIONS AND ANSWERS

## Open to all participants

If you have comments or questions for any of our panelists, please share them in the Q&A chat box.



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