



OPINION

VIEWPOINT
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Cities as Key to Our Green, Resilient and Inclusive Recovery



To overcome our climate and pandemic crises and emerge stronger, cities could focus on integrating nature, people and institutions, argues Sameh N. Wahba, Regional Director for Sustainable Development, Europe and Central Asia Region, The World Bank.



Cities need to focus on integrating the three key dimensions of their spatial planning and service delivery—nature, people and institutions—while building their resilience against crises.



Home to more than half of the global population, cities are our economic powerhouses. They generate close to 80% of the world's economic activity, despite occupying only 3% of its land area. When managed well, cities typically offer an escalator out of poverty. Cities are also responsible for 70% of total energy consumption and greenhouse emissions. Not surprisingly then, cities hold the key to our fight against climate change.

Cities were also the epicentre of the COVID-19 pandemic, bearing the brunt in terms of business closures, losses of jobs and livelihoods due to lockdowns, and serious declines in tax revenues.

The priority today is to sustain economic recovery and support the millions of workers and business owners who have been hit hard. Thinking ahead, however, the response to these crises also offers an opportunity for transformative reform—cities can be at the heart of a green, resilient and inclusive recovery.

To overcome the climate and pandemic crises, and emerge stronger, cities need to focus on integrating three key dimensions at the heart of their spatial planning and service delivery processes—namely, nature, people and institutions—while building their resilience against crises.

First, nature. The loss of nature and biodiversity due to rapid, unplanned urbanisation has led to severe environmental degradation in many cities, including increased exposure to and vulnerability from flooding, worsening air pollution, rising temperatures with the urban heat island effect, the spread of zoonotic diseases, and deteriorating liveability and attractiveness. Cities that invested in nature-based solutions and green infrastructure have managed to overcome such challenges though. The restoration of the Beddagana Wetland Park in Colombo, Sri Lanka, for instance, with World Bank support, has not only improved property values in the area but also created a unique environmental amenity in the city. In Beira, Mozambique, the development of a 17 km linear park along the Chiveve River, also with World Bank support, led to improving liveability and environmental quality locally, while also reducing stormwater run-off and flooding impact in the highly climate-vulnerable city. Several Chinese cities have developed “sponge cities” as urban construction models, investing in nature-based solutions to reduce flooding and replenish aquifers. Taking an even more holistic perspective, Singapore has evolved from a “city in a garden” to a “city in nature”, by integrating ecology in the urban landscape, strengthening community stewardship, and monitoring progress through a city biodiversity index.

Second, people. The pandemic exposed deep-rooted inequalities—poor housing conditions, lack of infrastructure, and overcrowding—conditions for an increased contagion risk. Poor households are also the worst affected by the impact of climate change since they tend to live in areas exposed to severe flooding risk and lack the means to protect themselves. Focusing on the needs of the poorest, however, can turn the tables. In Freetown, Sierra Leone, the city's three-year plan, also supported by the World Bank, aimed to plant one million trees by end-2022 to double its green area and reduce soil erosion and flooding risk. This translated into supporting livelihoods, particularly for women paid to plant trees and monitor their growth. The city also created economic opportunities for youth by involving them in solid waste collection and disposal. As part of its pandemic response, the Spanish city of Barcelona has supported low-income seniors who are often excluded from digital connectivity due to inadequate equipment and infrastructure. Cities around the world have also been receiving growing numbers of people displaced by conflicts, including most recently, Polish cities welcoming Ukrainian refugees. Medellín, Colombia, has demonstrated sustained leadership in integrating low-income communities through its inclusive public transportation system that connects hard-to-reach neighbourhoods, allowing the poor to access jobs and services.



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The third dimension is strong institutions. Along with sound policies and local government capacity, this is the critical foundation to facilitate coordination across administrative jurisdictions and enable better spatial and socio-economic integration within recovery plans. To tackle persistent historic spatial inequalities, Colombia has, with World Bank support, implemented policies to strengthen institutions for land management and territorial planning, including reforming the national property registry. Colombia also focused on improving subnational financial management and investment prioritisation by strengthening reporting standards, creating instruments for inter-governmental coordination, and building local government capacity. Post-pandemic, several local governments have been investing in strengthening their cities' resilience by reinforcing inter-institutional coordination and improving preparedness and emergency response capacity by government departments, businesses and local communities.

The good news is, investments in nature, people, institutions and resilience are cost-effective and have a long-term payoff, including by reducing potential economic losses from future disasters. Nature-based solutions offer significant cost savings relative to man-made infrastructure, while also providing superior value in terms of amenity and liveability. Similarly, integrating

people and investing in risk reduction and resilience of poor communities yields significant payoffs: every US dollar invested ex ante in risk reduction and preparedness produces savings of as much as US\$7 (S\$9.68) in post-disaster reconstruction and recovery. Strengthening institutions and integrating life cycle costing in investment planning and budgeting are also key to long-term sustainability, ensuring that operations and maintenance are factored in and investments are protected in the years to come.

Lastly, land value capture offers an innovative instrument to finance urban revitalisation programmes. By capturing ex ante (e.g., through sale of development rights, as was done in São Paulo and Rio de Janeiro, Brazil) or ex post (e.g., through betterment levies in Bogotá, Colombia), part of the proceeds from urban land valorisation (from infrastructure investments and densification) can go towards paying for public interventions. This said, strengthening municipal finances is arguably the most critical foundation for plugging an ever-growing infrastructure finance gap.

By investing in nature, people and institutions, cities can continue to be the powerhouses of innovation, opportunity and growth, anchoring a green, resilient and inclusive recovery. 📍