Reykjavík, 26. febrúar 2018 R18020221 0870

Borgarráð

#### Aðild að OECD verkefninu Champion Mayors for Inclusive Growth initiative

Lagt er til að Reykjavíkurborg þekkist boð Angel Gurría aðalritara OECD - Efnahags- og framfarastofnunarinnar, og Anne Hidalgo borgarstjóra Parísar og formanns OECD Champion Mayors initiative, sem barst með bréfi dags. 29. janúar 2018, um að gerast aðili að verkefninu *Champion Mayors for Inclusive Growth initiative*. OECD hleypti verkefninu af stokkunum árið 2016, ásamt Bill de Blasio borgarstjóra New York borgar en markmið þess er að berjast gegn ójöfnuði á heimsvísu og stuðla að efnahagslegum vexti samfélaga til hagsældar fyrir alla. Síðan 2016 hafa 50 borgarstjórar um allan heim gengið til liðs við verkefnið - frá New York til Seoul og Höfðaborgar til Medillín. Aðild að verkefninu felur í sér að Reykjavíkurborg styðji þau meginsjónarmið sem aðildarborgirnar hafa sett fram og koma fyrir í þremur lykilstefnuskjölum og aðgerðaáætlunum: *New York Proposal; Paris Action Plan;* og *Seoul Implementation Agenda*.

Hjálagt er boðsbréf Angel Gurría aðalritara OECD og Anne Hidalgo borgarstjóra Parísar til borgarstjórans í Reykjavík. Þá er verkefnislýsingin *Champion Mayor Initiative Flyer* og áðurnefnd stefnu- og áætlanaskjöl, þrjú talsins. Einnig greinargerð alþjóðafulltrúa vegna málsins.

Dagur B. Eggertsson

Hjálagt:

Boð Angel Gurría aðalritara OECD og Anne Hidalgo borgarstjóra Parísar til borgarstjórans í Reykjavík Greinargerð alþjóðafulltrúa vegna aðildar að Champion Mayors for Inclusive Growth initiative New York Proposal Paris Action Plan Seoul Implementation Agenda ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT



ORGANISATION DE COOPÉRATION ET DE DÉVELOPPEMENT É C O N O M I Q U E S

Secretary-General Secrétaire général

AG/2017.641.cfe

29 January 2018

Dear Mayor Eggertsson,

You have made the fight against inequality a driving force in your agenda as Mayor. This issue is also at the core of the work of the OECD and city leaders from around the world. In 2016, we launched the Champion Mayors for Inclusive Growth initiative alongside Mayor Bill de Blasio in New York. More than 25 Champion Mayors reconvened in Paris several months later, followed by a Third Meeting hosted by Mayor Park Wonsoon in Seoul in October 2017. Over the past year, we have joined forces with 50 Mayors worldwide – from New York to Seoul, from Cape Town to Medellín – who have committed to work together to create more equitable and prosperous cities.

We would be pleased for you to join the coalition of Champion Mayors who are advancing the global agenda towards more inclusive growth. In so doing, you are invited to endorse the tenets of the *New York Proposal*, the *Paris Action Plan* and the *Seoul Implementation Agenda*, which symbolise a shared commitment among Mayors to tackle inequalities. By joining the network, you would also benefit from a dedicated web platform and be invited to participate in a set of thematic policy dialogues to exchange good practice with cities worldwide. We also ask that you appoint a focal point in your city who can liaise with the OECD on a regular basis.

The Champion Mayors initiative is pleased to count on a range of Supporting Institutions to help shape this work, including the Brookings Institution, C40 Cities Climate Leadership Group, Cities Alliance, Ford Foundation, ICLEI Local Governments for Sustainability, Lincoln Institute of Land Policy, National League of Cities, United Cities and Local Governments (UCLG) and United Way Worldwide.

Thank you for confirming your interest in becoming a Champion Mayor to <u>ChampionMayors@oecd.org</u>. In these challenging political times, the actions of local leaders to forge a more inclusive future are more vital than ever.

Yours sincerely,

Angel Gurría Secretary-General OECD

Anne Hidalgo Mayor of Paris, France Chair of the OECD Champion Mayors initiative

Dr. Dagur Bergþóruson Eggertsson Mayor of Reykjavik Iceland

CC: H.E. Kristján Andri STEFÁNSSON, Ambassador, Permanent Delegation of Iceland to the OECD.



Reykjavík, 26. febrúar 2018 R18020221 0870

### MINNISBLAÐ

Viðtakandi: Borgarráð

Sendandi: Hilmar Hildar Magnúsarson

Greinargerð vegna aðildar að Champion Mayors for Inclusive Growth initiative

#### Boð um aðild að Champion Mayors for Inclusive Growth initiative

Með bréfi dags. 29. janúar 2018 barst borgarstjóranum í Reykjavík boð Angel Gurría aðalritara OECD - Efnahags- og framfarastofnunarinnar og Anne Hidalgo borgarstjóra Parísar og formanns OECD Champion Mayors initiative um að Reykjavíkurborg gerðist aðili að framtakinu *Champion Mayors for Inclusive Growth initiative*. Í bréfinu er tiltekið að borgarstjórinn í Reykjavík hafi látið baráttuna gegn ójöfnuði knýja áfram stefnu sína í embætti en að það sé einnig hluti kjarnastarfsemi OECD og leiðtoga borga víða um heim. Síðan verkefnið hafi verið stofnað, í samvinnu við Bill de Blasio borgarstjóra New York borgar árið 2016, hafi nú 50 borgarstjórar víða um heim lagt því lið og skuldbundið sig til að vinna saman að því að jafna stöðu borgaranna og auka velmegun þeirra.

#### Skuldbindingar og ávinningur aðildar

Í bréfinu er borgarstjóra boðið að ganga í bandalag *Champion Mayors*, bandalag sem vinni nú að framgangi þeirrar stefnu á heimsvísu sem tryggi öllum hlutdeild í meiri vexti. Í bréfinu segir að borgarstjóra sé með aðild boðið að styðja þau grundvallarsjónarmið sem fram komi í svokallaðri *New York tillögu* (e. New York Proposal), *Parísaraðgerðaáætluninni* (e. Paris Action Plan) og *Seoul innleiðingaráætluninni* (e. Seoul Implementation Agenda) en þessar yfirlýsingar séu táknrænar fyrir sameiginlegar skuldbindingar borgarstjóranna um að taka á ójöfnuði. Með því að tengjast þessu neti myndi borgin einnig njóta aðgangs að sérstöku vefsvæði og bjóðast þátttaka í umræðum um þemabundin stefnumál sem miði að því að deila bestu aðferðum með borgum um heim allan. Hugnist borgarstjóra að taka þátt er hann beðinn um að tilnefna tengilið sem geti haldið utan um regluleg tengsl við OECD. Í niðurlagi bréfsins eru nefndar ýmsar alþjóðlegar stofnanir sem sagðar eru styðja framtakið og aðstoða við að móta starfið.

> Hilmar Hildar Magnúsarson alþjóðafulltrúi





Inclusive Growth in Cities Campaign: A Roadmap for Action

The New York Proposal for Inclusive Growth in Cities

There is an urgent political and economic imperative to address rising inequalities within our society. In many countries, the gap between rich and poor has widened, with those at the top capturing the lion's share of growth while many people have not seen their real income rise for several years. But income is just one aspect of life that matters for well-being. In just about every area, whether it be educational attainment, life expectancy or employment prospects, life outcomes are disproportionally determined by socio-economic status, sex, age or the places in which people live. Rising inequality harms economic growth and has the potential to undermine social cohesion and threaten political stability.

We consider that fostering Inclusive Growth calls for a major break with the policy making of the past. This means reassessing the way in which we design our policies to ensure that growth and equity are treated as mutually reinforcing goals, as well as putting well-being and social inclusion at the centre of the debate on economic growth.

**Cities have a crucial role to play in making inclusive growth happen**. Cities are key actors in many **domains that matter for inclusive growth**, including education, health care services, social protection, training and employment services, as well as housing, neighbourhood regeneration and transport.

#### As a symbol of our commitment:

We will champion an Inclusive Growth agenda in our city, our country and across the world, by promoting policies and practices that foster both economic growth and inclusiveness.

We will work together to advance this agenda and share best practices and policy tools to achieve inclusive growth in cities, based on the following premises:

- An inclusive education system, which enables people of all ages and backgrounds to develop their human capital, acquire relevant skills and improve their life chances.
- An inclusive labour market, which aims to make the most of women, youth, older populations, migrants and immigrants, foreign-born populations, and people of all backgrounds in the labour force. This means policies that promote access to quality jobs and inclusive entrepreneurship.
- An inclusive housing market and urban environment, which provides quality, affordable housing in safe, healthy neighbourhoods for all segments of the population.
- *Inclusive infrastructure and public services*, which consists of a transport system that provides access to jobs, services and consumption opportunities for all, as well as affordable, reliable public services, such as water, energy, and waste management and broadband infrastructure.

We will help shape a policy roadmap for Inclusive Growth in Cities, which will propose concrete measurement and policy tools to advance more inclusive growth in cities, and to measure and monitor progress.

**Our efforts will contribute to the** *OECD All on Board Inclusive Growth Initiative,* undertaken in partnership with the Ford Foundation, thereby helping to inform the Inclusive Growth debate among national governments.

Our efforts will also inform other global agendas that aim to advance more sustainable, inclusive and resilient cities, including the implementation of the UN-Sustainable Development Goal 11, which calls for inclusive, safe, and resilient cities; the New Urban Agenda that will result from the Habitat III conference; and the post-COP21 agenda.

We, members of the *Inclusive Growth in Cities Campaign*, share the view that Inclusive Growth represents an opportunity to put economic growth on more equitable, sustainable footing for a better future for all.

#### Signed on 29 March 2016 in New York by:

Angel Gurría, Secretary-General, OECD

#### **Champion Mayors**

Ibrahim Baidoo, Mayor of Ashaiman (Ghana) Giorgos Kaminis, Mayor of Athens (Greece) Kasim Reed, Mayor of Atlanta (USA) William A. Bell, Mayor of Birmingham, Alabama (USA) Yvan Mayeur, Mayor of Brussels (Belgium) Patricia de Lille, Mayor of Cape Town (South Africa) Edgar Mora Altamirano, Mayor of Curridabat (Costa Rica) Carlos Moscoso, Mayor of Cusco (Peru) Khalifa Sall, Mayor of Dakar (Senegal) Esther Alder, Mayor of Geneva (Switzerland) Marco Doria, Mayor of Genoa (Italy) Angela Brown Burke, Mayor of Kingston (Jamaica) David Sheard, Mayor of Kirklees (United Kingdom) Burkhard Jung, Mayor of Leipzig (Germany) Fernando Medina, Mayor of Lisbon (Portugal) Eric Garcetti, Mayor of Los Angeles (USA) Manuela Carmena, Mayor of Madrid (Spain) Federico Gutiérrez, Mayor of Medellín (Colombia) Mauricio Vila Dosal, Mayor of Mérida (Mexico) Miguel Ángel Mancera, Mayor of Mexico City (Mexico) Betsy Hodges, Mayor of Minneapolis (USA) Denis Coderre, Mayor of Montreal (Canada)

#### Partner Institutions

C40 Cities Climate Leadership Group Cities Alliance ICLEI Local Governments for Sustainability Darren Walker, President, Ford Foundation

Johnson Muyanja, Mayor of Mukono Municipality (Uganda) Bill de Blasio, Mayor of New York (USA) Naomi Koshi, Mayor of Otsu (Japan) Anne Hidalgo, Mayor of Paris (France) Charlie Hales, Mayor of Portland (USA) Rui Moreira, Mayor of Porto (Portugal) Luis Alberto Mella Gajardo, Mayor of Quillota (Chile) Eduardo Paes, Mayor of Rio de Janeiro (Brazil) Ahmed Aboutaleb, Mayor of Rotterdam (Netherlands) Javier Gonzales, Mayor of Santa Fe (USA) Tony Vazquez, Mayor of Santa Monica (USA) Carolina Tohá, Mayor of Santiago (Chile) Park Won-Soon, Mayor of Seoul (Korea) Basílio Horta, Mayor of Sintra (Portugal) Karin Wanngård, Mayor of Stockholm (Sweden) Jozias van Aartsen, Mayor of The Hague (The Netherlands) Fatimetou Abdel Malik, Mayor of Tevragh-Zeina (Mauritania) Jorge Enrique Astiazarán Orcí, Mayor of Tijuana (Mexico) Hanna Gronkiewicz-Waltz, Mayor of Warsaw (Poland) Issahaku Nuhu-Putiaha, Mayor of Wa Municipal Assembly (Ghana) Fumiko Hayashi, Mayor of Yokohama (Japan)

National League of Cities United Cities and Local Governments United Way





# Paris Action Plan for Inclusive Growth in Cities



United

United Cities and Local Governments

#### PARIS ACTION PLAN FOR INCLUSIVE GROWTH IN CITIES

#### From Ambition to Implementation

Building on the **New York Proposal for Inclusive Growth in Cities**, the **Paris Action Plan for Inclusive Growth in Cities** was developed through an extensive consultation with subject matter experts across the OECD (education; employment; social affairs; regional, local, and urban development; housing; public governance; transportation; development; etc.), the Ford Foundation, the Supporting Institutions of the *Champion Mayors for Inclusive Growth* Initiative (the Brookings Institution, Cities Alliance, C40 Cities Climate Leadership Group, ICLEI, National League of Cities, UCLG and United Way Worldwide), and the 50 Champion Mayors who have joined this global coalition.

#### Preamble

On 29 March 2016, 47 Mayors from around the world signed on to the **New York Proposal for Inclusive Growth in Cities** as a symbol of their commitment to address rising inequalities within our society. The OECD *Champion Mayors for Inclusive Growth* initiative has been launched in collaboration with the Ford Foundation and with support from Brookings Institution, Cities Alliance, C40 Cities Climate Leadership Group, ICLEI, National League of Cities, UCLG and United Way Worldwide. By joining the global coalition of Champion Mayors for Inclusive Growth, we have agreed to champion an Inclusive Growth agenda in our city, region, country and across the world; to work together to advance this agenda and share best practices; and to help shape a policy roadmap to achieve more Inclusive Growth in cities worldwide. As of November 21, 50 Mayors have joined the coalition.

This *Paris Action Plan for Inclusive Growth in Cities* is the next step forward to transition from ambition to implementation. We, Champion Mayors, will take concrete actions to tackle the gap between the rich and poor in four policy domains: 1) education, 2) labour markets and skills, 3) housing and the urban environment, and 4) infrastructure and public services. Within each of these areas, we recognise that ensuring growth that is both inclusive and sustainable will require addressing inequality and climate change in tandem.

We acknowledge the need to agree on a shared set of general principles to advance Inclusive Growth, including an appreciation of diversity in all of its forms, such as gender, social and ethnic background, age and abilities. At the same time, universal ambitions must be adapted to the specific conditions of each city. We also recognise that the competencies of local governments in these policy domains differ across countries, and that local initiatives operate within broader regional and national policy frameworks. Nevertheless, in many instances, we do have a role in the design, delivery and/or funding of initiatives in these policy domains.

1 | Promoting an inclusive education system, which expands opportunities for people of all ages and backgrounds to develop their human capital, acquire relevant skills and improve their employment and overall life prospects.

 We will work to ensure access to high quality education for all people in our city, regardless of social background. As educational outcomes can vary significantly among and within cities, this is an indispensable pillar for Inclusive Growth. We acknowledge that committing to high quality education for all and promoting a more level educational playing field will demand a focus on quality teachers, supporting disadvantaged students, addressing social and spatial segregation in education, and investing in the physical space (the schools and buildings) in which people learn. It also includes expanding access to tertiary education, particularly for the most vulnerable, increasing remedial and second-chance opportunities, and ensuring that children's other needs are addressed (nutrition, health, etc.) so they can come to school ready to learn.

- We recognise the diverse and numerous benefits of investing in Early Childhood Education and Care (ECEC). These include boosting social, educational and economic outcomes in the long term; supporting parents in reconciling work and family responsibilities and boosting female labour market participation; and acting as a lever to even out social inequalities by providing every child with the opportunity to fulfil their potential. We will take concrete steps to work with relevant authorities to make high quality early years' education available, accessible and affordable for all urban residents.
- We will support investments in life-long learning and skills development, to ensure all people are equipped with the right skills for the labour markets of the future, and pursue strategies to tackle skills mismatch in our local labour markets. Low-skilled and low-income individuals and other groups face significant labour market barriers, and rapid technological and digital change means that individuals unable to invest in training or retraining may be at an even greater risk of being left behind. We recognise the need for policies to help equip adults, including older workers, with the soft skills (e.g. teamwork, communication, critical thinking) and hard skills (e.g. technical competencies) they will need for the labour markets of today and tomorrow for instance by focusing on improving proficiency with technology and computers, creating more opportunities for individuals to up-skill and re-skill throughout their working lives, and ensuring that people are able to put their skills to good use in the workplace.
- We will work to ensure that all people have the skills and knowledge needed to meaningfully participate in public life. This includes integrating policy and civics, climate science, and innovation education into our education and training systems.

2 | Promoting an inclusive labour market, in which women, youth, seniors, immigrants, people with disabilities, and people of all social and ethnic backgrounds have access to quality employment opportunities.

- We will work to develop targeted strategies for populations who need extra support to be integrated into the labour market, working in partnership with firms and relevant economic and educational stakeholders. We recognise that initiatives should be tailored to meet specific needs and could include, as feasible: improving childcare support and facilitating more egalitarian parental leave policies; working with partners to ensure that education and training systems equip young people and those re-skilling with relevant skills for the labour market; enhancing labour market opportunities for people with disabilities; and making education and training programmes more accessible to low-wage working adults who aspire to higher-wage jobs.
- We will work to improve the quality of jobs, particularly for low-wage or low-skilled workers. This could include developing career pathways that support progression; addressing in-work poverty (including but not limited to living wage campaigns), tackling informal employment; working with employers to expand in-work training, and improving working conditions, including the safety, quality and accessibility of working environments where needed. We will also partner with employers to spread business practices that result in higher-productivity and higher-wage jobs, and support sustainable production and consumption. Finally, we will work to ensure that the green economy and climate action investments promote quality jobs.
- We will work to facilitate the integration of migrants and refugees in our cities and our societies, given the large proportion of migrants that settle in urban areas and in recognition that migrants and

refugees are assets for a productive, innovative, and inclusive society. This may include efforts to promote their employability through recognition of equivalent skills and certifications and language training; creating pathways to entrepreneurship; and supporting access to housing, education opportunities, healthcare and other essential services. We also recognise that specific policies may be needed to support recent refugees, who face particular labour market challenges.

- We will work to make the labour market more accessible for people with disabilities and others facing physical or mental health barriers. This could include working with the private sector to improve employment opportunities for people with disabilities, supporting trainings and scholarships for targeted groups, or helping to connect residents with physical and mental health barriers to employment and health services. We will also support efforts to make working environments more accessible to people with disabilities.
- We will work to support SMEs and expand opportunities for entrepreneurship. This may include addressing the barriers to entrepreneurship faced by disadvantaged groups (e.g. access to finance, knowledge and skills, access to business networks and mentors) as well as providing targeted support services for SMEs. We recognise that investments in Research and Development (R&D) can further expand the role cities play in bringing together human capital, resources and agglomeration forces to spur innovation, stimulate entrepreneurship and boost productivity. Small and mid-sized companies may need to particular R&D and technology transfer supports to help them innovate, improve productivity, and share the subsequent benefits with their workers.
- We will work to ensure that the digital revolution and the emergence of "smart cities" contribute to improving access to quality economic opportunities for all, including those with low-skills. This includes putting in place strategies to address the digital divide.
- We will work to improve connections between low-skilled and other disadvantaged jobseekers and employers. This may entail strengthening local employment services and addressing discrimination against groups such as women, seniors, and immigrants.

3 | Building more inclusive urban environments, which provide quality, affordable housing in safe, healthy neighbourhoods for all segments of the population.

- We will develop a comprehensive strategy to boost housing affordability and availability, which
  may include: implementing supply-side and demand-side measures that target both owner-occupied
  and rental housing; contributing, where relevant, to social housing policies and programmes; adopting
  strategies to make the existing housing stock more affordable and energy-efficient; and creating
  incentives and/or removing barriers to new affordable housing development, including in the planning
  and zoning system. Where shortage of public land and local finances pose challenges, innovative
  strategies may be needed (e.g. inclusionary zoning systems, public-private partnerships).
- We will pursue integrated strategies to improve quality of life and well-being in urban neighbourhoods, particularly in disadvantaged neighbourhoods and/or areas that may be characterised by high levels of social segregation. We will aim to avoid concentrating low-income populations in certain areas of the city or metropolitan area. We will take an integrated approach to addressing these issues where they already exist, which may include both improving living conditions and access to quality services within disadvantaged neighbourhoods, and supporting residents who wish to move to higher opportunity neighbourhoods.
- We will link planning and investment for housing and infrastructure (particularly transport) to ensure that all parts of the metropolitan area have access to quality, affordable housing, key public

services (like healthcare, transport, parks and recreation spaces, etc.), and economic opportunities. We will work with neighbouring jurisdictions, other levels of government and relevant public and private authorities to guide decisions around housing, urban development, and transport infrastructure and regulation within the broader metropolitan area.

 We will aim to tackle housing exclusion and homelessness by developing strategies that combine the provision of housing with integrated health and social care support. We will seek to align housing support at local level with the broader social benefits landscape, and take the needs of seniors into account when designing housing policies.

## 4 | Ensuring access to quality infrastructure and public services that are climate friendly and sustainable.

- We will improve access to other vital services and infrastructure including water, energy, information and communication technology, and sanitation – as an essential means of fostering economic growth and social inclusion. We will work with relevant partners to increase the affordability and accessibility of essential services, including ensuring greater access to water services, protecting against water risks and reducing energy poverty.
- We will enhance accessibility to jobs, schools, shops and cultural and recreational spaces in our cities and metropolitan areas. Concrete strategies may include developing well-integrated sustainable transport systems; prioritising investment to improve conditions for pedestrians, cyclists and public transport users; pursuing affordable and financially sustainable schemes for public transport; integrating transport accessibility and affordability assessment into housing and land-use policy decisions; or implementing efficient pricing frameworks for private vehicles.
- We will work to ensure that efforts to combat climate change and enhance environmental sustainability and resilience also contribute to more equitable outcomes. This means putting into place mitigation and adaptation strategies that respect fundamental human rights while promoting environmental integrity, biodiversity and inclusive, sustainable economic growth. We will work to minimise the short term trade-offs between well-intended policies to mitigate climate change and equity objectives, and seize potential synergies where they exist.
- We will assess the long-term impact of infrastructure investment in urban areas, taking into account economic, environmental, social, and cultural criteria. We will seek to integrate the social impact of investment in urban infrastructure, notably on low-income populations, in *ex-ante* assessments of infrastructure decisions. We recognise that infrastructure investments must be low-carbon investments, as the "carbon lock-in" which occurs with long-term infrastructure projects represents a threat to cities and their inhabitants, and will work to protect vulnerable populations from the effects of sea level rise and other climate risks.
- We acknowledge that health outcomes can vary significantly between and within cities and metropolitan areas, and imply important interactions with income inequality, employment status and education level. In cases in which local governments may provide health care services and assure social protection measures, we will seek to ensure that health services are economically and geographically accessible to all, of high quality, and comprehensive. Particular attention will be paid to public health strategies which fall under local jurisdiction, such as improving health education and investing in health promotion and disease prevention programmes. We will also work to improve environmental health disparities, such as poor air quality that disproportionately affects high poverty communities, and will support climate actions such as those designed to enhance mobility that also promote better health.

#### Pursuing the policies and partnerships to achieve Inclusive Growth in cities

We, Champion Mayors, will develop an explicit and multi-sectoral Inclusive Growth strategy that reflects the unique challenges and policy priorities of our city.

To achieve this, we will aim to coordinate our efforts to advance more Inclusive Growth with national and regional, provincial, and state governments. We recognise the importance of clearly defining and aligning policy objectives across levels of government, policy sectors and corresponding funding streams, and taking into account the potential long-term impacts of a range of local policy decisions on sustainability, resilience and social inclusion.

Key to this is expanding the metrics used to measure policy outcomes, going beyond traditional economic indicators to better take into account measures of well-being, inclusion, and sustainability. Such measures should be defined where they do not already exist, and be taken into account as part of both *ex-ante* and *ex-post* evaluations across each of the four policy pillars described in this plan.

We recognise that Inclusive Growth is not possible without inclusive decision-making, and will work to engage all citizens – regardless of age, abilities, gender or social or ethnic background – and other stakeholders in policy and planning prioritisation and decision-making. We recognise that this will require creating more opportunities for residents to take part in policymaking processes – particularly those residents directly impacted by the programmes and policies in question – as well as working with residents to build the skills and knowledge needed to make informed decisions.

By working in partnership with residents, the private sector, civil society and the social economy, trade unions and business associations, and other relevant stakeholders, we can multiply the impacts of our efforts. Additionally, as the timeline for meaningful change does not necessarily align with electoral cycles, the technical staff in the local governments and all relevant political stakeholders must also be engaged to ensure the longevity and sustainability of this work.

#### A call to action to support our efforts

We call on the OECD, in partnership with the Ford Foundation and Supporting Institutions, to support these efforts in the following ways:

- Elevate the voice of Mayors and local governments in the global Inclusive Growth agenda and highlight the efforts and commitment of Champion Mayors and institutional partners.
- Facilitate the exchange of good practices among city governments and other key stakeholders (non-profits, business sector, etc.) to tackle inequalities across a range of dimensions. This could be achieved through annual meetings of Champion Mayors, thematic policy dialogues and a global knowledge-sharing web platform.
- Continue to develop the evidence base, both in terms of data and indicators to measure the multidimensional nature of urban inequalities, as well as the most effective policy solutions to advance Inclusive Growth.
- **Provide targeted support to cities** to implement, monitor and evaluate their own Inclusive Growth policies, programmes and agendas.

We, the global coalition of Champion Mayors for Inclusive Growth, recognise that our efforts are integral components of broader international agendas that aim to advance more sustainable, inclusive and resilient cities, notably the implementation of the UN-Sustainable Development Goal 11; the recently adopted New Urban Agenda; and the Paris climate agenda.

We will work together to ensure that in cities across the world every member of our society has a shot at success, regardless of background, income, age or ethnic background.

## Third Meeting of the OECD Champion Mayors for Inclusive Growth

19 October 2017 Seoul | Korea

### SEOUL IMPLEMENTATION AGENDA









## SEOUL IMPLEMENTATION AGENDA

#### PREAMBLE

Since March 2016, more than 50 mayors from around the world have joined forces to address rising inequalities through the OECD Champion Mayors for Inclusive Growth initiative, as a key contribution to the OECD All on Board for Inclusive Growth initiative.

By signing on to the <u>New York Proposal for Inclusive Growth in Cities</u><sup>*i*</sup>, Champion Mayors agreed to work together to create more inclusive cities through four policy domains: 1) education, 2) labour markets and skills, 3) housing and the urban environment, and 4) infrastructure and public services.

The <u>Paris Action Plan for Inclusive Growth in Cities</u><sup>ii</sup> took these commitments one step further by outlining a series of concrete actions. Notably, the *Paris Action Plan* recognised that within these four policy areas, inequalities and climate change must be addressed in tandem to ensure that growth is both inclusive and sustainable. Moreover, in recognition of the important contributions of Small and Medium-sized Enterprises (SMEs) to a more inclusive economy, the *Paris Action Plan* also acknowledged that cities can promote policies to support SMEs and expand opportunities for entrepreneurship.

The Seoul Implementation Agenda for Inclusive Growth in Cities builds on these commitments to focus on the implementation of two dimensions of the Inclusive Growth agenda that are explicitly addressed in the Paris Action Plan:

- how cities can best bridge strategies to address climate change and inclusive growth, and
- how cities can support small businesses and entrepreneurs in view of a more inclusive local economy.

#### TOWARDS MORE INCLUSIVE, SUSTAINABLE CITIES

We, Champion Mayors for Inclusive Growth and leaders from Supporting Institutions, recognise that **we must take bold action to address climate change and inclusive growth**, which represent two of the most pressing policy challenges facing our cities and societies.

We acknowledge that **the impacts of climate change may disproportionately affect poor and vulnerable populations and risk further entrenching inequalities.** Even if wealthier populations have more assets at risk, low-income populations are likely to be more exposed to and affected by climate damages; are likely to live in areas that are prone to climate change hazards or that are ill-equipped to face climate risks; and have a lower capacity to recover from climate shocks.<sup>iii</sup>

We believe that cities must be an integral part of efforts to improve lives and the well-being of the whole population – regardless of age, abilities, gender, sexual orientation or social or ethnic background. This requires a new growth model that is inclusive and generates benefits felt by all.

We also recognise that to continue to improve well-being over the long term, the **sources of economic growth must be sustainable**, just as **our economies must be resilient to future climate impacts**. This will require a transition from carbon-intensive to carbon-neutral behaviours and practices.

We acknowledge that climate change policies that aim to reduce greenhouse gas emissions have a range of economic consequences and can result in trade-offs between policy objectives. This is because they imply the reallocation of resources between economic activities. Some communities will be particularly affected by a low-carbon society, in the coal industry for instance, and policies need to be implemented to address these losses and help them transition towards more sustainable activities.

We recognise, however, that getting climate policies right also has the potential to contribute to economic growth through increased investment in low-carbon infrastructure, the creation of entrepreneurial opportunities, and the emergence of innovative business models.

We acknowledge that **climate actions can produce many broader benefits to well-being**, including improved health outcomes and lower healthcare costs, improved air quality and greater liveability.

Likewise, we recognise that efforts to address inequalities and social exclusion can support environmental sustainability objectives when policies are well designed and compensatory measures are provided to manage trade-offs.

We acknowledge that the effective implementation of policies to address the challenges of climate change and inclusive growth will **require concrete actions to align policy objectives at all levels of government across different sectors**, such as transport, housing, water and energy, and across different policy areas such as land-use planning, innovation, labour market and skills, entrepreneurship, social inclusion, taxes, infrastructure and investment. Strong co-ordination will be needed to promote the contributions from and benefits to all people, places and firms.

## SUPPORTING SMALL BUSINESSES AND ENTREPRENEURS FOR MORE INCLUSIVE GROWTH

We recognise that **small businesses and entrepreneurs are the backbone of our economies** and make important contributions to progress towards a more inclusive, innovative and green economy. SMEs are responsible for the majority of business employment in most OECD and emerging-market economies, providing income and job opportunities for many households. Business creation and the innovation capacity of SMEs are also critical to find and implement new solutions to environmental and social challenges.

We acknowledge that small businesses and new entrepreneurs face greater barriers to establishment and development than larger companies, as they are disproportionately affected by market and institutional failures. These barriers are even greater for social groups who are disadvantaged and underrepresented in entrepreneurship, including women, youth, immigrants and the unemployed. Addressing these challenges is critical to unleash the potential of entrepreneurship and small businesses for inclusive and sustainable growth.

We recognise that **cities play a key role in creating ecosystems that are conducive to entrepreneurship and SME development** by enabling access to strategic resources, services, markets, infrastructure and knowledge networks, as well as through the simplification of local business regulations (e.g. permits and licenses).

We recognise that **SMEs**, as well as entrepreneurs, are heterogeneous in characteristics, performance and growth prospects, and that policies to support SMEs and entrepreneurs should be tailored to take these differences into account.

We also recognise **the important role of social enterprises**, which can bring innovative market solutions to the problems of poverty and social exclusion and fill gaps in service-delivery, while contributing to the employment of people at the margins of the labour market.

We recognise that **the participation of small businesses in the transition to the green economy** will be a key factor in reducing the environmental impacts of firms, especially in the manufacturing sector. This can occur through the development of more sustainable production processes among small businesses. At the same time, small businesses can be a major source of green innovation, as they are often behind breakthrough innovations in science-driven and high-tech sectors.

#### **OUR COMMITMENTS**

In light of these premises, we, Champion Mayors and leaders of Supporting Institutions, commit to the following actions:

- People-centred policy making. We will cement our commitment to Inclusive Growth by putting
  people at the centre of policy planning, design and implementation. This means incorporating
  residents and other stakeholders in policy making processes and working with residents to build the
  skills and knowledge needed to make informed decisions.
- Mutually reinforcing actions. We will work to promote policies to address climate change and
  inequalities that are mutually reinforcing. This means ensuring that we seize the opportunities
  created by the climate challenge to adopt a more sustainable and more inclusive growth model,
  advance adaptation strategies to protect people and especially the most vulnerable from climate
  impacts, and minimise the short-term trade-offs through policies solutions that mitigate the social
  impact of regressive climate policies.
- A level playing field. We will work to ensure that firms of all sizes are equipped to contribute to
  more inclusive and sustainable economic growth. This means doing our part to support the
  development of conducive local ecosystems, which ease access of small businesses to strategic
  resources, including skills, services, markets, infrastructure and knowledge networks.
- Smart investments. We will promote infrastructure investments that facilitate access to jobs, public services and amenities as an essential means of fostering economic growth and social inclusion. We will strive to ensure that infrastructure investments are low-carbon, as the carbon lock-in of long-term infrastructure projects represents a threat to cities, their inhabitants and humankind more generally. We will support infrastructure investments that enhance resilience to the impacts of a changing climate, and adopt flexible, inclusive and iterative approaches to adaptation decision-making. We will help to strengthen the protection of vulnerable populations from climate risks, such as heatwaves and flooding.

- An integrated policy approach. We will promote policies to address climate change and promote inclusive growth that cut across many sectors of public policy. We will also aim to seize synergies and manage trade-offs in key sectors, such as transport, housing and the built environment, water, waste and energy.
- Co-ordinated local actions. We will work in partnership with the people, firms and institutions in our cities to respond to the global challenges posed by inequalities, social exclusion and climate change. We will partner with neighbouring jurisdictions to ensure that efforts taken in our city contribute to more sustainable, inclusive outcomes in the wider metropolitan area and more broadly.

We, Champion Mayors, call on the OECD, in partnership with the Supporting Institutions – Ford Foundation, Brookings Institution, Cities Alliance, C40 Cities Climate Leadership Group, ICLEI, Lincoln Institute of Land Policy, National League of Cities, UCLG, and United Way Worldwide – to recognise our contributions to the broader OECD Inclusive Growth agenda and support our efforts in this work, namely by:

- developing evidence and understanding of the wider benefits of climate action for inclusive growth and identifying potential regressive impacts and short term trade-offs of climate action and inclusiveness;
- diagnosing the **policy misalignments** across sectors and levels of governments that may exist to address climate change and inclusive growth objectives;
- providing local governments with policy guidance and recommendations (e.g. economic instruments, regulations, institutional arrangements) and enhancing peer-to-peer support and the exchange of good practice to leverage climate policies to achieve social objectives;
- identifying bottlenecks in city entrepreneurial ecosystems in the areas of entrepreneurial culture, regulations, finance, skills, business networks and business support and how they are affected by city contexts and city policies;
- diagnosing the successful policy approaches that city governments and development agencies can employ to stimulate and sustain entrepreneurship and small business development for inclusive and sustainable growth; and
- providing local governments with policy guidance and recommendations (e.g. on business development services, business support infrastructures, and small business financing and innovation support tools) and enhancing peer-to-peer support and the exchange of good practice to leverage local small business and entrepreneurship policies for inclusive and sustainable growth.

With these actions, we commit to support global efforts to build more inclusive, sustainable societies, namely the **Sustainable Development Goals (SDGs**) the **2015 Paris Climate Agreement**, and the **New Urban Agenda**. We will continue to make every effort to ensure that our cities and societies are more inclusive and sustainable for current and future generations.

 <sup>&</sup>lt;sup>i</sup> Endorsed by Champion Mayors in New York on 29 March 2016.
 <sup>ii</sup> Endorsed by Champion Mayors in Paris on 21 November 2016.
 <sup>iii</sup> Ample evidence suggests that vulnerable populations may be disproportionately affected by climate risks, and face greater challenges in recovering from climate-related shocks: UNDESA (2016), *World Economic and Social Survey 2016*; UNICEF (2015), *Unless We Act Now*; Hallegatte et al. (2016), *Shock Waves: Managing the Impacts of Climate Change on Poverty*.





OECD Champion Mayors for Inclusive Growth initiative

http://oe.cd/champion-mayors ChampionMayors@oecd.org

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### The OECD Champion Mayors for Inclusive Growth initiative

#### Inclusive Growth at the OECD

As a response to the growing gap between the rich and the poor, the OECD launched the **Inclusive Growth Initiative** in 2012, with support from the Ford Foundation. This initiative has been helping governments analyse rising inequalities, monitor material living standards and broader well-being, and design policy packages that promote equity and growth. It is driven by a multidimensional approach to Inclusive Growth, going beyond income to see how people are faring in other areas of life, like jobs and health.

#### The Champion Mayors for Inclusive Growth Initiative

Building on this foundation, the OECD launched the **Champion Mayors for Inclusive Growth Initiative** in March 2016, with support from the Ford Foundation and in partnership with a range of Supporting Institutions, including the Brookings Institution, C40 Cities Climate Leadership Group, Cities Alliance, ICLEI, Lincoln Institute of Land Policy, National League of Cities, UCLG and United Way Worldwide. The initiative aims to provide mayors with a unique platform in the debate on inequality, elevating their voices in national debates and global agendas; and to facilitate exchanges among city leaders, sharing concrete solutions to address inequality.

#### A global coalition of local leaders to fight inequalities

**Champion Mayors for Inclusive Growth** form a coalition of willing leaders who have committed to tackling inequalities and promoting more inclusive economic growth in cities.

Champion Mayors are invited to:

- Voice their support for reducing inequalities in their cities, within their countries and worldwide;
- Exchange best practices and policy tools for more inclusive cities through technical dialogues and the new <u>OECD online platform for Inclusive Growth</u> across different policy domains, such as housing, transport, education, economic and workforce development, among others;
- Attend annual events and regional meetings of the Champion Mayors, as feasible; and
- Support key outputs of Champion Mayors, such as the <u>New York Proposal for Inclusive Growth in</u> <u>Cities</u>, the <u>Paris Action Plan for Inclusive Growth in Cities</u>, and the <u>Seoul Implementation</u> <u>Agenda</u>.

The work of Champion Mayors will inform the OECD's recommendations on Inclusive Growth, which will be presented to governments of OECD member countries, in addition to Key Partners and member countries of the Development Centre.

Contact

For more information, please contact: ChampionMayors@oecd.org

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#### **Champion Mayors for Inclusive Growth**

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BROOKINGS Cities Alliance