BUILDING URBAN ECONOMIC RESILIENCE DURING AND AFTER COVID-19

ASIA-PACIFIC REGIONAL POLICY BRIEF
Introduction

The Asia-Pacific region is as diverse as it is vast. It is home to some of the world’s most developed countries, as it is to some of the least developed and most fragile. The COVID-19 pandemic wreaked havoc across the region; some of the urban drivers of socioeconomic vulnerabilities, structural inequalities and lack of quality urbanization, that predated the pandemic, were exacerbated by COVID-19. For example, unplanned urbanization and the growth of slums and informal settlements made physical distancing impossible to implement in such overcrowded areas. Furthermore, informality, particularly in domestic work and the heavily-impacted tourism industry resulted in a loss of jobs and incomes, disproportionately affecting marginalized groups, such as low-income population, migrant workers, as well as women. School closures and lack of digital connectivity led to learning losses for children. General waste grew with cities lacking the needed infrastructure, budget and capacity to efficiently and effectively manage municipal solid and medical waste.

Government responses to the pandemic varied greatly across the region. Major economies like Japan, China, Singapore, and South Korea were able to implement expansive mitigation campaigns coupled with expansionary economic and social support to assist with the fallout of the pandemic, and so managed to withstand the crises to some extent. However, the least developed countries did not hold the economic clout to deliver comprehensive rescue and assistance packages for their populations and thus suffered the most in terms of multidimensional impacts. The pandemic caused devastating damage to people’s health and livelihoods, prompted strict mitigation and containment measures, which led to significant socioeconomic impacts. Intricately connected, and rapidly, often unsustainably, urbanized cities became the first hotspots for COVID-19, leading to inequalities and pushing the urban poor further into poverty.

Ultimately, the negative economic, social and environmental externalities stemming from COVID-19 have spread across all dimensions of sustainable development, hampering progress and possibly even reverting some of the achievements resulting in further slowdowns and regressions. According to the Asia and the Pacific SDG Progress Report 2022, the region is not on track to achieve any of the 17 SDGs by 2030. While the region has made significant progress on industry, innovation and infrastructure (Goal 9) and affordable and clean energy (Goal 7), regression has occurred on responsible consumption and production (Goal 12) and climate action (Goal 13) even as the climate crises is increasing. Progress across quality education (Goal 4), gender equality (Goal 5), clean water and sanitation (Goal 6), decent work and economic growth (Goal 8), sustainable cities and communities (Goal 11), and life below water (Goal 14) has been very slow or even stagnant. Thus, building resilience in response to the impacts of COVID-19 is critical.

The following regional policy brief has been produced as the United Nations Economic and Social Commission of Asia and the Pacific’s (ESCAP) contribution to the global project, “Building urban economic resilience during and after COVID-19”. The brief is built upon the evidence-based diagnostic assessment of the resilience of the urban economies of the 4 pilot cities within the Asia-Pacific region, namely Hoi An (Viet Nam), Pune (India), Subang Jaya (Indonesia), and Suva (Fiji). Urban resilience has been measured across 5 dimensions: labour market; economic governance; business environment; financial environment; and infrastructure and connectivity. Part I of the brief describes the “Building urban economic resilience during and after COVID-19” project. Part II defines the elements of the Diagnostic Planning Tool that was used to assess the financial and economic resilience of the pilot cities. Part III provides a short summary of the results of the diagnostic assessment for each city with respect to each dimension, and ends with a synthesis of the major trends and emerging issues. Part IV discusses the challenges and limitations of building urban economic and financial resilience in the region and provides policy recommendations across all dimensions.

PART I: The project

Cities play a pivotal role as engineers of economic growth and structural transformations. Such transformations drive productivity, labour force participation, urbanization and impact social stability. However, shocks, such as the recent COVID-19 pandemic, have laid bare some of the weaknesses in the socioeconomic systems of cities, and have exposed deep structural inequalities.

The COVID-19 pandemic has revealed the vulnerability of cities, which have become hotspots for the transmission of the virus. Thus, addressing economic and financial recovery, with a particular focus on sustainability, inclusiveness, and on building resilience is critical. The United Nations is committed to assisting cities and countries to “build back better”, with the 2030 Agenda for Sustainable Development as a framework for local COVID-19 recovery planning. The UN Socio-Economic Framework for Immediate COVID-19 Response emphasizes the need to “empower local governments; scale community and city level resilience”.

The United Nations Development Account Rapid Response project titled “Building urban economic resilience during and after COVID-19” promotes the principle of “recovering better” and focuses on strengthening the capacities of local governments in 16 cities around the world: Accra (Ghana), Alexandria (Egypt), Beirut (Lebanon), Bishkek (Kyrgyzstan), Guayaquil (Ecuador), Harare (Zimbabwe), Hoi An (Viet Nam), Kharkiv (Ukraine), Kuwait City (Kuwait), Lima (Peru), Pune (India), Santo Domingo (Dominican Republic), Subang Jaya (Malaysia), Suva (Fiji), Tirana (Albania), and Yaoundé (Cameroon). The project is a partnership between the five United Nations regional commissions of Europe (ECE), Africa (ECA), Western Asia (ESCWA), Latin America and the Caribbean (ECLAC), and Asia and the Pacific (ESCAP), and UN-Habitat and UNCDF.

The project is working to design, implement and monitor sustainable, resilient and inclusive COVID-19 socioeconomic and financial responses, recovery and rebuilding plans. It provides global good practices from other cities which help inform the pilot cities in their activities to develop and implement their immediate response and recovery plans to the COVID-19 pandemic. In the long run, the project will contribute to planning for more resilience in cities and local governments to better withstand shocks, such as the COVID-19 pandemic and urban systems stresses, that are likely to occur in a predominantly urban world. Implementation will consider linkages with other dimensions of urban resilience that are of specific relevance to the different social, spatial and governance contexts of each region.

The project focuses on evaluating the resilience of the pilot cities through a framework of five broad themes. These include: business environment; labour market; financial system; economic governance; and basic services, infrastructure and connectivity. In total, 63 measures were adopted for assessment across 17 resilience performance indicators (RPIs) which collectively cover the aforementioned five pillars.
PART II: The Diagnostic and Planning Tool (DPT)

The DPT has been developed in the context of the UN project on “Building Urban Economic Resilience during and after COVID-19”. It therefore looks at the challenge of resilience-building from the perspective of economic shocks triggered by global developments that are beyond the control of not only city governments but also national governments. The challenges are characterized, as indeed is the case in the current situation, by a combined effect of reduced business activities and investments as well as rising unemployment, diminished household incomes, and shrinking consumer demand against the backdrop of disrupted global and regional supply chains.

The DPT has a two-fold objective:

i. To help cities understand the strengths and weaknesses of their institutional and operating arrangements from the perspective of economic recovery and resilience building as well as to assess the structure and functioning of city economies to get a clear understanding of the economic performance/standing of each city, and how this defines vulnerability and resilience. This resulted in the City Economic Resilience Performance Report, which is an overview of the city’s performance in different resilience areas.

ii. To define a process for the design and implementation of recovery plans/strategies to address the identified gaps, accelerate better recovery and improve longer-term resilience. This part resulted in the Economic Resilience Building Plan.

The DPT consists of 5 resilience areas and 16 resilience performance indicators designed to measure the city performance and suggest areas for improvement.
Figure 2: Dimensions of Urban Economic Resilience

**Business Environment**
The capacity of local businesses (including the public sector) to sustain growth and respond to demographic, technological and market conditions.

**Labour Market**
The capacity of the local labour market to adjust to changes in economic activities and reallocate labour while minimizing unemployment.

**Infrastructure and Connectivity**
The capacity of basic infrastructure and connectivity systems to enable and facilitate continued operation of the other four dimensions of urban economy under stressful conditions.

**Financial Environment**
The capacity of the local financial system to maintain adequate and continuous supply of finance to economic activities with appropriate instruments.

**Economic Governance**
The capacity of local economic governance to plan, allocate and mobilize resources and coordinate public and private economic activities.
The project addresses the following five dimensions of economic and financial resilience of cities with an explicit focus on leveraging digital and technology-based solutions and opportunities within the green economy. These include:

- Assessment and capacity-building, including in depth learning of the key challenges of the cities in relation to the impacts of the pandemic, which includes increased understanding amongst all stakeholders, building strategies of urban economic recovery and resilience, and seeking opportunities for building economic resilience.

- Stakeholder engagement for effective implementation, which includes expanding participation in the economic resilience building process by relevant local and national stakeholders in partner cities and countries and strengthened technical capacity of all stakeholders.

- Economic resilience planning, including support to cities in planning for inclusive economic and financial recovery and resilience at city level and identifying the local economic stakeholders.

- Knowledge-sharing, which includes sharing local experiences and lessons of economic recovery and resilience planning through regional and global policy networks.

- Process monitoring and evaluation to improve current and future performance, resilience and emergency response of participating cities. This includes delivering global policy dialogues, and publishing a global policy paper on urban economic recovery and resilience, along with an e-learning course on urban economic and financial recovery and rebuilding. Five regional policy briefs (one for each region) on urban economic recovery and resilience are also being published by the UN regional commissions.
PART III: Results of the Diagnostic and Planning Tool: Measuring urban economic and financial resilience in the ESCAP region for pilot cities across 5 dimensions

Business Environment

Key issues
- Significant impact of COVID-19 on businesses (all cities)
- Moderate to high levels of informal employment (Suva, Pune, Hoi An)
- Large dependence on external markets

Emerging strengths
- Increased digitalization of businesses (Pune)
- New business creation (Subang Jaya)
- Medium to high access to the Internet, universal mobile coverage

The resilience of the business environment measures the capacity of local businesses to sustain growth and respond to various technological and market conditions. In terms of the business environment in the pilot cities a few general trends emerge. For cities such as Hoi An and Suva, which are heavily dependent on the tourism sector, COVID-19 resulted in devastating impacts. Restrictions on travel impacted local tourism industries and disrupted global supply chains leading to the closure of many businesses. In Hoi An, for example, although tourism services resumed after the initial spread of the pandemic was managed, the number of tourists remained small, international and domestic tourism decreased and hence tourism revenue decreased. Almost three-fourths of businesses were affected by COVID-19, in Suva, with business productivity dropping drastically, especially in the western division where tourism-related businesses, such as restaurants, night clubs, gyms and sporting facilities, form a large part of the city’s revenue chain. Pune experienced negative impacts on micro, small and medium enterprises (MSMEs) related to the manufacturing sector, the cement supply chain, construction industry, travel, tourism, restaurants, small businesses and local transport as a result of the pandemic, while the sectors most impacted in Subang Jaya were the cyber cafés and services sector, the entertainment sector, and small traders and hawkers.

However, there were positive impacts as well. In Pune, the healthcare, e-commerce, delivery services, internet services, mobile phone sales and industries related to the pandemic flourished and thus, the COVID-19-induced business failure rate was low. New business creation, in Subang Jaya, was relatively stable between the pre-COVID-19 and post-COVID-19 periods; new businesses in Subang Jaya comprised of those who started their own business due to the loss of livelihood (being retrenched), or entrepreneurs who either shifted their businesses online, diversified or even changed their products and services to meet the demands of e-commerce. Thus, in terms of resilience to the pandemic, the businesses in the trading, industrial and businesses sector saw a relative increase in their revenue due to their ability to digitize their business models and operations. A new grid economy emerged in Suva, post-COVID-19, with a rise in micro-entrepreneurship with redundant workers looking for alternative sources of revenue.
Pandemic response and recovery measures contracted local government revenues, particularly for those cities with less diverse economies, such as Hoi An and Suva. Furthermore, given that the economies of all pilot cities are largely dependent on external markets, government revenues further decreased. Levels of informality in employment are moderate to high, for example, in Pune, Hoi An and Suva. In Hoi An, high levels of informality exist in the retail business, farming, fishing and handicraft making, whilst in Suva, informality is most prevalent in agriculture, domestic work, and in the wholesale and retail sector. Thus, COVID-19-induced lockdowns led to a high unemployment levels with a significant number of people being pushed deeper into poverty.

In terms of digitalization and connectivity, Internet access across all pilot cities is medium to high, with mobile network coverage almost universal, relatively fast and reliable and businesses in all cities have access to electricity. However, the ecosystem for innovation support varies across cities. For Suva, the ecosystem is currently weak as the economy is trying to prioritize COVID-19 recovery, it is small in Hoi An, and medium in Pune which has untapped potential. Finally, with regard to access to affordable finance, commercial credit to SMEs is not readily available in Hoi An and Suva, as compared with easy access and availability in Pune and Subang Jaya.

**Labour Market**

- **Key issues**
  - Medium to high unemployment due to COVID-19 (Hoi An, Pune, Suva)
  - Low to medium city expenditure on social protection (Hoi An, Pune, Suva)
  - Low availability of worker (re)training programs (Hoi An, Pune, Subang Jaya)

- **Emerging strengths**
  - Average labour mobility (Hoi An, Suva, Subang Jaya)
  - Increase in home businesses and delivery/retail/service sectors

Labour market resilience is the capacity of labour markets to withstand, adjust and recover from internal and external shocks by adjusting employment patterns and behaviours. It is measured through labour market flexibility, mobility and the degree of social protection provided to the unemployed.

COVID-19 induced unemployment levels were high for most of the pilot cities, especially for those cities that are heavily dependent on tourism, such as Hoi An (23.1 per cent), or have high levels of informality, such as Pune (25 per cent). Soon after the breakout of COVID-19 and the initial lockdowns, there was a large exodus of migrant workers returning to their hometowns and villages in India. Pune was no exception; having no source of income and months of lockdowns significantly depleted household savings, and daily wage earners were forced to migrate back home. However, though unemployment levels in Hoi An, Pune and Suva were high, these cities also experienced average levels of labour mobility as workers moved from tourism to other sectors in search of better job opportunities. For example, in Pune, the increase in demand for home deliveries and related logistics work allowed for greater work opportunities in this sector, and in Subang Jaya, people began operating home businesses and ventured into the food delivery and services and retail trade sectors due to the impetus provided by the government for entrepreneurship and digitalization.

In terms of social protection, city expenditure on providing unemployment benefits varied across the pilot cities. A small number of officially unemployed workers receive unemployment benefits in Hoi An, Pune and Suva; either the benefit schemes do not exist or access to benefits is difficult. Suva expends between 2 – 4 per cent of its annual budget on social protection, while Pune, spends under 10 per cent of its budget on social protection.
However, in Suva, a large number of workers who lost their jobs due to COVID-19 received unemployment benefits through government initiatives. In Subang Jaya, all officially unemployed are covered by an employee benefits scheme. The federal government provides social security assistance for those who have lost their jobs under the Employment Insurance System (EIS) Act, and access to benefits is easy.

**Financial System**

**Key issues**

- Low access to financial institutions (Hoi An and Subang Jaya)
- Average use of digital accounts (Hoi An and Pune)

**Emerging strengths**

- Diversified revenue space (all cities)
- Low dependence on external finances
- Autonomy and moderate degree of financial flexibility

Measuring the resilience of the financial system is important in terms of analysing the capacity of the local financial system to maintain an adequate and continuous supply of finance for economic activities.

Within the pilot cities, it was found that public access to financial institutions varies significantly. There is low access to financial institutions, as compared to the respective national levels, in Hoi An and Subang Jaya, equal access compared to national levels in Pune, and high access to financial institutions in Suva. The percentage of population that have a bank account ranges from 70 per cent (Hoi An and Suva) to 90 per cent (Pune and Subang Jaya) and the percentage of the population with a Digital Finance Account varies as well. The use of digital accounts (for example, mobile money) is average for formal and informal transactions in Hoi An and Pune, whilst Subang Jaya and Suva indicate moderate to high levels in the use of digital accounts.

With regard to new investments, limited finance is available for start-ups and innovative businesses in Hoi An, given its small market share, few investors, and heavy dependence on tourism. In Subang Jaya and Pune, however, there is a wide pool of affordable finance. For Subang Jaya, in particular, the main sources of start-up and innovation funding are through government funding, crowdfunding, angel investors, venture capitals, self-financing and bank loans. All cities have a relatively diversified revenue space, with low dependency on external finances, with municipal revenues coming from taxes, tariffs and fees (Hoi An), building rentals and advertisements (Suva) etc. Furthermore, all cities, except for Hoi An, are rather autonomous and have a moderate degree of financial flexibility, where they can, for example, mobilize and re(allocate) resources, manage administrative and other costs (Subang Jaya), or have the legal capacity to set taxes and fees (Pune). Such autonomy can help drive local development processes, particularly with the response and recovery efforts related to COVID-19.
Economic Governance

Key issues
- Need for inclusiveness in economic governance (Pune, Hoi An, Suva)
- Moderate public participation in economic governance (Suva, Hoi An)
- Moderate quality of investment-enabling environment (Suva, Pune, Hoi An)

Emerging strengths
- Provisions for crises management (Hoi An, Subang Jaya, Suva)
- Wide access to public information on economic issues (Suva, Subang Jaya)

The Diagnostic and Planning Tool measures economic governance as the capacity of local economic governance to plan, allocate and mobilize resources and coordinate public and private economic activities, ensuring inclusiveness and transparency. Faced with the unprecedented challenges presented by the COVID-19 pandemic, governments, both national and local, across the region needed to focus simultaneously on control and prevention of the pandemic and on socioeconomic recovery. Such efforts require multi-level stakeholder engagement and involvement, public participation in civic governance and easy access to public information on economic issues.

In Suva and Subang Jaya, a large number of non-government stakeholders do participate in their city’s respective economic governance, periodically or if they intend to play a major role in the implementation of policies. However, in Pune and Hoi An, economic governance lacked inclusivity without any non-government actors engaging in any decision-making processes. In terms of public participation in civic governance, all pilot cities, except Suva, reported a relatively high degree of public involvement, via ad hoc consultations, meetings and forums, and public feedback was regularly sought and incorporated. There is wide access to public information regarding economic issues in all pilot cities, except Suva. Generally, the information is of high quality, is provided regularly through the city council or city government’s website, and across newspapers, radio-television stations and social media platforms. In Suva, the information is available internally through the city council and limited information can be accessed through the annual report or the city council website.

The COVID-19 pandemic also brought to the forefront the importance of crises management planning and vulnerability assessments. Provisions for crises management address relevant issues and are, to some extent, mainstreamed into the plans of all pilot cities. In Subang Jaya, for example, such plans are comprehensive and equipped with financial backup plans, new income resources and restructuring of future expenses. In Pune and Subang Jaya, vulnerability assessment methodologies exist. For example, in Pune, assessments of basic infrastructure are conducted periodically and relevant actions are incorporated into budget plans and actions. Suva, however, relies heavily on relevant government departments for technical guidance on crises, whereas in Hoi An, vulnerability assessments are weak and rudimentary occurring on an ad hoc basis.
Basic Services, Infrastructure and Connectivity

Key issues

- Interruptions to Internet services (Pune)
- Frequent cuts in electric supply (Pune, Suva)

Emerging strengths

- Access to water and sanitation facilities (Hoi An, Suva)
- Regular solid waste collection (all cities)

Measuring the capacity of basic service infrastructure and connectivity systems to enable and facilitate continued operations allows for the analysis of the functioning of the urban economy under stressful conditions. In Hoi An, for example, service, infrastructure and connectivity remains a challenge given that natural disasters affect the city every year and deteriorate urban infrastructure and tourist attractions. The electricity supply in Hoi An and Subang Jaya is rarely interrupted. However, Pune and Suva face frequent interruptions for relatively short periods of time. There is continuous telephone and Internet operations in Hoi An, Subang Jaya and Suva, however, Pune faces disruptions in Internet services. A majority of the population in all pilot cities have access to running water and sanitation services with regular, municipal solid waste collection. However in Pune, many slum neighbourhoods have common stand posts and community toilets. Finally, most cities have a moderate budget for expenditure on health services.
PART IV: Pathways to urban economic and financial resilience in the ESCAP region

As cities, within the Asia-Pacific region, became the first hotspots for the transmission of the COVID-19 pandemic, it was not surprising that issues emerged, such as high unemployment, informality in the labour market and lack of adequate health facilities and social protection. For example, revenue generated from the tourism industry in Hoi An decreased by 86.57 per cent between 2019 and 2020, and unemployment increased from 0.7 per cent in 2019 to 10.4 per cent by 2021. Fiji’s economy contracted by 21.7 per cent in 2020 due to the complete halt in tourism and one-third of the Fijian workforce either lost their jobs or had reduced working hours. Subang Jaya experienced an 8.96 per cent reduction in economic activity between 2019 and 2020. In Pune, above 80 per cent of the working population are employed in the informal sector. Thus COVID-19-induced unemployment was more than 25 per cent, and less than 30 per cent of unemployed persons receive unemployment benefits in Pune. The wide-ranging impacts of the pandemic highlighted the need to go beyond short-term COVID-19 response and recovery toward investing in long-term urban development, with an emphasis on investing in resilient, sustainable and inclusive urban development, across all dimensions.

In light of the post-pandemic need for sustainable urban development, ESCAP published *The Future of Asian and Pacific Cities: Transformative pathways towards sustainable development in the post COVID-19 era*, in 2020, with a focus on strengthening health systems, addressing spatial and socioeconomic needs and building resilience. This report was based on the four development pillars: urban and territorial planning, urban resilience, smart and inclusive cities and urban finance, suggested in the 2019, ESCAP and UN-Habitat flagship report, *The Future of Asian and Pacific Cities: Transformative pathways towards sustainable urban development*.

Further, to help design, implement and monitor sustainable, resilient and inclusive COVID-19 economic and financial response, recovery and rebuilding plans, the global project “Building urban economic resilience during and after COVID-19” focuses on strengthening the capacities of local governments in cities globally. The results of the diagnostic assessment for this project, conducted via the Diagnostic and Planning Tool (DPT), that measured the resilience of the urban economies of the 4 pilot cities highlighted some of the emerging strengths, but also exposed some of the multidimensional vulnerabilities that were exacerbated due to the COVID-19 pandemic. Whilst results varied for different dimensions across and within each city, one thing is clear; the COVID-19 pandemic wreaked havoc on the lives and livelihoods of people, and on the socioeconomic structure of these cities.

Given the results of the DPT, the pilot cities then developed their Economic Resilience Building Plans (ERBP). The ERBP recognized that the municipal governments in each pilot city played a critical role in COVID-19 response and recovery by providing timely medical and financial aid and assistance, creating an enabling environment to tap into local resources and capabilities, addressing market imperfections, and providing opportunities for transformational development. For example, the Subang Jaya City Council set up a COVID-19 Task Force and Operations Room to coordinate crisis response across various government agencies. Hoi An city supported those in need of assistance by, for example, providing financial assistance to business households and medical treatment for children infected with COVID-19.

When preparing its ERBP, each city also considered the four development pillars from *The Future of Asian and Pacific Cities: Transformative pathways towards sustainable development in the post COVID-19 era* report. Finally, given the commitment to the 2030 Agenda for Sustainable Development, each city linked their ERBP to the achievement of the Sustainable Development Goals to ensure a holistic focus on protecting the environment, the infrastructure, the economy and the people.

Following is a synopsis of each city’s ERBP with links to the four development pillars and alignment with the SDGs.
Subang Jaya

The Economic Resilience Building Plan of Subang Jaya is based on the vision that “Subang Jaya aspires to be a vibrant city, where the city is lively, energetic, friendly, clean, beautiful and green”. The Subang Jaya City Council (SJCC) guides urban and territorial planning through the Subang Jaya City Council Local Plan (2035), the Subang Jaya Strategic Plan 2020-2025, and the Subang Jaya Sustainable City Action Plan (2019- 2024). The SJCC developed four themes which remain the basis for sustainable developing and to build resilience. These themes are aligned with the sustainable urban development pillars derived from The Future of Asian and Pacific Cities report and the Sustainable Development Goals, as noted below.

**Governance/Institutions**

*Aligned to SDG 11, 16, 17*

**Pillar 1: Urban and Territorial Planning**

**Pillar 2: Urban Resilience**

**Pillar 3: Smart and Inclusive cities**

**Pillar 4: Urban Finance**

The SJCC will revise Subang Jaya’s local and strategic plans to better reflect a post-COVID-19 world. It aims to create economic opportunities, improve social conditions, and reduce its dependency on external resources. It will consider maintaining financial reserves to 20 per cent, collect and utilize data at the city level on population demographics and city and industrial revenue and improve urban design to ensure easy access to urban services and amenities while protecting the security, safety and health of the Subang Jaya residents. Finally, it will also strengthen partnerships by encouraging multi-stakeholder participation, such as non-stake actors, community groups and the civil society in implementation of city plans and resource mobilization.

**Livelihoods and business opportunities**

*Aligned to SDG 1, 2, 3, 4, 5, 8, 10, 11, 12, 13, 17*

**Pillar 1: Urban and Territorial Planning**

**Pillar 2: Urban Resilience**

**Pillar 3: Smart and Inclusive cities**

**Pillar 4: Urban Finance**

The SJCC aims to enhance entrepreneurship opportunities and develop a skills-integrated platform. It will establish a resource centre that can collate labour information and promote labour networking, financial aid services, upskilling and training, and create opportunities for small traders and hawkers to address the labour market gap created by the pandemic. The SJCC also aims to transform under-utilized spaces and buildings for community and commercial use. Specifically into recreation and food and beverage outlet centres. In its commitment to climate action it aims to convert passive empty spaces into urban farms or community gardens. Further, the SJCC will promote Subang Jaya’s tourism and local attractions, particularly encouraging eco-tourism, medical tourism and food tourism. To reduce COVID-19 induced unemployment and income gaps, the SJCC will try to diversify the local economy by empowering small and medium-sized enterprises.

**Climate change and resilience**

*Aligned to SDG 3, 5, 11, 12, 13*

**Pillar 2: Urban Resilience**

The SJCC aims to continue its commitment to climate action by developing a comprehensive and robust city-wide inventory of Greenhouse Gas (GHG) emissions and reducing its carbon emissions, aiming to become carbon neutral by 2050. It has a Climate Change Action Plan and will impose a green requirement for all business activities in Subang Jaya. Further, it will build a crises and disaster management plan by adopting a holistic approach to harness local resources in responding to emergencies, and identify existing and future hazard risks to aid the most vulnerable and marginalized. The SJCC will also invest in community training and participation in responding to emergencies, paying particular attention to the disabled and elderly communities.
**Urban mobility**  
*Aligned to SDG 3, 10, 11, 13*  
**Pillar 1: Urban and Territorial Planning**  
The SJCC aims to transform its urban landscape and encourage mobility and connectivity by prioritizing the extension of bike lanes and pedestrian walkways to provide safe and active transport options for communities into and through the city. The SJCC will identify the necessary and additional open and natural areas to provide health spaces for residents and restoring the confidence in public transport complement the existing development plans. Partnership with transportation providers and agencies is vital to restore passengers’ confidence in public transportation and expedite community-based transformation residents with an alternative mode of connectivity to retail, health services, businesses and schools within the vicinity.

**Hoi An**  
The Economic Resilience Building Plan of Hoi An is based on the vision “Building Hoi An - the friendly, safe and sustainable city through inheriting, preserving and effectively promoting its cultural values under the direction of ecology – culture – tourism and ready to transform and withstand shocks and pressures”. Hoi An's development programs and plans are guided by the common development policy framework of Viet Nam and the People's Committee of Quang Nam province. Hoi An's resilience-building strategy was developed following four policy pathways. The eight priority orientations to realize each pathway are categorized as short term (1 year) and long term (5 years and beyond). These focus areas and priority orientations are aligned with the sustainable urban development pillars derived from *The Future of Asian and Pacific Cities* report and the Sustainable Development Goals, as noted below.

**Community well-being**  
*Aligned to SDG 3, 7, 10*  
**Pillar 1: Urban and Territorial Planning**  
**Pillar 2: Urban Resilience**  
This policy pathway is divided into two priority orientations: i) Safety, health and happiness for people; and ii) Creating fairness and equality in access to public services, information and infrastructure. With the first priority, Hoi An aims become a model city that is safe, can promptly respond to health needs, and can protect the welfare and social security of its citizens in all age groups. The second priority focusses on making health, education, information services and infrastructure synchronous, accessible and affordable, thereby improving the health and living standards of the people. In the long term this will be accomplished by strengthening policy implementation on social and health insurance, with the ultimate goal of universal coverage. Access to sustainable, reliable and affordable energy sources will also be ensured.

**Fostering private sector innovation**  
*Aligned to SDG 8, 12*  
**Pillar 2: Urban Resilience**  
**Pillar 3: Smart and Inclusive cities**  
This policy pathway is divided into two priority orientations: i) Building resilience for businesses; and ii) Forming an innovative development ecosystem. In terms of building resilience for businesses, Hoi An aims to ensure sustainable, comprehensive and continuous economic growth, and generate full, productive and decent employment for all citizens. For example, it will support businesses to innovate their outreach mechanisms and deploy tourism stimulus programs to attract tourists. To build an innovative business ecosystem, scientific and technological innovations will be applied that focus on sustainable development, attracting and retaining talented people, and creating jobs to affirm Hoi An’s reputation as a global innovation tourism city. In the long term, this will be achieved for example, by strengthening collaboration with research institutes, domestic and foreign consultants to propose policies to develop innovative products suitable to the city's cultural heritage.
Inclusive spatial planning  
**Aligned to SDG 9, 11, 13**  
**Pillar 1: Urban and Territorial Planning**  
**Pillar 2: Urban Resilience**  
This policy pathway is divided into two priority orientations: i) Ecologically-oriented urban development and conservation and promotion of cultural heritage values; and ii) Multi-purpose urban space, adaptable and easy to transform. With the first orientation, Hoi An aims to promote sustainable, resilient urban and rural development and ensure safe living and working environments. It will also ensure a reasonable, regional distribution of population and workforce on the basis of inheritance, conservation and effective promotion of cultural values. In its commitment to mitigate the impacts of climate change, Hoi An will ensure quick response and recovery from disasters. Through the second policy orientation, new places and spaces will be created ensuring flexibility and diversity of use, thereby increasing the dynamism and sustainability of urban spaces. Furthermore, vacant or unused public spaces will be used to organize cultural, artistic, sports and culinary activities. A highly resilient infrastructure will be developed to promote inclusive and sustainable industrialization and promote innovation.

**Government**  
**Aligned to SDG 5, 16, 17**  
**Pillar 2: Urban Resilience**  
**Pillar 3: Smart and Inclusive cities**  
This policy pathway is divided into two priority orientations: i) Building a government that creates, takes responsibility, serves, and increases community cohesion; and ii) Efficiency, innovation and progress. The first priority is to develop a close connection and relationship between the government, the business community and the people for effective decision-making by, for example, strengthening the frequency and developing innovative methods of having dialogues to exchange ideas and share solutions on city development. Localities in the region will be connected to create regional linkage chains, especially in the field of tourism. Furthermore, disadvantaged groups will be encouraged to participate in the process of recovery and development by involving them in the designing of resilience-enhancing initiatives. The second priority is to continue measuring and analysing data to evaluate the efficiency of resource use to support decisions regarding city revitalization. In the short term, this can be attained by building a measuring framework to evaluate progress to appropriately orient development solutions. To strengthen innovation, progress, and the research and development capacity of the city, cooperation with domestic and international research institutes will continue to be encouraged.

**Suva**

The Economic Resilience Building Plan of Suva is based on the vision “to be a progressive and vibrant city with an enhanced quality of life for the city community and visitors”. Suva’s development programs and plans are guided by the Suva City Council (SCC), and its resilience-building strategy was developed following seven priority areas. These focus areas are aligned with the sustainable urban development pillars derived from *The Future of Asian and Pacific Cities* report and the Sustainable Development Goals, as noted below.

**Strengthening the informal economy**  
**Aligned to SDG 8**  
**Pillar 2: Urban Resilience**  
Given the rise of the informal economy during the pandemic, the SCC will develop a recovery framework to prioritize measures to monitor and formalize its informal economy. To achieve this, it will set up a task force, and develop policies and standard operating practices to collect and disseminate relevant information about the informal economy. In the medium term, the informal sector will be registered and there will be awareness-raising campaigns regarding the regulatory process.
Improving social protection  
**Aligned to SDG 1**  
**Pillar 2: Urban Resilience**  
**Pillar 3: Smart and Inclusive cities**  
Due to limited social protection available during the pandemic, the urban poor and informal workers faced a number of challenges. In the medium term, the SCC plans to introduce a social scheme for emergencies through changes in the SCC’s Social Economic policies. In the long term, the SCC plans to improve its social protection program through alignment with the National Agenda on SDGs and utilization of existing resources. It further intends to revise the city planning scheme to meet the demands for affordable housing.

Providing financial support to businesses, investors and SMEs  
**Aligned to SDG 17**  
**Pillar 2: Urban Finance**  
The SCC will strengthen its network and relationship with businesses and investors by creating an economically-friendly environment and providing incentives that are aligned with the national policies and the National Adaptation Plan. It will relax the ease of doing business in Suva, scale up public-private partnerships, and draft a recovery credit guarantee scheme with conditions and incentives for its rate payers.

Using Vulnerability Assessment Tools for risk management and climate change  
**Aligned to SDG 13**  
**Pillar 2: Urban Resilience**  
Currently, there are no crises management plans in Suva, and the city relies on the guidelines of national agencies. Thus, the SCC will audit existing practices to develop Vulnerability Assessment Tools and Guidelines. Further, it will align its policies with Fiji’s Climate Change Act. The SCC also intends to increase capacity-building programs and focus on training to increase knowledge and technical skills on epidemiology.

Encouraging inclusive planning processes  
**Aligned to SDG 11**  
**Pillar 1: Urban and Territorial Planning**  
The SCC will focus on inclusivity in its planning processes by encouraging multi-stakeholder engagements with civil society, private sector organizations and government departments to broaden the understanding of challenges, and find solutions for effectively using fewer resources. In the short term, this will be done by forming a working group to review the priorities for pandemic recovery, and undertaking a study to review the existing organizational chart of the SCC to identify priority areas.

Expanding digitalization  
**Aligned to SDG 9**  
**Pillar 3: Smart and Inclusive cities**  
The SCC will upgrade its audit and digital infrastructure by strengthening its back-end resources. It will review its existing SCC portal to assess the feasibility of digitizing its processes and procedures. In the medium term, it will increase multi-stakeholder consultations to build the capacity of the existing portal for audit and server infrastructure. Further, it will also explore opportunities for a cloud-based portal.

Strengthening information knowledge management (IKM) for evidence-based planning  
**Aligned to SDG 10**  
**Pillar 3: Smart and Inclusive cities**  
The SCC aims to improve the use of local data in planning to strengthen baseline data and information for better implementation of COVID-19 recovery plans and overall decision-making. To mainstream such tools and policies it will further develop its IKM framework, audit existing IKM procedures, build the capacity of its staff through IKM trainings and strengthen infrastructure and human resources.
Pune

The Economic Resilience Building Plan of Pune is based on the vision “To be an economically vibrant and sustainable city with diverse opportunities and rich culture, where all citizens enjoy a safe and liveable environment with good connectivity”. Pune is part of the Maharashtra state and is governed by the Pune Municipal Corporation (PMC). The Pune Development Plan 2007-2027 sets a long-term vision for the city’s development programs and plans. Pune’s resilience-building strategy was developed based on three policy areas: sustainable transport as being critical to enable economic activities and mitigate air pollution and GHG emissions; waste management as an area for hygiene improvement and informal sector livelihoods; and social welfare measures and continued access to health-care services. These focus areas are aligned with the sustainable urban development pillars derived from *The Future of Asian and Pacific Cities* report and the Sustainable Development Goals, as noted below.

**Strengthen welfare and health care schemes for the urban poor and vulnerable groups**
*Aligned to SDG 3*

**Pillar 2: Urban Resilience**
In its commitment to improving social protection, the PMC will enrol members from vulnerable groups into existing welfare schemes. It plans to make health care more accessible and affordable, and increase the number of free health-care and medication centres, particularly, for primary health care. It will set up affordable MRI and CAT scan machines at municipal testing facilities and subsidize health care for those living below the poverty line or in slums.

**Mobility planning**
*Aligned to SDG 3.6, 11.2*

**Pillar 1: Urban and Territorial Planning**
**Pillar 2: Urban Resilience**
The PMC aims to create an integrated Sustainable Mobility Department within the PMC which will enable a systemic approach to mobility planning and infrastructure creation with a focus on sustainable, safe modes of transportation as envisaged in the Comprehensive Mobility Plan, the Comprehensive Bicycle Plan and the Urban Street Design Guidelines. Such planning includes prioritizing non-motorized transport, improving access to public transport, multi-modal mobility and liaising with traffic police to reduce fatalities from road accidents. Prioritizing this initiative will help improve air quality, reduce road accidents and reduce spending by public on mobility for education, employment and other purposes.

**Outreach of public transport**
*Aligned to SDG 11.2*

**Pillar 1: Urban and Territorial Planning**
The PMC intends to strengthen its bus-based public transport and metro systems, hoping to expand the mode share of public transport to 40 per cent, by 2031. It has already procured 220 electric buses and is expected to increase to 650 buses within the next two years. Furthermore, it will conduct pilot trials with a range of behavioural nudges to encourage use of public transport and disincentivize private transport. It will then scale up the successful trials using an evidence-based approach in the long term.
Cycling ecosystem
Aligned to SDG 11.2

Pillar 1: Urban and Territorial Planning
In its commitment to climate action and improving air quality, the PMC developed a Comprehensive Bicycle Plan for Pune, in 2017. The plan will enhance access to low-cost, pollution-free active transportation and enhance economic resilience by enabling sustainable mobility. In the short term, the PMC aims to strengthen institutional systems, and enhance technical capacity for non-motorized transport planning, design and implementation. It plans to design, construct, refurbish selected cycle ways and networks over the next five years, and complete the implementation of the Comprehensive Bicycle Plan over the next seven to eight years.

Organic waste processing
Aligned to SDG 11.6, 12.5

Pillar 1: Urban and Territorial Planning
In the commitment to climate action and reducing carbon emissions, organic waste processing will be prioritized under the management of the municipal Solid Waste Department. The PMC plans to strengthen doorstep collection and waste-handling systems, especially in peri-urban areas that were recently integrated into the municipal boundaries. There will be a drive to re-start and revive compost units of bulk waste generators with support from volunteers from the civil society.

Strengthening plastic scrap materials recovery systems
Aligned to SDG 8, 11.6, 12.5

Pillar 1: Urban and Territorial Planning
Given that all most all workers in the scrap materials recovery sector operate in the informal sector, the PMC recognizes the need to formalize the sector, strengthen scrap dealers’ associations, improve occupational work conditions, enhance the safety of materials recovery processes, and ensure environmental safeguards. Furthermore, it plans to increase the capacity of materials recovery systems to include different categories of plastics and strengthen systems for documentation for accountability purposes.

Strengthen access to social security for urban poor and vulnerable groups
Aligned to SDG 3

Pillar 1: Urban Resilience
The PMC implements a range of social welfare schemes, which include a Smart Clinic that provides free over-the-counter medicines and subsidized rates for specialized medical tests, and a Hospital Management Information Systems as a telemedicine platform. However, for many of the welfare schemes, the outreach needs to be improved as many poor households are unable to benefit from these schemes due to lack of information or inability to apply. In the short term, the PMC plans to develop a scheme to expand community help-desks in partnership with corporate social responsibility groups. For the medium term, the goal is to explore opportunities for enhancing climate resilience in welfare and social security measures, such as expanding the bicycle-gifting scheme.
Conclusion

In addition to the number of threats and adverse impacts that the COVID-19 pandemic posed for cities across the world, it also presented a number of unique opportunities for cities to effectively address and adapt to the sudden socioeconomic and health shocks, and build resilience for the future. For example, to advance public health, reduce inequalities, tackle systemic failures, and develop sustainably. In essence, it presented an opportunity for a systemic change.

The Economic Resilience Building Plans (ERBPs) recognize that the municipal governments of the four pilot cities were able to respond quickly and effectively to the sudden socioeconomic and health shocks posed by the pandemic, by providing timely medical and financial assistance. More importantly, the ERBPs also reveal the commitment of the municipal governments to use the opportunities presented by the pandemic to reflect on and reform their existing pre-pandemic policies and plans, and strive towards building healthier, inclusive, greener, resilient and sustainable cities.

In planning their resilience-building strategies, all cities addressed, to some extent, the four sustainable urban development pillars that were derived from the report, *The Future of Asian and Pacific Cities: Transformative pathways towards sustainable development in the post COVID-19 era*. To improve urban and territorial planning, build urban resilience, support smart and inclusive cities, and design urban finance mechanisms, cities focused on the spatial and socioeconomic aspects of post-pandemic urban development. The ERBPs reflect an awareness that building urban resilience requires using a holistic approach; good governance, strong institutions and multi-stakeholder engagements are critical for financing and development needs. All ERBPs focus on addressing public health requirements, social protection, informality in employment, financial support, governance, livelihoods and well-being, environment protection and digitalization.

In the pledge toward the 2030 Agenda for Sustainable Development and the “build back better” principles, the ERBPs of the pilot cities focus on inclusive, green, resilient and sustainable recovery, aiming to achieve a number of Sustainable Development Goals. At the forefront of all ERBPs is a commitment to make cities and human settlements inclusive, safe, resilient and sustainable (Goal 11: Sustainable cities and communities). Recognizing the importance of a health-centred approach to urban development, the ERBPs also aim to ensure healthy lives and promote universal well-being (Goal 3: Good health and well-being). Finally, all ERBPs reflect a commitment toward ensuring sustainable consumption and production patterns (Goal 12: Responsible consumption and production), and to take urgent action to combat climate change and its impacts (Goal 13: Climate action).

With the detailed ERBPs in place, the municipal governments of Hoi An, Pune, Subang Jaya, and Suva now have the unique opportunity to become examples for other cities in terms of building urban resilience, after COVID-19, through sustainable, inclusive and green development.