

Second Meeting of the OECD Champion Mayors for Inclusive Growth

21 November 2016

Paris | France

PARIS ACTION PLAN



Cities Alliance
Cities Without Slums

 **UCLG
CGLU**
United Cities
and Local Governments



**NATIONAL
LEAGUE
of CITIES** 

 **PARIS**

 **FORD
FOUNDATION**

ICLEI
Local
Governments
for Sustainability

**United
Way** 

BROOKINGS

 **OECD**
BETTER POLICIES FOR BETTER LIVES

About CFE

The OECD Centre for Entrepreneurship, SMEs, Regions and Cities provides comparative statistics, analysis and capacity building for local and national actors to work together to unleash the potential of entrepreneurs and small and medium-sized enterprises, promote inclusive and sustainable regions and cities, boost local job creation, and support sound tourism policies.

www.oecd.org/cfe/ | @OECD_local

© OECD 2019

This paper is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and the arguments employed herein do not necessarily reflect the official views of OECD member countries. This document, as well as any statistical data and map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

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.



OECD Champion Mayors for Inclusive Growth initiative

 @OECD_local #ChampionMayors
www.oecd.org/champion-mayors/

