

Addressing Common Challenges in LAC cities through Urban Innovation and Knowledge Sharing (D2386)

Description:

The **general objective** of this TC is to equip local and national urban counterparts to effectively tackle common urban regional challenges through capacity-building activities, knowledge sharing, and innovation in LAC cities.

The **specific objectives** are:

- a. Identify common urban challenges establishing connections between practitioners and existing solutions and best practices in the field.
- b. Promote capacity-building opportunities and networking activities for city leaders and municipal officials to streamline urban management.
- c. Disseminate cutting-edge knowledge related to urban innovation to strengthen city management and leadership.
- d. Support cities in developing pilots to experiment, test, and eventually scale innovative urban solutions.
- e. Mentor and support innovative urban projects' preparation, implementation, and evaluation.
- f. Facilitate multistakeholder and multilevel coordination to streamline innovative urban solutions.
- g. Strengthen the value proposition of the only single service platform offering knowledge generation, networking opportunities, and technical assistance focusing specifically on the needs and priorities of Latin American and Caribbean cities.
- h. Promote synergies with partner institutions and public counterparts, connecting city leaders, city officials, practitioners, and academics to identify solutions, best practices, common challenges, and opportunities to promote sustainable urban development.

Submitted by:

Alejandro Lopez-Lamia

Submitted on:

11/27/2023

Status:

Submitted

Category:

Research and Dissemination

Tags:

#institutionalcapacity #knowledge sharing #urban innovation

Linked Ideas:**Whiteboard:****Team Leader Name**

María Camila Uribe (CSD/HUD)

Alternate Team Leader Name

Carolina Piedrafita (CSD/HUD)

Has the proposal been discussed and authorized by the responsible sector or country department/division, as applicable?

Yes

Team Leader Responsible Department

CSD

Are there specific countries that will directly benefit from your proposal?

Yes

Mark the specific countries that will be directly benefited from your proposal?

Argentina

Bahamas

Barbados

Belize

Bolivia

Brazil

Chile

Colombia
Costa Rica
Dominican Republic
Ecuador
El Salvador
Guatemala
Guyana
Haiti
Honduras
Jamaica
Mexico
Nicaragua
Panama
Paraguay
Peru
Suriname
Trinidad y Tobago
Uruguay
Venezuela

**Where applicable, describe how the proposal aligns with the respective country strategy (for each country selected)
Does the proposal align to one or more sector frameworks?**

Yes, the proposal aligns with at least one sector framework

Identify and describe how the proposal aligns to the sector framework(s)

Firstly, this TC is aligned with **IDB's new strategic priorities** focusing on impact orientation. It has a renewed commitment to enhancing the positive social impact of development projects not only by generating better data, resources, and capacities for our IDB counterparts but also by strengthening the utilization of data and continuous assessments of the activities in this TC. Particularly, the pilot projects to be funded by this TC will allow us to measure and manage projects' impact in the early stages, identifying replicable solutions for urban problems related to climate change, housing, and urban infrastructure.

Aligned with IDB's institutional objective of promoting **regional integration**, this TC's regional approach will enable the identification of cross-cutting issues across countries, generating synergies and connections leading to increased integration. Specifically, it enhances capacity building and dialogue at the regional level to facilitate more efficient subnational discussion and strengthen local capacity to develop plans and projects that will improve urban quality of life. It also aims to promote more sustainable, resilient, and inclusive urban infrastructure, emphasizing regional integration by bridging knowledge gaps that promote subnational institutional strengthening through regional integration.

Additionally, this TC is aligned with the **Climate Change Sector Framework**, specifically in what refers to supporting "Line of Action 2, Promote a Multisector Approach to Tackling Climate Change" by fostering dialogues and sharing experiences between countries to scale up successful projects and supporting coordination and dialogue between the national and subnational levels, and linkages between the public and private sectors, in coordination with the IDB Invest, for sustainable infrastructure investments.

It is also aligned with the Housing and Urban Development Sector Framework, specifically with "Line of Action 4, of Promoting Good Urban Governance" by improving coordination among territorial units and providing Knowledge to Promote Good Urban Governance through capacity building and network activities for city leaders and managers. The TC is also aligned with "Line of Action 3. Boosting Urban Productivity" by promoting Innovation in the built environment by implementing innovative pilot projects that could be replicated in the region.

When working in specific countries, this TC will be aligned with the respective country's strategy and country-specific priorities and needs.

Select the regional challenges and cross-cutting issues to which the proposal aligns to

Social Inclusion and Equality

Productivity and Innovation

Climate Change and Environmental Sustainability

Institutional Capacity and Rule of Law

Justify the alignment to each selection above

a. Productivity and Innovation

Cities are conducive to productivity growth, which allows firms in cities to pay higher wages. The average urban wage premium in the region is close to 20 percent. Cities attract skilled workers and productive firms and create conditions for workers and firms to become more productive through agglomeration economies, human capital externalities, and larger markets for their goods and services (IDB RES Urban Migration Report, 2023). However, negative economic, social, and environmental externalities can emerge if urban growth is not managed properly. In this sense, this TC aims to identify regional trends that promote sustainable urban development and to facilitate dialogues, knowledge products, and hands-on piloting to better address these challenges.

Moreover, by strengthening innovation ecosystems in local governments through capacity building and the implementation of experimentation approaches, this TC aims to help improve urban governance to diversify local economies spur the creation of new firms, and boost economic growth and productivity.

In conclusion, by identifying and tackling common regional challenges this TC will help cities in LAC to leverage increasing urbanization as a catalyst for economic growth and innovation, enhancing productivity through agglomeration economies, access to larger markets, and the urban wage premium.

b. Climate Change and Environmental Sustainability

Cities are key players in climate change adaptation and mitigation. With regards to the former, according to the Intergovernmental Panel on Climate Change (IPCC), LAC cities are highly vulnerable and exposed to climate change, and states that 80% of the losses associated with climate risks in the region are concentrated in urban areas. Taking the urgency and scale of the challenge into account, this TC will focus on connecting local governments (who are at the frontlines) facing similar threats and facilitating knowledge generation and sharing, the creation of response networks, and testing small-scale solutions to bring to scale.

Concerning climate change mitigation, urban density leads to lower carbon footprints per capita. However, they can also entail negative environmental externalities such as air or water pollution. In this sense, this TC will support the creation and implementation of better urban planning and management tools to promote sustainable, low-carbon, urban growth. A particular emphasis will be given to identifying, testing, and scaling innovative green financing mechanisms.

In conclusion, this TC aims to promote Climate Change and Environmental Sustainability by developing knowledge exchanges, training activities, tools, and pilot projects to support effective climate change policymaking and scaling up climate action at the urban level.

c. Social Inclusion and Equality

Access to employment, and educational, cultural, and social opportunities are greater in urban areas, positioning them as key engines of growth and social inclusion. However, unplanned, biased, and unprecedented urbanization with low-capacity local governments can result in housing and infrastructure deficits, informal housing and settlements growth, and lead, in turn, to widening social inequalities worsening the quality of life of already vulnerable people.

This TC looks to reduce inequality and increase social inclusion in LAC cities by sharing and showcasing innovative solutions and approaches in a wide range of key and shared areas (access to housing, digital and socio-spatial integration of slums, the economic recovery of urban areas, urban resilience, etc.). Addressing these issues at a regional level offers the possibility of generating invaluable synergies among cities across Latin America and the Caribbean.

d. Institutional Capacity and Rule of Law

The importance of cities in LAC's sustainable development is out of the question. However, the institutional capacity at the local government level is oftentimes overlooked. By offering city-government-focused capacity building and knowledge activities this TC aims to improve public management and innovation ecosystems. Local procurement guidelines, Govtech implementation, and Land use regulations, among many other institutional areas, will be part of the topics addressed in this TC.

What is the estimated funding that you need in order to implement this proposal?

500.000

Select the expected outputs of this proposal

Institutional Strengthening Deliverables (Training products, Management Information Systems, etc.)

Policy Dialogues

Events (other than policy dialogues)

Knowledge Products

Pilot Interventions

Are outputs strictly Knowledge Products?

Describe the motivation and main question(s) this TC intends to answer.

Describe the methodological approach to be used and the type of data (when applicable) which will be used

Please specify the type(s) of Knowledge Product (s) this TC encompasses:

Magazines and Learning Materials

Databases & Datasets

Technical and Policy Notes

Others

Please provide a brief description of the output(s) selected above (The number of units planned, and the estimated cost). If you selected others, please specify.

- a. **Institutional Strengthening Deliverables** (Training products, Proofs of Concept, Open Code urban planning tools, etc.): 2 training products, estimated cost: US\$100,000
- b. Policy Dialogues: 1 Mayors' forum, estimated cost: US\$100,000
- c. Events (other than policy dialogues): 10 webinars/workshops estimated cost: US\$50,000
- d. Knowledge Products: 5 knowledge products, estimated cost: US\$100,000
- e. Pilot Interventions: 3 pilots, estimated cost: US\$150,000

Outcomes: If the outputs are delivered successfully, what is the change expected (in capacity, knowledge, behavior, etc.)

This TC is expected to contribute to the identification, definition, and systematic intervention on the major regional urban challenges, generating synergies among cities facing similar challenges across different LAC countries. The main expected outcome is the increase in local government capacities to find innovative solutions to pressing urban problems.
