

## **Panel A**

### **The Intermediary City as 'Value Capture' and Citizens as Drivers of Economic Growth**

Friday 6 July – 10:30-11:45

The UCLG Forum on Intermediary Cities is a consultation and policy development process that culminates in an event every two years. The Forum, conceived as a political process, is led by the City of Chefchaouen with the support of a core group of pilot intermediary cities.

As preparation for the first World Forum of Intermediary Cities, a series of Regional Forums were conducted. During these regional gatherings, discussions led to the identification of challenges and opportunities for intermediary cities as key actors for sustainable development and their particular role in the localization of the different global agendas (Paris Agreement, 2030 Agenda, Sendai Framework, New Urban Agenda).

A series of key topics and recommendations were identified, and provide the inputs to be discussed in the different thematic tables. The key outputs of these sessions will be included in the Charter of the Intermediary Cities of the World.

Many of the challenges faced by intermediary cities in the implementation processes are directly linked to economic growth, generally under macroeconomic principles, that fail to take into consideration the specific strengths and realities at local level.

The spirit of the 2030 Agenda aims for equal growth based on sustainable human development: SDGs 1, 2 and 4 put people and their development at the centre. In line with this, it is crucial to consider new economic models that are closer to the realities of citizens, and their potential and talents.

## **Possible Framing Questions and Recommendations**

### **1. Attractiveness in intermediary cities**

- Mobility is a challenge for intermediary cities: tackling this issue in a sustainable manner would generate 'green growth' and facilitate exchanges and a re-structuring of markets and investments with this 'eco-growth' label.
- The localization of the 2030 Agenda is an opportunity to renew and reinvigorate citizen participation strategies and a public-private dialogue to leverage public and private investments.
- Intermediary cities need incentives to attract investments, especially green investments, to foster the promotion of sustainable social and economic development.
- Fiscal measures often hinder investment in intermediary cities. In order to encourage growth in intermediary cities and their territories, a range of special fiscal/financial measures should be put in place.

## **PROPOSALS:**

### **Mobility**

- *Develop short-, medium- and long-term sustainable mobility plans for intermediary cities that take into account connectivity within the national system of cities. Coordinated mobility plans improve accessibility for all.*

### **Support tax exemption of green investments in intermediary cities and their territories to leverage economic growth at national level:**

- *Simplify the way local taxation is implemented to better take into account the real context of intermediary cities.*
- *Since the urban population is growing, especially in intermediary cities, a better share of public resources is necessary.*

### **Municipal finance**

- *Create broad based coalitions to explore innovative financial instruments and capital available for local governments in advancing sustainable development. Work on the three pillars of municipal finance: OSR (efficiency, buoyancy) IGFR (rational and predictable) and Borrowing Framework (open access and criteria-based).*

### **Dialogue between metropolises and intermediary cities**

- *Generate a dialogue between metropolises and intermediary cities for the implementation of global agendas and towards a co-creation of sustainable development at local level.*
- *Incentivize investments from metropolises to intermediary cities, not only in the peripheries, but also in the hinterland.*

## **2. Migration policies for intermediary cities**

- *Strategies towards the management of migration have the potential to become a driving force for development in intermediary cities, provided an enabling environment is offered to enable intermediary cities to face these challenges.*
- *When dealing with migration-related issues, intermediary cities face the question of the inclusion of migrant communities. Local experiences address these issues in different ways, and these should be considered as innovative approaches, with great potential to be shared and incorporated in policies and programmes at the national level, especially given the scale of the city and its proximity to citizens, facilitating the inclusion of migrants.*

## **PROPOSALS:**

### **Commitment at international level**

- *At international level: monitor and assess migration flows, facilitate skill development/accreditation and certification. Improve access to key public services, e.g. education, health, and housing.*
- *Generate a specific fund at international or continental level managed in the framework of a multilevel dialogue for intermediary cities for this specific matter.*
- *The development of an urban citizenship based on participatory processes as an inclusion tool to integrate vulnerable groups, including migrants, through co-building and sharing the core values and DNA of the city.*

### **Commitments at national level should be established to:**

- *Guarantee the inclusion of migrants in intermediary cities. Multi-level mechanisms with regard to migration management, reinforcing the key role of intermediary cities.*

- *Guarantee the local governments of intermediary cities the right conditions at administrative and strategic planning level to enable them to become 'receivers', based on their proximity to citizens, and the city scale.*

### **3. Tackling informality in intermediary cities**

- Incentives to enable vendors transition from informality into the formal economy are needed.
- National measures are needed to reduce taxes on informal activities and transform them into 'individual entrepreneurs', through specific tax relief for intermediary cities.
- Intermediary cities need strategies to generate a safe and productive space that is attractive to itinerant vendors.
- Intermediary cities would benefit from 'macro' strategies that enable a 'micro' return, which generates well-being, income, health, and quality of life for all inhabitants.
- The localization of SDG 1: "end poverty in all its forms everywhere", presents an opportunity for human development at local level.
- Intermediary cities can help channel individual entrepreneurship into a structured economy.
- Intermediary cities can provide conditions for the individual entrepreneur to grow in a global market and connect to structured international markets, based on connectivity and innovation.

#### **PROPOSALS:**

- *Develop national strategies at national level based on innovative technologies to connect local entrepreneurship between different intermediary cities in a joint urban national system, and between intermediary cities at global level.*
- *Generate a supply chain value of products through different kind of intermediary cities (i.e. from rural to coastal, to metropolises and peripheries) based on local entrepreneurship.*
- *At national level: policies to assess and support supply chains between the formal and informal economy to better Know Your City Economy, facilitate standardization, quality and working standards, especially for women and children.*