Policy Brief:

COVID-19 in an Urban World

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Executive summary

The remarkable growth of cities in recent decades has intensified a number of humanity's most pressing challenges. It has also presented many of our greatest opportunities to protect people, prosperity and planet. COVID-19 has laid bare – and indeed heightened – both these challenges and these opportunities.

With an estimated 90 percent of all reported COVID-19 cases,[1] urban areas have become the epicentre of the pandemic. The size of their populations and their high level of global and local interconnectivity make them particularly vulnerable to the spread of the virus. On the other hand, there is no evidence to suggest that density per se correlates to higher virus transmission. Cities can manage this crisis and emerge as the hubs of energy, resilience and innovation that make them such vibrant and appealing places for many to live. But this will take conscious policy choices, as this policy brief will show, particularly with respect to inequalities, local capacities and a green, inclusive recovery.

In the near term, for many cities, the COVID-19 health crisis has expanded to a crisis of urban access, urban equity, urban finance, safety, joblessness, public services, infrastructure and transport, all of which are disproportionally affecting the most vulnerable in society.

COVID-19 highlights the critical role local governments play as front-line responders in crisis response, recovery and rebuilding. They play a leading role in service delivery, economic development and infrastructure investments. However, business closures, job losses, and other economic impacts have led to declining tax revenues during the crisis, placing significant financial strain on many local governments. Estimates from the World Bank and UN entities suggest that local governments may on average lose 15 per cent to 25 per cent in revenues in 2021.[2] Cities with less diversified economic bases have been hit especially hard. Cities with a revenue base reliant primarily on tourism, for example, may see acute economic shrinkage as earnings from international tourism are estimated to decline by as much as 80 per cent in 2020, accompanied by the loss of 120 million jobs.[3] If not addressed, the financial crises that cities may bear could jeopardise crucial urban infrastructure investments, lead to cuts in public services, and undermine broader sustainable urban development efforts.

1 United Nations Human Settlements Programme (UN-Habitat), "Opinion: COVID-19 demonstrates urgent need for cities to prepare for pandemics", 15 June 2020, available at https://unhabitat.org/opinion-covid-19-demonstrates-urgent-need-for-cities-to-prepare-for-pandemics.
2 Semeh Wahba and others, "Cities are on the front lines of COVID-19", 12 May 2020, available at https://blogs.worldbank.org/sustainablecities/cities-are-front-lines-covid-19.
3 United Nations World Tourism Organization (UNWTO), "International Tourist Numbers could Fall 60–80% in 2020", 7 May 2020, available at https://www.unwto.org/news/covid-19-international-tourist-numbers-could-fall-60-80-in-2020.

COVID-19 shutdown measures in urban areas have had economic impacts far beyond their boundaries. Urban economies account for approximately 80 per cent of global GDP.[4] Hours worked across all countries and regions are estimated to have fallen by 14 percent in the second quarter of 2020 relative to the last quarter of 2019, which is equivalent to a loss of 400 million full-time jobs.[5] Globally, the effects have been especially severe in the informal sector, which represents 90 per cent and 67 per cent of total employment in low and middle-income countries respectively.[6] In the first month of the crisis, on average informal workers worldwide lost as much as 60 per cent of their earnings. In Africa and Latin America this figure was nearly 80 per cent.[7] This has had devastating impacts for women. Globally women are overrepresented in the informal economy as well as in the hardest hit sectors, such as tourism, hospitality, and services.

Deep-rooted inequalities, including where in a city a person lives and works and a person's gender and age, can lead to the pandemic having a disproportional impact on groups that were already in a situation of greater vulnerability.[8] Meanwhile, there is evidence that tackling COVID-19 may be more challenging in urban areas with high levels of crime and violence,[9] poor infrastructure and housing,[10] and/or weak local governance[11] with ill-equipped or under-resourced frontline workers. Limited access to healthcare,[12] basic services[13] and adequate housing and/or public space can further undermine COVID-19 responses.

To safely adhere to coronavirus physical distancing and hygiene guidelines, everyone needs access to adequate housing.[14] Yet the global urban housing crisis forces around 1 billion people or 24 percent of the world's urban population to reside in slums and informal settlements,[15] exacerbating the impact of the pandemic. With limited or no income during lockdowns, the urban poor in all countries face risk of eviction, while overcrowding in low-quality housing increases the risk of rapid transmission. Housing considerations may also be increasing the vulnerability of women to violence and abuse. Since the pandemic began, levels of gender-based violence have increased at alarming levels in all regions. With mobility restricted, unemployment and poverty rising, the ability of women to flee an abusive situation has become even more constrained.

4   World Bank, "Urban Development", 20 April 2020, available at https://www.worldbank.org/en/topic/urbandevelopment/overview.
5   International Labour Organization (ILO), *ILO Monitor: COVID-19 and the World of Work*, fifth edition, 30 June 2020.
6   ILO, "COVID-19 crisis and the informal economy: Immediate responses and policy challenges", available at https://www.ilo.org/wcmsp5/groups/public/@ed_protect/@protrav/@travail/documents/briefingnote/wcms_743623.pdf.
7   United Nations, "Policy Brief: The World of Work and COVID-19", available at https://www.un.org/sites/un2.un.org/files/the_world_of_work_and_covid-19.pdf.
8   Organization for Economic Cooperation (OECD), "OECD Policy Responses to Coronavirus (COVID-19)", 13 May 2020, available at http://www.oecd.org/coronavirus/policy-responses/cities-policy-responses-fd1053ff; and Jillian Du, Robert King and Radha Chanchani, "Tackling Inequality in Cities is Essential for Fighting COVID-19", 14 April 2020, available at https://www.wri.org/blog/2020/04/coronavirus-inequality-cities.
9   United Nations Office on Drugs and Crime (UNODC), "Research Brief: The impact of COVID-19 on Organized crime", avialbale at https://www.unodc.org/documents/data-and-analysis/covid/RB_COVID_organized_crime_july13_web.pdf.
10 Gaurav Bhardwaj and others, *Cities, Crowding, and the Coronavirus: Predicting Contagion Risk Hotspots*, Washington, DC: World Bank, 2020, available at https://openknowledge.worldbank.org/handle/10986/33648.
11 UN-Habitat, "UN-Habitat Guidance on COVID-19 and Public Space", June 2020, available at https://unhabitat.org/sites/default/files/2020/06/un-habitat_guidance_on_covid-19_and_public_space.pdf.
12 United Nations, "Policy Brief: The World of Work and COVID-19", available at https://www.un.org/sites/un2.un.org/files/the_world_of_work_and_covid-19.pdf.
13 Gaurav Bhardwaj and others, *Cities,* 2020.
14 Office of the United Nations High Commissioner for Human Rights (OHCHR), "COVID-19 Guidance Note: Protecting residents of informal settlements", 23 April 2020, available at https://www.ohchr.org/Documents/Issues/Housing/SR_housing_COVID-19_Guidance_informal_settlements.pdf.
15 Progress towards the Sustainable Development Goals: Report of the Secretary-General, available at https://sustainabledevelopment.un.org/content/documents/26158Final_SG_SDG_Progress_Report_14052020.pdf.

Public transport systems around the world have seen ridership and revenue plummet and have been forced to cut services. This is a worrisome trend considering that before the pandemic, only around half of the world's urban population had convenient access to public transport.[16] Declining ridership due to COVID-19 – if not halted and reversed – could jeopardize the transition to safe and sustainable transport for all, and constrain efforts to tackle climate change and air pollution.

Several cities have encouraged biking and walking as safe alternatives to public transport during the COVID-19 outbreak, enabling new user groups to take advantage of the affordability and health benefits of these forms of transport. The success of these initiatives may encourage city governments to convert more roads for similar purposes, further improving mobility and safety.[17] There is also an opportunity in this moment to relook at public transport from a gender perspective, taking into account protection considerations, where main arteries and routes flow and how these factors impact time spent moving between schools, care facilities, markets and other essential facilities that are often on the periphery rather than on main transport routes.

Several new scientific studies suggest that poor air quality is correlated with higher COVID-19 mortality rates. For example, a small increase in fine particulate matter has been associated with an 8 percent increase and up to 21.4 per cent increase in death rates in the US and the Netherlands, respectively.[18] New evidence also points to impacts on pregnant women and newborn babies as well as maternal mortality, particularly among populations already facing socio-economic stress due to marginalization.[19] While pollution and Greenhouse Gas Emissions have fallen sharply during the pandemic when countries halted their economies to contain the spread of the virus, these environmental gains are expected to be temporary if economies reopen without policies in place that prevent air pollution and promote decarbonization.

Meanwhile, **the current pandemic is accelerating trends such as digitalization, shifts to remote work, and virtual delivery of essential services.** This transition to digital life has created an uncertain future for city infrastructure and buildings, as demand for office space and housing could subsequently decline. Urban segregation and migration could also accelerate as people at higher income levels look for new ways of living and working outside the city in response to the pandemic. If associated with an increase in urban sprawl and income, racial and gender inequalities, migration away from cities could undermine vital efforts to achieve the Sustainable Development Goals (SDGs), protect biodiversity and address the climate crisis.[20]

There is an urgent need to rethink and transform cities to respond to the reality of COVID-19 and potential future pandemics, and to recover better, by building more resilient, inclusive and sustainable cities. We know that this is possible. The rapid shifts in society due to COVID-19 present a powerful lesson that society is capable of near-overnight transformation that is needed to confront our most urgent threats, such as the climate and pollution crises that threaten the very viability of cities. Indeed, previous disease

16 Progress towards the Sustainable Development Goals: Report of the Secretary-General, available at https://sustainabledevelopment.un.org/content/documents/26158Final_SG_SDG_Progress_Report_14052020.pdf.

17 UN-Women, *COVID-19 and Ensuring Safe Cities and Safe Public Spaces for Women and Girls*, 2020, p. 6.

18 Wu and others, "Exposure to air pollution and COVID-19 mortality in the United States: A nationwide cross-sectional study", medRxiv 2020.04.05.20054502; and Cole and others, "Air Pollution Exposure and COVID-19", IZA DP No. 13367, available at http://ftp.iza.org/dp13367.pdf.

19 Christopher Flavelle, "Climate Change Tied to Pregnancy Risks, Affecting Black Mothers Most", *New York Times*, 18 June 2020, available at https://www.nytimes.com/2020/06/18/climate/climate-change-pregnancy-study.html.

20 https://unstats.un.org/sdgs/report/2016/goal-11.

outbreaks – such as the flu pandemic (1918) and localized epidemics of tuberculosis and cholera – have driven several positive urban transformations – such as the introduction of sewage systems, public parks, and housing regulations to improve sanitation and reduce overcrowding. Today, local and regional governments are already demonstrating an impressive array of innovative solutions that can address structural weaknesses exposed by the pandemic.

Addressing COVID-19 in an increasingly urbanized world requires a focus on how urbanization shapes impacts, responses and longer-term recovery. Responses that are siloed or short-sighted, focusing on quick fixes, could worsen and entrench impacts laid bare by the COVID-19 pandemic. Meanwhile, many of the short-term response measures will need to be maintained for some time, even when the initial outbreak appears to have been contained, given the risk of secondary waves of infections. Long-term policy choices by national, regional and local governments are needed to build our resilience against future pandemics, including climatic and economic hazards and shocks, while safeguarding human rights, sustaining peace and strengthening our ability to achieve the SDGs.

Realizing these potential gains will require intensified commitments and action in three key areas:

1) TACKLING INEQUALITIES AND DEVELOPMENT DEFICITS

National and local government efforts to protect the most vulnerable groups during the immediate response phases are crucial, as are recovery measures that reduce urban inequalities, strengthen human rights and bolster the resilience of vulnerable groups to future shocks. Against this background, priority actions that policymakers could make – in consultation with relevant stakeholders – include:

- **Understand inequalities and commit to disaggregated data gathering and utilisation:** Spatial mapping and analysis of inequalities at urban and neighbourhood levels and disaggregated by gender and age could be conducted to assess health, wealth and wellbeing in order to reshape national and local development policies, in particular in deprived areas and slums and at the most local of levels.

- **Provide safe shelter for all and consider a moratorium on all evictions:** Temporary shelters could be provided to enable those living in overcrowded or unsafe conditions to physically distance or safely self-isolate, where needed. All residents, regardless of migration status or formality of dwelling, need to be protected from evictions during the COVID-19 crisis and from essential service disconnections. Domestic violence shelters should be declared as essential services and where they are full or have insufficient space owing to distancing measures, alternative accommodation should be made available.

- **Make large-scale public investments in affordable and adequate housing and slum upgrading** to ensure that marginalized groups have access to shelter that facilitates physical and mental health during the pandemic and beyond. Future-proof investments to ensure extension of adequate water and sanitation coverage are also needed.

- **Ensure that public services are uninterrupted, equally accessible for the urban poor and other vulnerable groups and payments in default forgiven or deferred:** This is particularly important for services that are crucial for effectively coping with the crisis – such as water, sanitation, waste collection and electricity. For individuals and communities that currently lack access to such services, it will be important to provide immediate access – for example in the form

of handwashing stations. Equally improved internet access in poor urban neighbourhoods will also facilitate telecommuting and home education while schools are closed.

- **Ensure equitable access to health supplies, facilities and resources** and support the urban poor and vulnerable groups with free or low-cost access to face masks, testing, and treatment. Coordination and collaboration should be promoted amongst hospitals to ensure that the burden of COVID-19 treatment is distributed effectively to avoid hospitals in deprived affected areas from becoming overwhelmed when those in less hard-hit areas have spare capacity.

- **Guarantee equitable distribution of vaccines:** Cities are crucial distribution centres for vaccines, and as such could play a crucial role in ensuring that such distribution is equitable. Local governments can help to ensure that a COVID-19 vaccine, when developed, is available to poor and vulnerable groups free of charge or at a very low cost.[21]

- **Ensure the most marginalised communities and individuals play leadership roles in immediate response, design and planning efforts:** The most vulnerable and marginalised communities, including slum dwellers, people suffering from homelessness, internally displaced persons, people with disabilities, women and girls, migrants and refugees, should be engaged as response leaders and partners to ensure that response measures are designed with their needs in mind.

2) STRENGTHENING THE CAPACITIES OF LOCAL ACTORS, PARTICULARLY LOCAL GOVERNMENTS

National governments could promote more inclusive, collaborative and responsive governance across jurisdictions and levels of government. National stimulus packages that maximize support for tailored subnational responses, and that boost local governments' budgetary capacity, can help to address some of the constraints that local governments face. Priority actions could include:

- **Ensure collaboration across levels of government and subnational jurisdictions:** Inclusive, participatory, multi-level governance are at the heart of local responses, and collaboration between all levels of government needs to be institutionalised, providing consistent engagement with all residents, particularly marginalised and vulnerable groups. Where there are low levels of women's formal representation in governance bodies, temporary structures such as a city level COVID taskforce with gender balanced representation, should be considered.

- **Enhance local government budgetary capacity with policy measures and dedicated funds in stimulus packages:** Stimulus packages and policy measures could be adopted that boost local and regional governments' ability to sustain critical public services and raise and control their own finances (for example, through local taxes, charges and fees), while also taking into account the need to prevent additional financial pressure on poor and vulnerable groups.

- **Promote accountability and transparency:** Evidence-based accountability mechanisms

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21 World Health Organization (WHO), "COVID-19 Strategic Preparedness and Response Plan: operational planning guidelines to support country preparedness and response", 22 May 20202, available at https://www.who.int/docs/default-source/coronavirus/covid-19-sprp-operational-planning-guidelines-to-support-country-preparedness-and-response-(22may20).pdf.

on the implementation of COVID-19 policies could be enacted for all levels of government, in a manner that allows for direct feedback from communities.

- **Ensure communication campaigns reach all urban communities:** Effective and coherent communication engagement strategies could be prioritised with a view to building public trust in COVID-19 response and recovery efforts at all levels of government, taking account of literacy, language and access to technology barriers.

- **Support local governments in avoiding disruptions of essential public services:** Sufficient financial resources and revenue-raising capacity need to be ensured to sustain critical public services (e.g. water, sanitation, transport, education, electricity). Essential services should also include domestic violence shelters and other protection services. Policies and strategies could be adopted that boost capacities for equitable public service delivery and gender-responsive public transport systems that take sustainability, safety, affordability, accessibility and attractiveness into account; and infrastructure could be provided that encourages safe walking and cycling. Local governments also play an important role in supporting effective contact tracing, provided that sufficient financial and human capacities are available.

3) **PURSUING A RESILIENT, INCLUSIVE, GENDER-EQUAL AND GREEN ECONOMIC RECOVERY**

Looking to the future, strengthening the resilience and sustainability of cities needs to be a global priority. Resilient cities address underlying socio-economic vulnerabilities, leverage data for urban planning and adopt climate investment measures. For instance, financial assistance programmes and direct stimulus funding for urban areas could help to mitigate the impacts of COVID-19 on local businesses and build new, more resilient supply chains. Social protection could be expanded to the informal sector, for migrant workers, and for paid and unpaid care workers.[22] COVID-19 economic recovery measures in cities could harness green and sustainable solutions that provide longer-term benefits, such as the introduction of new models of urban development and a transition from a linear to a circular economy that regenerates, reduces waste and reuses materials resulting in cost savings as well as environmental benefits. Priority actions could include:

- **Bolster micro, small and medium enterprises (MSMEs) and support a safe restarting of businesses:** Stimulus measures and social protection programmes could be adopted for MSMEs and workers in the informal economy (e.g. cash transfers, tax deferrals, wage subsidies, subsidised sick leave, subsidised social security contributions and unemployment insurance). Measures to digitize economies could be adopted or accelerated, including government-to-business transfers, providing safer and faster access to government support payments for MSMEs by digital means. Digital payment ecosystems could be expanded so MSMEs can more quickly pay for business inputs needed. Development of, and access to, digital financial products could be encouraged, including financing for business rebuilding and growth in the recovery phase, and insurance

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22 UN-Women, "COVID-19 and the care economy: Immediate action and structural transformation for a gender-responsive recovery", 2020; and ILO, "Social protection responses to the COVID-19 pandemic in developing countries: Strengthening resilience by building universal social protection", 2020, available at https://www.ilo.org/secsoc/information-resources/publications-and-tools/Brochures/WCMS_744612/lang--en/index.htm.

to protect against future shocks.[23] Specific measures for targeting women MSME owners should be developed, recognizing the greater obstacles to finance and the particular burdens of this crisis on women.

- **Sustainable economic development strategies:** Local governments and their associations could implement participatory, tailored strategies for local economic development, social cohesion and choose public investments with high job multipliers. Such strategies could recognise the urban informal economy and be embedded in national economic recovery strategies. Local economic development strategies can also help to foster productive and diversified – and therefore more resilient – city economies.

- It is important that **social protection schemes also serve the most marginalised**, regardless of formality of work or migration status, and not just those in the formal labour market.

- **Build future-ready cities:** Stimulus packages could future-proof cities by focusing on sectors with potential for high ecological transformation and job creation (e.g. retrofitting, sustainable buildings and construction, waste collection and management, decentralised renewable urban energy, local food systems, and climate resilient urban infrastructure).

- **Urban compactness could be a goal while**

that reward suburbanisation, and promote well-designed urban density to generate economies of agglomeration). It is important to recognize that compact cities are healthier for planet and people, particularly when they are designed to ensure adequate housing and public green space[24] for all.

- **Ensure resilience plans are based on disaggregated data:** Disaggregated urban data gathering and use could be increased, as could local level resilience profiling and planning to build a more detailed understanding of crisis response, preparedness and recovery at the urban level. This could help ensure scarce resources are used with greatest efficiency and efficacy in response and resilience-building efforts.

- **Develop and implement multi-hazard resilience plans:** Preparedness plans could be developed for predictable risks and disasters (including hurricanes, heatwaves, and other impacts of climate change) which may be exacerbated by COVID-19 impacts, and investments could be made in multi-hazard resilience building.

- **Invest significantly in the care economy:** This pandemic has made clear that the formal economy is reliant on both unpaid and underpaid care work. Recovery will be more effective, rapid, and sustainable if financial investments target greater