COVID-19 and Progress on Subnational Localisation of the SDGs

In February 2021, UNU-IAS and UCLG ASPAC launched an online survey to gain awareness and a broad overview of subnational government policies and current progress related to localising the SDGs and strategies to overcome the impact of COVID-19. The survey targeted subnational governments in Indonesia, Malaysia, and the Philippines.

3 countries
52 municipalities & provinces
58% subnational governments

reported a strong overall impact of the COVID-19 crisis.

Economic recovery measures are available to subnational governments to a moderate extent. This underlines that more support from the central government is needed.

90% subnational governments are facing negative pressures on their expenditure.
81% subnational governments are facing negative impact of COVID-19 on their short-term finance.

Availability of Economic Recovery Measures

Not at all 9%
To a small extent 16%
To a large extent 21%
To a moderate extent 54%
The COVID-19 pandemic has highlighted finance as a critical sector in managing the crisis and working towards achieving the SDGs. Various coordination mechanisms are reportedly being used in responding to the emergency.

Top 5 Challenges Faced in Managing the COVID-19 crisis

1. Lack of financial resources
2. Lack of human resources & available staff
3. Lack of technical means & equipment
4. Lack of public compliance
5. Lack of quality data

Subnational governments reported a negative impact on all the sectors relevant to SDGs localisation.

Impacts of COVID-19 on Progress towards Localising the SDGs

Perceived Impact on Progress of SDGs Localisation

- Monitoring and data collection: 21% very negative, 48% moderately negative
- Financing programs relevant to achieving specific SDGs: 31% very negative, 37% moderately negative
- Mainstreaming the SDGs into local development/sectoral plans: 17% very negative, 46% moderately negative
- Cooperation with other stakeholders: 15% very negative, 40% moderately negative
- Vision making: 17% very negative, 23% moderately negative

Other prominent, effective mechanisms are identified as:

- Vertical & horizontal coordination
- Cooperation with academia & science community
- Cooperation with businesses & private sector

Cooperation with community is regarded as the most effective mechanism in dealing with the health crisis.
Top 5 Challenges in Localising the SDGs during the COVID-19 Crisis

The other main challenges in localising the SDGs are:

- Lack of human resources
- Lack of cooperation with higher levels of government and other stakeholders

Negative Impact on Achievement of the SDGs

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shifting priority to overcoming the health crisis</td>
<td>58%</td>
</tr>
<tr>
<td>Lack of financial resources</td>
<td>54%</td>
</tr>
<tr>
<td>Lack of technical means and equipment</td>
<td>35%</td>
</tr>
</tbody>
</table>

% figures represent subnational governments perceiving a negative impact on achieving the SDGs.
A majority of subnational governments report a very negative or moderately negative impact of the socio-economic crisis linked to COVID-19 on their finances in the short and medium term. Subnational governments also expect the negative impact to continue to affect their long-term finances.

The COVID-19 crisis imposes a significant strain on subnational government revenue.

Subnational governments see an increase in their expenditure in key sectors to overcome the COVID-19 pandemic.

Top 5 Subnational Expenditure Categories Facing High Pressure Due to COVID-19

The COVID-19 crisis negatively affects subnational finances for the SDGs localisation process.

Impact on Subnational Financing Programs Relevant to Achieving Specific SDGs

Subnational Governments’ Perception Towards Lack of Financial Resources as a Challenge in SDGs Localisation
Due to the COVID-19 pandemic, local governments have been emphasising strategies and policies that respond to immediate issues, namely health and wealth.

The COVID-19 pandemic has jeopardised progress on SDGs that do not reflect immediate needs such as gender equality and environment-related goals.

Among local governments, policy coordination, additional resources and support, and cooperation with other stakeholders are equally high priorities as policy tools for a successful exit and recovery strategy.

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Highly Prioritised Policy Tools for Successful Exit and Recovery Strategy among Subnational Governments

<table>
<thead>
<tr>
<th>SDGs-relevant Approaches</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cooperation with the community</td>
<td>73%</td>
</tr>
<tr>
<td>Linking to the sustainability agenda</td>
<td>71%</td>
</tr>
<tr>
<td>Additional financial resources</td>
<td>65%</td>
</tr>
<tr>
<td>Coordination among all levels of government</td>
<td>65%</td>
</tr>
<tr>
<td>Cooperation with academia</td>
<td>63%</td>
</tr>
<tr>
<td>Cooperation with the private sector</td>
<td>63%</td>
</tr>
<tr>
<td>Availability and accessibility of technology</td>
<td>62%</td>
</tr>
<tr>
<td>Availability of regulatory capacity</td>
<td>62%</td>
</tr>
<tr>
<td>Communication with the public</td>
<td>58%</td>
</tr>
<tr>
<td>Capacity building for subnational government</td>
<td>58%</td>
</tr>
<tr>
<td>Cooperation with civil society organisations</td>
<td>56%</td>
</tr>
<tr>
<td>Additional human resources</td>
<td>44%</td>
</tr>
</tbody>
</table>

Note: Percentage shown represents percentage of subnational governments that placed high priority on a particular policy tool.

Thematic/specific approaches are not utilised as much as broader approaches in subnational building back better strategy.

**Top 3**

<table>
<thead>
<tr>
<th>Approach</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good governance and accountability</td>
<td>77%</td>
</tr>
<tr>
<td>Evidence-based decision making</td>
<td>73%</td>
</tr>
<tr>
<td>Stakeholder engagement</td>
<td>71%</td>
</tr>
</tbody>
</table>

**Bottom 3**

<table>
<thead>
<tr>
<th>Approach</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustenability and resilience in action/business model</td>
<td>50%</td>
</tr>
<tr>
<td>Valuing co-benefits in public investments</td>
<td>50%</td>
</tr>
<tr>
<td>Gender mainstreaming</td>
<td>50%</td>
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