Global Virtual Workshop

Building Urban Economic Resilience during and after COVID-19

Conceptual framework for urban economic resilience

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August 12, 2020 / August 17, 2020
Urban economic resilience

The capacity and related capabilities of urban communities to plan for and anticipate negative shocks, including long-term stresses, to their economies reallocate and mobilize resources while placing their economies on the path to sustainable economic growth and simultaneously strengthening their capacity to deal with any future shocks.

- Stable gross city product growth per capita
- Stable (increasing) own source revenue growth
- Stable (increasing) labor force participation rates
- Declining inequality rates
Model of urban economic resilience

**Business environment**
- Industry concentration
- Supply chains
- Market orientation
- Firm size
- Economic informality
- Entrepreneurship
- Technology
- Role of public sector
- Financial strength

**Labour market conditions**
- Occupational flexibility
- Labour market regulations
- Wages and working hours
- Alternative job opportunities
- Mobility
- Social security mechanisms

**Financial environment**
- Debt markets
- Equity markets
- Government financing
- Financial technology (fintech)
- Complementary financing mechanisms

**Economic governance**
- Ease of doing business
- Resilience in development planning
- Leadership in times of economic crisis
- Macroeconomics and urban economies

- Determine demand for labor
- Determine supply of labor
- Define the conditions in labor markets
- Determine demand for capital
- Determine supply of and access to capital
- Regulate and facilitate business activities
- Determine conditions in capital markets

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## Principles of building urban economic resilience

### General principles

1. Prioritization
2. Efficiency
   - Productive efficiency
   - Allocative efficiency
   - Adaptive efficiency
   - Dynamic efficiency
3. The Entrepreneurial state
4. Combatting corruption and waste

### Principles for managing the COVID-19 response

1. Learning lessons from the crisis
   - Income and wealth inequality
   - Digital gap
   - Poor sanitation systems
   - Poorly planned cities
   - Poor information management
2. Financing recovery and reconstruction
3. Leaving no one behind
4. Mainstreaming resilience
5. Promoting sustainable development
Thank you for your attention