



CITY OF CAPE TOWN
ISIXEKO SASEKAPA
STAD KAAPSTAD

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON ENGAGEMENT REPORT (CoE) 2020

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1 BACKGROUND AND OVERVIEW

The City of Cape Town (hereinafter “the City”) is a proud member of the United Nations Global Compact (UNGC). The City joined the UNGC as a non-business participant in June 2014.

The City participated in the City Scan Survey, which was launched in February 2015 as part of the Global Compact Cities Programme. The Survey identified critical issues facing Cape Town and provided an overview of the strategies and initiatives implemented to address them. Cities were required to report on 22 topic areas broken down into 157 issues or challenges. The Survey provided a platform to identify touch points and focus areas for engaging with the UNGC Cities Programme and City-led initiatives that influence the business community to have better environmental and social practices. Three main categories of municipal activity were identified at the time and included City Development, City Sustainability and City Governance.

Following the submission of the initial City Scan Report in 2016, the City was required to submit a Communication on Engagement (CoE) Report in 2018. This was derived from the City Scan Survey completed under the auspices of the Cities Programme in 2015. The CoE submission demonstrated the City's alignment to the UNGC's ten principles in a broad and all-encompassing manner. It is important to note that the City has progressively developed strategies and plans that are aligned to the UNGC's ten principles and, where applicable, the UN Sustainable Development Goals (SDGs).

The City is now in its final year of implementing its five-year strategic Integrated Development Plan (IDP) 2017-2022 (this is an amendment of the original 2016-2021 IDP). The next local government elections in South Africa are scheduled for 2021, with planning processes for the development of a working draft strategic IDP for the period 2021-2026 already underway. In addition, systems

are already being put in place to facilitate the new incoming City Council in late 2021 following the above-mentioned elections.

The purpose of this CoE Report (hereinafter “the Report”) is therefore to provide an overview and update on the **strategies and plans** detailed in the previous (i.e. 2018) CoE Report. This includes an overview of the City’s strategic frameworks, an example of innovation in the form of our Resilience Strategy, how the City has benefitted from the Cities Programme, as well as practically demonstrating how the City aligns with the UNGC’s ten principles.

It should be emphasised that 2020 has been a defining start to the new decade with the emergence of the COVID-19 pandemic. From March 2020 onwards, the City’s line departments shifted focus and prioritised COVID-19 strategic and operational planning. At the time of this update, the City is implementing its response programmes at scale and is preparing a recovery plan. This significant change, similar to other cities around the world, will impact the City’s strategic frameworks, programmes and implementation going forward, which is not reflected in this Report.

2 COMMUNICATION ON ENGAGEMENT (CoE) REPORT

The Report provides an overview of strategic frameworks and practical actions that the City has initiated since the initial CoE report. In so doing, relevant strategies, policies and frameworks aligned to the UNGC principles and SDGs will be covered. In addition, innovative initiatives will be highlighted, followed by how tools and methodologies developed by the Cities Programme have been used in city government initiatives. The Report concludes with an overview and measurement of relevant outcomes aligned to the UNGC's principles and the UN's SDGs.

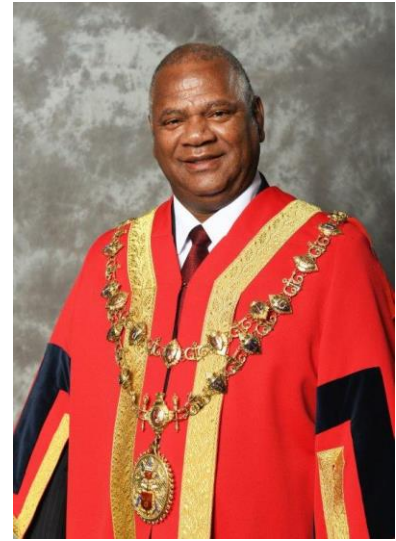
As prescribed in the guidelines, the elements discussed above will be structured as follows:

- i. Statement of Support by the Executive Mayor;
- ii. Description of Actions, and;
- iii. Measurement of Outcomes.

2.1 STATEMENT OF SUPPORT BY THE EXECUTIVE MAYOR OF CAPE TOWN

It gives me great pleasure to submit the City of Cape Town's CoE Report (2020) to the Global Compact Cities Programme. The Report provides a biennial opportunity for cities to demonstrate practical actions that align to the principles promoted by the Global Compact.

Since the first submission in 2016, a new City Council has been elected with a new term of office and five-year strategic plan, called the IDP (2017-2022). Through the submission of this Report, Cape Town demonstrates the latest strategies, policies and initiatives which are aligned to the UNGC principles and SDGs, within the framework of the IDP.



Critical focus areas are identified for the City that encompass development planning, environmental, climate change and resilience-related factors, which we aim to progressively measure over time. To this end, we provide an overview and outline the 2017-2022 IDP, Municipal Spatial Development Framework (MSDF), Environmental Strategy, Climate Change Policy, as well as how the City is adopting resilience thinking and practices throughout its approaches.

Although Cape Town is a top-performing city, it faces challenges, like all cities, in moving toward holistic and sustainable development practices. With this in mind, we provide an overview of the above, to showcase how Cape Town is adopting and mainstreaming these practices.

I am therefore confident that Cape Town's submission contributes to the growing body of holistic and sustainable development practices and approaches of cities party to the UNGC.

Yours sincerely,

Dan Plato

2.2 DESCRIPTION OF ACTIONS

The City has embarked on actions and interventions that align to the requirements for demonstrating progress and alignment to the UNGC's strategies and plans. This section provides an overview of:

- The City's strategic frameworks for sustainability and where applicable, holistic plans which have broader considerations, and;
- How assessment tools, methodologies and opportunities developed by the Global Compact Cities Programme have been utilised by the City in both local and international contexts.

2.2.1 CITY OF CAPE TOWN STRATEGIC FRAMEWORKS

The City has a number of strategic frameworks guiding the work of the metropolitan municipality. Some of the important frameworks as they relate to sustainability are reflected below, namely:

(a) Integrated Development Plan (2017-2022)

The IDP is a five-year plan required in terms of South African national legislation and is the principal strategic planning instrument to guide and inform all planning, development and decisions in the municipality. The term of office for the current IDP (2017-2022) is guided by the following principles:

- Resilience;
- Sustainability;
- Transformation of the built environment through transit-oriented development (TOD);
- Governance reform;
- Customer-centricity, and;
- A transversal approach.

The City has retained its five Strategic Focus Areas (SFAs) of the previous term of office IDP and related objectives to apply these as the foundation for further progress to enable achievement of the City's vision. The five SFAs are the:

- Opportunity City;
- Safe City;
- Caring City;
- Inclusive City, and;
- Well-run City.

Additionally, the City identified the following 11 priorities to inform its operational work over the five-year period:

- Positioning Cape Town as a forward-looking, globally competitive business city;
- Leveraging technology for progress;
- Economic inclusion;
- Resource efficiency and security;
- Safe communities;
- Excellence in basic service delivery;
- Mainstreaming basic service delivery to informal settlements and backyard dwellers;
- Dense and transit-oriented urban growth and development;
- An efficient, integrated transport system;
- Building integrated communities, and;
- Operational sustainability.

(b) Water Strategy

Cape Town has become a leader globally in water demand reduction and was able to successfully overcome the recent drought and avoid a possible 'Day Zero' scenario by reducing water use by 50 percent. The City's Water

Strategy, approved in April 2019, was a direct outflow from the severe three-year drought experienced by Cape Town from 2015-2018, and contains five commitments and short, medium and longer term planning and forecasting until 2040. These commitments are as follows:

- **Safe access to water and sanitation:** The City will work hard to facilitate safe access to basic water and sanitation for all residents, including informal settlements;
- **Wise use:** The City will promote the wise use of water by all users through pricing, regulations and public education campaigns, and maintain a focus on water demand management interventions;
- **Sufficient and reliable water:** The City will ensure there is sufficient water that is reliably available from diverse sources, including groundwater, water reuse and desalination, and reduce its reliance on surface water;
- **Shared benefit:** The City will work with key stakeholders in the Water Supply System to ensure the economic, social and environmental benefits that come from our shared water resources are maximised, and;
- **The end goal - a water-sensitive city:** The City will actively facilitate Cape Town's transition into a city which is sensitive to its water resources, and which makes optimal use of storm water pipes and urban waterways for flood control, aquifer recharge and recreation.

The Water Strategy provides a roadmap for the creation of a future in which there will be sufficient water for all and in which Cape Town will be more resilient to climate change and other shocks. The Strategy takes into account the important yet complex relationships between water, people, the economy and the environment.

To give effect to the Strategy, the City has provisionally committed to invest R6-billion over 10 years to construct over 300 million litres per day (ml/d) of additional capacity to mitigate future droughts. This includes the departure

from sole dependence on surface water to an inclusive use of water resources that comprises of desalination, groundwater use, the reuse of water and surface water.

(c) Municipal Spatial Development Framework (MSDF)

Cape Town's Municipal Spatial Development Framework (MSDF) –informed by national legislation – was approved in April 2018. The MSDF sets out the spatial vision and development priorities to achieve a reconfigured, inclusive spatial form for Cape Town. It provides policy certainty to private and public developers and prioritises public expenditure in the urban inner core. Furthermore, it seeks to curb urban sprawl by focusing on inward growth and TOD, accompanied by higher densities and land-use diversification. Moreover, it intends to transform Cape Town's spatial layout by bringing people closer to job opportunities and such opportunities closer to people. More specifically, the spatial direction within the MSDF as informed by the IDP focuses on:

- Building an inclusive, integrated, vibrant city;
- Managing urban growth, and creating a balance between urban development and environmental protection, and;
- Planning for employment, and improving access to economic opportunities.

The MSDF sets out development directives based on environmental, risk and social factors that are likely to impact on the development potential of sites and may trigger additional legislative processes. The City is divided into eight planning districts and each district has its own Spatial Development Framework (SDF), which is aligned to the MSDF. These SDFs are currently being updated focusing on the state of the population, employment levels and income, the state of the urban and natural environment and heritage, the state of development, the supply of and demand for housing, the local economy and the property market as well as current services and infrastructure. A Baseline

and Analysis Report (BaAR) has been completed for each district - inclusive of the challenges, needs and opportunities on a local planning level. The review of the district SDFs will be based on the BaARs and inputs received for the respective districts.

(d) Environmental Strategy

Cape Town is home to a unique natural environment, which provides a number of irreplaceable ecosystem goods and services. These have associated economic and social benefits for the city's people. Moreover, this is a common asset that belongs to all citizens, which must remain accessible and deliver benefits to current and future generations.

However, socio-economic challenges that stem from Cape Town's historical and current socio-economic inequalities hinder the ability of all citizens to access the natural environment and benefit from it. Some of the challenges associated with this include, but are not limited to, rapid urbanisation, pressure on finite resources, capacity to manage scarce resources, pollution, and exposure to the risk of natural hazards.

In 2017, the City adopted a comprehensive Environmental Strategy to address environmental and socio-economic challenges in a holistic way. The Strategy was implemented to promote an integrated approach to sustainability which applies to all directorates and departments within the City. The Strategy's vision is to enhance, protect and manage Cape Town's natural and cultural resources for long-term prosperity in a manner that optimises economic opportunities and promotes access as well as social well-being. The Strategy promotes the following principles, namely:

- A Long-term approach;
- Equity and accessibility;
- Economic and social benefits;

- Resilience;
- Ecosystem approach;
- Preventing, minimising and mitigating environmental impacts;
- Resource efficiency;
- Environmentally sensitive and low impact urban design;
- Educated and empowered citizens, and;
- Protected natural heritage.

(e) Climate Change Policy

In addition to the above-mentioned Environmental Strategy, the City also adopted its Climate Change Policy in 2017.¹ This marked the first time that a specific stand-alone policy approach to climate change was approved for Cape Town. The vision of the Policy is for Cape Town to become climate resilient, resource efficient and less carbon dependent, with the ultimate rationale to enable sustainable and inclusive economic and social development as well as environmental sustainability. Five core principles underpin the Policy, including:

- Factoring in long-term and cross-sectoral impacts and benefits in planning and decision-making;
- Improving resilience and reducing vulnerability;
- Supporting well-functioning ecosystems that enable service delivery and reduce risk;
- Promoting socio-economic benefits and their equitable distribution, and;
- Ensuring climate compatible urban design, infrastructure development and maintenance.

¹ In 2016, a study was undertaken by the University of Cape Town's Climate Systems Analysis Group (CSAG) to determine a set of projected climate change scenarios for Cape Town and this study informed the approach behind the Climate Change Policy.

The Policy has a dual focus on adaptation and mitigation with two key action plans, namely the (i) Climate Change Adaptation Action Plan and a (ii) Climate Change Mitigation Action Plan. The latter provide a set of programmes and/or actions aimed at implementation of adaptation and mitigation interventions and will, together with a Climate Change Strategy, be completed by the end of 2020.

(f) Notable related projects

Some notable projects underway stemming from the above are the Green Infrastructure Plan, the Source to Sea Project, the Mayor's Portfolio of Urban Sustainability, the Green Procurement Action Plan, the Protected Area Expansion Project, and the Bio-net Protected Area Management Programme.

Firstly, the **Green Infrastructure Plan (GIP)** is currently being developed in order to identify, protect and enhance the City's natural assets in order to support and enhance ecosystem service provision and benefits and thus ultimately enhance the functioning and resilience of the City. The GIP will also facilitate appropriate and sustainable urban development within the metropolitan area as a contributor to the MSDF and the City's Land Use Model. It comprises different elements, including a spatial component and tools to support and enhance a green infrastructure approach as well as implementation actions and projects. Currently, a methodology is being developed in order to interrogate and map the ecosystem services of the open spaces in Cape Town. A scientific approach is being undertaken simultaneously in which available green infrastructure data such as ground water access, rainfall, and soil properties are being mapped.

Secondly, the **Source to Sea** project is envisaged as a GIP implementation tool. The first pilot project focuses on the river corridors of the Diep River and Keyesers River connecting the Table Mountain National Park with catchment areas such

as Princess Vlei and Zandvlei Estuary. Source to Sea seeks to enhance the quality of life for local communities while maximising recreational opportunities and protecting environmental services. The management of water quality and quantity to support maximum biodiversity is an ecological priority. This project also serves to provide strategic and alternative non-motorised transport (NMT) routes and a substantial resource for the Green Economy.

In addition, the **Mayor's Portfolio of Urban Sustainability (MURP)** serves as another vehicle for the implementation of the above-mentioned Environmental Strategy. MURP provides a platform to showcase how the City is mainstreaming sustainability thinking into the design, implementation and maintenance of its projects. These showcased projects provide learning and knowledge sharing opportunities and promote urban sustainability across the City's line functions. Furthermore, MURP provides a mechanism for operationalising the principles and directives in the Environmental Strategy into actions towards urban sustainability. The projects profiled in each edition of the MURP encompass a collection of inspirational and motivational case studies and contribute towards a sustainability knowledge hub for project managers. The 2020 edition of MURP is currently in the design phase and will be launched towards the end of the year.

Also, the **Green Procurement Action Plan (GPAP)** seeks to give effect to the City's commitment to implementing green procurement and set out the specific actions that need to take place. Public spending on goods and services can account for up to 30% of the Gross Domestic Product (GDP) in developing countries and therefore has a significant impact on the economy, society and the environment. As such, it is the duty of governments to ensure that their procurement decisions are environmentally and socially responsible, compliant with environmental laws and will have a positive impact on their local economies. By shifting procurement to more sustainable options – including “greener” goods and services, locally manufactured products,

ethically produced products and goods and services that are compliant with environmental laws, governments can help drive markets towards innovation and sustainability. This in turn helps drive the shift towards a green economy. The GPAP is underpinned by key principles, echoing those contained in the City's Environmental Strategy, including following a life-cycle approach, preventing, minimising and mitigating impacts, resource efficiency and promoting a circular economy. The City has already implemented a number of green procurement projects and practices in its operations. These include, inter-alia, the retrofit of all City traffic lights with energy efficient light emitting diodes (LED); energy efficiency retrofits of many City-owned buildings; incorporation of fuel efficiency and Euro Standards in tenders; and the improvement of desktop power savings and Information Systems and Technology remote services efficiencies. In this regard, the GPAP seeks to consolidate and mainstream the City's implementation of green procurement.

Moreover, the **Protected Area Expansion** project attempts to secure a representative sample of natural habitats for the long term, thereby providing opportunities for job creation and climate change resilience. Furthermore, the **Bio-net Protected Area Management Programme** aims to manage protected areas, to assist sustainable community access and benefits, job creation, as well as climate change mitigation and adaptation.

It should be underlined that as transversal policy and strategy instruments, the notable projects underway in the City's environmental sphere are not limited to the Environmental Management department. Green Growth – a key concept underpinning environmental sustainability - is being applied to urban settings as part of pursuing a holistic approach to environmental sustainability.² A few projects under the Green Growth banner currently in place in the City and bridging more than one department are mentioned below and include

² Green growth speaks to the inter-relatedness of both the economic and environmental concerns and promotes a greener economy which represents the intersection between three of the pillars of sustainable development - economy, environment, and social.

programmes on energy, transport, waste management, and water and sanitation.

The **energy** sector projects are implemented to reduce energy use, create a sustainable and efficient energy supply for Cape Town, save costs and stimulate energy efficient technologies with projects, which include the Photovoltaics in City Operations through the installation of PV systems to reduce electricity consumption of City facilities and the biogas pilot project/utilisation of methane gas from waste water treatment works (WWTW) for heating or electricity.

With regard to **transport**, the City has sought to reduce congestion, decrease emissions and reduce cost of travel - projects are in place such as the use of asphalt in road surfacing, which reduces energy expended by cars and consequently emissions, lasts longer, is reusable and recyclable and which can be designed to support the required traffic loads and climatic conditions. To reduce emissions, the MyCiTi Bus programme introduced biogas from the City's WWTW as a fuel source for MyCiTi bus services as well as the roll-out of an electric bus MyCiTi pilot programme.

In relation to **travel demand management**, the City committed itself to reducing the travel burden on its population and visitors through a multipronged approach. This has included the roll-out of a quality bus service, targeted land use interventions, the TOD Strategic Framework (2017) and the Travel Demand Management (TDM) Strategy (2017). Travel Demand Management attempts to influence travel choice and behaviour, especially targeting single-occupancy vehicle drivers to choose more sustainable travel and access options. One TDM measure which the City has adopted is a flexible working programme (FWP) for its staff to reduce the kilometres travelled by staff that are eligible to work more flexibly, resulting in a positive impact on congestion. The intention is also to influence other (major) employers to adopt

their own FWP's to reduce their contribution to congestion. Implementation of the FWP started in June 2018 and a survey is being developed to assess its progress and efficacy to date.

The **waste management** programmes aim to divert waste going to landfill and to recover waste through minimisation, separation and recycling. Projects include the reusing and recycling of building materials for resurfacing roads. The water and sanitation projects aim to decrease water being lost through leakage and neglect, to decrease water demand, provide an efficient water supply for Cape Town and save costs. Projects include Integrated catchment management – to improve ecosystem functioning and the roll-out of medium-sized anaerobic digestion and phosphate recovery systems.

2.2.2 INNOVATION: RESILIENCE STRATEGY

In August 2019, the City's Council approved its first Cape Town Resilience Strategy. This was the final deliverable of a two-year relationship with 100 Resilient Cities, pioneered by the Rockefeller Foundation. The Strategy defines a resilient Cape Town as being a compassionate, connected, and capable city, where Capetonians collaborate across households, communities and institutions to build collective responses to current and future social, environmental and economic challenges.

Resilience is the capacity of individuals, communities, institutions, businesses and systems within a city to survive, adapt and thrive - no matter what kind of chronic stresses and acute shocks they experience. It is a capability that Capetonians have shown considerably during two recent system-wide shock events – the Cape Town severe multi-year drought from 2015 to 2018 and the COVID-19 pandemic in 2020. The newly approved Resilience Strategy has become an important informant to the City government's response to the COVID-19 pandemic.

In total, the Strategy contains 75 actions that, when implemented, improve Cape Town's resilience to a wide range of shocks and stresses. There are five pillars in the Strategy. These are:

PILLAR 1: Compassionate, holistically-healthy city

This pillar focuses on a more holistic approach to building a healthier city, including improving access to mental health services and affordable, nutritious food, strengthening social cohesion, and ensuring that children have the best possible start to life, with the intention of disrupting the intergenerational transfer of trauma.

PILLAR 2: Connected, climate-adaptive city

This pillar focuses on overcoming the spatial legacies of our divided past through partnership at all scales - community, city and regional – allowing us to enact climate adaptive measures that simultaneously build urban resilience, with co-benefits that include improved mobility, place-making and social cohesion.

PILLAR 3: Capable, job-creating city

This pillar focuses on building resilience for the purpose of sustaining and growing new opportunities in the context of change. A resilient city, working to overcome its risks and turning them into new market advantages, is an attractive city for growth and new investment.

PILLAR 4: Collectively, shock-ready city

This pillar focuses on preparing capabilities for some new known shocks that could impact us in the future, but more broadly works to build the capacity of individuals, households and communities to respond to shocks, no matter what kind of shocks may occur, with particular focus on vulnerable households and communities.

PILLAR 5: Collaborative, forward-looking City

This pillar focuses on how the City government will work with other spheres of government and organisations to improve the functioning of certain key City systems. It also focuses on how the City government will work with partners such as data and technology providers, modellers and researchers, to be reflective after shock events and to mainstream resilience into planning and decision-making.

The Strategy is already being implemented and a number of actions are being carried out. A snapshot of actions being developed include:

- Establishment of a food systems programme to improve access to affordable and nutritious food;
- Rejuvenation of rivers and the spaces around them to create liveable urban waterways;
- Protection of water sources by supporting the Greater Cape Town Water Fund;
- Development of eco-industrial parks using industrial symbiosis methodology;
- Promotion of Cape Town as a resilient destination to visit and invest in;
- Exploration of innovative insurance products for catastrophic shock events;
- Screening for resilience in the management of capital project portfolios;
- Maximisation of the resilience dividend at the project conceptualisation stage;
- Adaptive management capabilities for resilience, and;
- Usage of data for resilient decision-making.

2.2.3 CITIES PROGRAMME: METHODOLOGIES, TOOLS AND TOUCH-POINTS

As previously mentioned, the City participated in the City Scan Survey which directly informed its first CoE submission in 2016. The City Scan Report provided

a holistic overview of key initiatives and interventions in Cape Town. The Report therefore provided a resource that can inform evidence-based decision making.

The UNGC invited Cape Town to take part in its City Partnerships Challenge, which launched at the World Urban Forum in Kuala Lumpur, Malaysia in February 2018. The City Partnerships Challenge consists of a number of projects to build capacity of local government to implement integrated and transformative urban development investments through cooperative partnerships with private sector and civil society. Projects developed are designed to attract private sustainability finance.

Unfortunately, due to the immediate threat of the Water Crisis (Cape Town was declared a disaster area in March 2017), it was decided to decline the invitation and focus on preventative measures to avert 'Day Zero'. As a result of these efforts, Cape Town reduced water consumption by 50 per cent, and since received good rainfall for two successive winters, which has staved off an extension of the water crisis.

In 2020, the City is impacted by the global COVID-19 pandemic - as are all other cities in the world to some extent or another – and resources are prioritised for responding to the pandemic and planning for the post-pandemic recovery actions. Nonetheless, the City is committed to continue participating in the City Partnerships Challenge in whichever feasible form, given that there are many touch-points and areas which can be leveraged.

The City continues to regularly engage with the Global Compact Cities Programme by receiving updates via the quarterly newsletter. The newsletter is a valuable communication tool and keeps the City updated on the activities of the Global Compact Cities Programme. In addition, various City Officials

participated in the 2020 UNGC Virtual Summit, which was well received. The City will continue to build and develop its working relationship with the UNGC.

2.3 MEASUREMENT OF OUTCOMES

To measure the City's performance with the UNGC's principles it is useful to consider indicators set out in the City's IDP, since the IDP is aligned to the UNGC's vision and principles, as well as the UN's SDGs, particularly (SDG 11, i.e. sustainable cities and communities).

The City's IDP contains a Trends Watch list of 12 indicators of the broad areas the City wishes to influence over the long-term, in order to evaluate the impact of its strategies, policies, plans and programmes.

Three of these indicators are directly useful indicators in terms of the UNGC's principles, particularly as proxy measures of the universal principles of **human rights, labour and environment**. For the complete list of the 12 trend indicators reference should be made to the City's IDP (2017-2022). The City's 2018/19 Integrated Annual Report reported on the second year of progress on the 12 trend indicators (i.e. the 2017/2018 year is the baseline year). The City's Research Branch in the Policy and Strategy Department is responsible for monitoring the 12 trend indicators. Refer to Table 1 below for the 2019/2020 review of the three indicators.

Human Rights

The City is a (local) sphere of government, whose primary duty – as noted by the UNGC – is to protect, respect and fulfil human rights. The core business of the City is to ensure the efficient delivery of quality basic services and infrastructure to its residents – thus improving and enhancing their quality of life as enshrined in the rights-based Constitution of South Africa.

The City invests a considerable amount of resources in ensuring residents are provided with quality basic services and infrastructure. The City constantly seeks to improve in service delivery excellence.

As a proxy to determine service excellence, residents' satisfaction with overall services are measured. This indicator does not reflect whether the City is delivering or not on services (other indicators are available to measure this – which reflect that the City is doing well in ensuring all residents have access to basic services and infrastructure), but rather reflects residents' experience and expectations of City service delivery. The results indicate that Cape Town residents are generally satisfied with overall services delivered by the City. However, in 2019/2020, a slight decrease in the overall score was noted which can be ascribed primarily to a new base line survey score, as well as the drought/water crisis and the electricity and transport system crises (Table 1).

In its COVID-19 pandemic response, the City has emphasised a focus on service delivery and ensuring all residents, in particular those who are vulnerable, have access to services such as water. This indicator is aligned to the UNGC's "Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights", and Principle 2: "Make sure that they are not complicit in human rights abuses".

Labour

The labour market is the point at which economic production meets human development. Employment creation and unemployment reduction are therefore top priorities for all spheres of government, including the City. Labour market performance is tracked through a variety of indicators (e.g. employment rate and unemployment rate) – the unemployment rate being presented in table 1 below.

The world is currently witnessing global economic uncertainty and challenges with regional, national and local impacts (i.e. slow economic growth, high unemployment, rising income inequality). The emergence of the COVID-19 pandemic has severely affected labour markets and curtailed economic activity with job losses, lower incomes and increased poverty.

Cape Town has consistently had the lowest broad unemployment rate of all the metropolitan municipalities in South Africa. It also enjoys relatively high rates of labour absorption and labour force participation. A deteriorating trend in the broad unemployment rate which may likely increase and will be further impacted by the effects of COVID19 was noted. The annual broad unemployment rate increased between 2018 to 2019, reflecting a slight deterioration in the economic context over this period.

This indicator is well-aligned to the UNGC's Principle 6: "Business should uphold the elimination of discrimination in respect of employment and occupation". Discrimination, according to this principle, can arise in a variety of work-related activities – for example, access to employment, to particular occupations as well as to the terms and conditions of the employment (e.g. recruitment, hours of work, etc.).

Environment

The City significantly invests into conserving its natural heritage through a number of strategies, policies, plans and programmes (some of which have already been previously discussed). The City is placing particular emphasis on furthering interest and investment into the Green Economy to ensure a transition to a low-carbon/ renewable energy growth path.

A useful proxy indicator to measure this was developed by the City which looks at Resource use per Gross Value Add (GVA). In recent years Cape Town has seen a decoupling of economic growth from electricity and water

consumption (Table 1), signifying a move towards a more service-oriented (and greener) economy. As of June 2020, no update of this indicator is available and the status thus remains the same as 2018/2019 (refer Table 1).

This indicator is well-aligned to the UNGC's Principle 9: "Encourage the development and diffusion of environmentally friendly technologies". The City, with its Climate Change Policy (2017), Water Strategy (2019) and Resilience Strategy (2019), facilitates local environmental interventions - which all speak to Principle 8: "Businesses should undertake initiatives to promote greater environment responsibility".

Global Compact Principle	IDP Objective Alignment	Trend	Assessment Description	Progress to date and towards the END of June 2019	Status Overview	Data Comments
<p>1. Support and protect human rights;</p> <p>2. Not be complicit in human rights abuses.</p> <p>(HUMAN RIGHTS)</p>	<p>Objective 3.1 Excellence in basic service delivery.</p>	<p>Residents' satisfaction with overall services.</p>	<p>This focuses on residents' perceptions of the general quality of services provided. Over the longer term, residents must believe that their needs are being met.</p>	<p>Average score from the annual residents' survey of residents' satisfaction with the City's overall services: score of 2.3</p> <p><i>Source: City of Cape Town, Community Satisfaction Survey 2018/19; CCT Annual Performance Scorecard, Quarter 4, Page 2)</i></p>	<p>Overall performance of the City has dropped slightly to just below "good" which could be ascribed to the drought/water crisis water, the electricity and transport system crises. This would have put strain in terms of delivery of services. This in turn impacted on how the city's residents perceive and react to the City.</p>	<p>Appointment of a new service provider; established a new benchmark with a different sampling framework. Other factors such as protests, national elections may have negatively impacted the results on the Community Satisfaction levels.</p> <p>The measure of average satisfaction of a survey of residents is given against a Likert scale ranging from:</p> <p>1 being Poor; 2 being Fair;</p> <p>3 being Good; 4 being Very Good and 5 Excellent.</p> <p>The survey is based on a sample of 3000 residents which is representative of the city, at a 95% confidence level.</p>

<p>6. Non-discrimination in employment and occupation.</p> <p>(LABOUR)</p>	<p>Objective 1.3 Economic inclusion.</p>	<p>Unemployment rate.</p>	<p>This tracks the unemployment rate in the City using the expanded definition of unemployment. The expanded definition includes everyone who wants employment, irrespective of whether or not they have actively tried to obtain employment. The aim is economic inclusion, which is to improve Cape Town residents' quality of life and levels of self-determination in the long term.</p>	<p>Broad unemployment rate: 24.1% (2019)³</p> <p><i>Source: Stats SA, Quarterly Labour Force Survey 2019/20 supplied by Policy and Strategy Department: Economic Analysis Branch</i></p>	<p>A deteriorating trend in the broad unemployment rate which may likely increase and be impacted by the effects of COVID-19.</p> <p>The annual broad unemployment rate increased by 1.03 % points between 2018 to 2019, reflecting a slight deterioration in the economic context over this period.</p>	<p>The broad unemployment rate (also referred to as expanded unemployment) measures the number of unemployed people in the labour force who are either actively looking for a job or not seeking employment (i.e. non-searching work seekers, which includes discouraged work-seekers and other non-searching work seekers), as a percentage of the entire labour force.</p>
<p>9. Encourage environmentally friendly technologies.</p> <p>(ENVIRONMENT)</p>	<p>Objective 1.4 Resource efficiency and security.</p>	<p>Resource use per gross value-added (GVA).</p>	<p>This tracks use of natural key resources (including energy and water) in relation to the contribution of the Cape Town</p>	<ul style="list-style-type: none"> - Petrol: 167 (2013) - Total GVA: R417.72 billion (2018) - Water: 104.95 	<p>June 2020: Updated data only available for one sub indicator and the status below remains latest as at 2016.</p>	<p>Data for the total GVA is provided and all other indicators remain the same</p> <p>This is a proxy indicator.</p>

³ Average annual percentage for 2019

			<p>economy. The City has prioritised resource efficiency and security. The measure should give some indication of the long-term impact of maintaining an appropriate balance between economic development and the preservation of the natural environment.</p>	<p>(2014); 112.25 (2015)</p> <ul style="list-style-type: none"> - Electricity: 101 (2013) - Population: 117 (2014 & 2015) <p><i>Source: CCT. 2016. State of Cape Town Report 2016. Development Information & GIS Department. Pp 94 - 95</i></p>	<p>The economy (GVA [Gross Value Add]) has grown faster than the population, which suggests – all things being equal – that the average Capetonian's productivity has risen over the past decade. During the same period, both the economy and the city's population consumed water and electricity more efficiently. However, the steep increase in transport fuel consumption is driven by growth in private passenger transport and road congestion.</p>	<p>All indicators were normalised using 2005 figures to 100. This enables monitoring of subsequent years from the normalised 100 to determine which resource indicators increased the most against economic growth (GVA).</p> <p>The data are presented in a graph to illustrate resource efficiency against economic growth. This was developed for the State of Cape Town 2016 report using various data inputs.</p>
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Table 1 Proxy Outcome Indicators for the City of Cape Town 2019/2020

3 CONCLUSION

As mentioned at the outset, the City is a proud non-business member of the UNGC and continues to prioritise sustainable urban development action. This submission has highlighted the latest strategic frameworks and plans, examples of innovation, as well as how the Global Compact Cities Programme tools have been used. These were complemented by an overview of how the City tracks appropriate outcomes of which a selected few were highlighted. In doing so, the City demonstrated plans and actions that have incorporated holistic and sustainable approaches that ultimately aim to facilitate the sustainable development of Cape Town. Ultimately, the City's CoE Report provides a practical overview of its efforts to align its activities and approaches to the UNGC Principles and, where applicable, the UN's SDGs.