



Position Paper

Boosting Progress towards G7 Objectives
through Sustainable Cities, Urbanization
and Multilevel Cooperation

29 October 2024

Disclaimer

This position is based on the 2022 U7 Mayors' Declaration "[Cities, Urbanization and Multi-Level Cooperation as Drivers of Change for Peace, Democracy and Sustainability](#)" and the 2023 U7 Mayors Declaration "[Delivering Peace, Democracy and Sustainability in the Urban World through Sustainable Cities, Urbanization and Multilevel Cooperation](#)".

About the Urban7: The G7 [Urban7](#) (U7) advocates for a continuous dialogue between the G7 nations and municipal actors represented by national associations and supported by international city networks. It addresses the G7 Presidency and is moved forward by a strong urban alliance. The U7 Group is chaired by the U7 Secretariat consisting of [ICLEI - Local Governments for Sustainability](#) and the [Global Parliament of Mayors](#) (GPM) as well as the city association from the country leading the G7 that year. In 2024, the G7 Presidency is held by Italy and thus the [Associazione Nazionale Comuni Italiani](#) (ANCI) is fulfilling that role in the U7 Group.



Preamble

Since 2021, we observed meaningful progress in the recognition and involvement of local and regional governments in G7 discussions under the UK, German, and Japanese presidencies. This progress, carried over by the Italian presidency, reflects the growing understanding that cities and municipalities are critical actors in the global response to climate change, economic transformation, and social inclusion. This was also recognised by the G7 Heads of States and Governments during their meeting in Borgo Egnazia, and is reflected in the G7 Urban Development Communiqué. We thank the G7 Italian presidency for organising the Urban Development Ministerial Meeting and actively including the U7 in the dialogue and agenda. This marks an important step for boosting progress towards G7 Objectives through Sustainable Cities, Urbanization and Multilevel Cooperation.

Cities, towns and regions play a key role in transforming our societies and economies towards G7 objectives through fostering innovation, creating local jobs and safeguarding citizens from the consequences of climate

change and biodiversity loss. They also contribute directly to international and national climate and sustainability goals such as the Sustainable Development Goals and the Nationally Determined Contributions (NDCs) under the Paris Agreement, by developing place-based solutions through an inclusive way that fit local communities and circumstances. By empowering cities, towns and regions through formal engagement, multilevel governance and investment support, G7 nations can accelerate the transition to a sustainable future.

Therefore, we welcome the leadership of G7 countries through joining the CHAMP Initiative (Coalition for High Ambition Multilevel Partnerships) initiated by the UNFCCC COP28 presidency in Dubai in 2023. This move underscores that the G7 nations are united in the importance they place on multilevel cooperation, which is key to driving climate action that is ambitious, inclusive, and locally grounded.

In reference to the development of the G7 Urban Development communiqué, we would like to put forth the following key points for the Ministerial Meeting on Urban Development and future G7 urban cooperation:

A. Priorities for Sustainable Urban Development Transitions

1. The need for horizontal cooperation

As U7 we share the notion of "Priorities for Sustainable Urban Development Transitions" captured in the communiqué. From a local and regional government perspective, we would like to particularly point to the need for an integrated

approach towards these priorities, in order to address the transition in an efficient and effective way. To this end, we will need more and better horizontal cooperation between ministries as well as organised dialogues with business and industry, that include local and regional governments from the start, as well as the financial sector across all levels of governance.

B. Principles, Methods and Practices to implement Sustainable Urban Development

1. Integrated and territorial approach

The U7 supports the G7's recognition of the need for an integrated, territorial approach to urban policy that aligns with relevant regional, national, and international frameworks. We highlight in this regard, that a cross-sectoral, multilevel and multi-actor approach, involving all levels of governance, as well as civil society and the private sector, will be essential for tackling complex challenges such as climate adaptation, economic transformation, and social inclusion.

2. Fostering Multi-Level Governance

The U7 is pleased to see the aim of fostering multi-level governance. In this regard, we see the need to go beyond top-down streamlining. We believe the local level can more successfully support the G7 in advancing towards their goals, when a bottom-up perspective and more flexibility in responding to regulatory obstacles and financial barriers, hindering efficient implementation of defined goals and strategies are incorporated in G7 urban policy cooperation. More flexibility and elasticity in applying regulation will allow local and regional governments with the leeway to test and pursue new, innovative, place-based approaches and solutions. This is as the local level is where all policies come together, and

ultimately have to be addressed as one. As such, close cooperation with local and regional governments can support implementation of the Paris Climate Agreement, the SDGs and other international commitments in the G7.

3. International collaboration in exploring solutions to common challenges

The U7 welcomes the recognition of the potential of city-to-city partnerships, city diplomacy and decentralized development cooperation. The necessary support for such cooperation and the recognition of the importance of urban diplomacy however needs to be on par. The U7 encourages the G7 countries to engage more actively with cities and local governments to leverage this potential. In particular, we would like to mention the pivotal role that city-to-city collaboration is playing in providing humanitarian aid and the resilient and sustainable recovery of Ukraine.

4. Place-based approach

The U7 appreciates the underlining of the place-based approach. Still, we need to emphasise that a place-based approach needs to be complemented by regulatory and procedural flexibility that allows us to accommodate and support the local needs and to enhance the strengths of locally developed strategies and action plans.

C. Inspiring methods and practices to effectively address global and common challenges, with the support of national level policies

1. Caring for people and protecting the planet: Overcoming potential conflicts of interest

The U7 shares the goals and ambitions expressed in the Urban G7 Communiqué but would like to point to potential conflicts of interest that might arise between them. For example, affordable housing and breaking down zoning barriers might well be in conflict with ambitious energy efficiency standards, efficient land-use and protection of nature and biodiversity. These need to be carefully considered and addressed, through a multilevel governance approach, particularly in public funding schemes in order to avoid compromising other important goals and commitments.

2. Support local investment capacities in line with agreed goals and ambitions

Local governments are at the forefront of climate action, adaptation, resilience and digitalisation, safeguarding the future of our people. However, they face significant barriers in accessing the needed financial resources for investing in the transformation of public infrastructure and services. To effectively tackle climate change and build resilience, our towns, cities and

regions must be empowered to mobilise local investments. The limited public budgets and capacity of subnational governments need to be addressed by G7 ministers. The U7 is thus suggesting to G7 countries to:

- c) actively inform local governments of available national financing options across all ministries;
- c) revisit the variety of available national support programmes with a perspective of integration and simplification to reduce administrative burdens across all levels;
- c) support the increase of local governments' capacity for pursuing innovative financing options by building partnerships with the private sector.

Localised investments can unlock innovative solutions tailored to the unique environmental, economic, and social conditions of individual cities, contributing to national and international climate and sustainability goals. G7 support in this area will be crucial in bridging the financing gap for local governments, particularly in cities and towns with fewer resources. Supporting public infrastructure investments is also contributing to creating markets for innovative products and green growth.

D. Commitments for Joint Action

Recognise the U7 as an official engagement group

The U7 has played a critical role in fostering dialogue between local governments and G7 leaders since 2022 particularly through the urban development track and the participation in Urban Development Ministers' Meetings. While we strongly welcome the recommendation to recognise the U7 as an official engagement group in the Urban Development Communique, only the final formalisation will properly institutionalise

the collaboration between G7 leaders and local governments and align engagement with the formal cooperation commitments made by G7 leaders and ministers in the past. We hence ask for this step to be taken as soon as possible, in order to ensure a structured, ongoing dialogue across all policy tracks. This will be vital for enabling local and regional governments to contribute their perspective and solutions to global challenges such as climate action and sustainable urban development. It will ultimately boost G7 progress towards shared goals and objectives.

Conclusion

The U7 strongly believes that local governments have a vital role to play in achieving the G7's goals on climate action, urban sustainability, and economic transformation. The recognition by Urban Development Ministers in "considering cities and sustainable integrated urban policies" as "the appropriate scale and the right dimension to work" towards net-zero, circular, climate-resilient, just, digital and smart cities is heartening. By recognising the U7 as an official engagement group, supporting local investment capacities, and fostering multilevel cooperation, the G7 can take important steps towards the creation of a more inclusive and effective framework for governance. This will ensure that the voices of cities and municipalities are included in the preparation of G7 working groups and ministerial meetings, allowing for the co-creation of policies that address the unique challenges faced by urban areas.

We therefore urge G7 leaders to incorporate these key points into their ongoing discussions at the leaders' level and in the Urban Development Ministerial track, ensuring that cities and municipalities are empowered to contribute to their full potential to G7 work towards a sustainable, resilient, and equitable future.

