Integrated urban policy to achieve the SDGs

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Integrated urban policy to achieve the SDGs

Integrated urban policy – which co-ordinates actions across sectors, levels of government, and stakeholders – is critical for achieving the SDGs, particularly in cities. With the 2030 Agenda deadline approaching, progress remains uneven: while OECD cities have improved on some SDGs – notably on SDG 17 on partnerships for the goals, and SDG 11 on sustainable cities and communities – key challenges persist in other SDGs, notably those related to housing, transport, and climate action. National Urban Policies (NUPs) can help accelerate progress by aligning urban development with the SDGs. Drawing on OECD and G7 practices, this paper identifies seven priority areas where integrated urban policy could boost progress on multiple SDGs: affordable housing, sustainable transport, energy efficiency, digitalisation, urban regeneration, land-use planning, and green infrastructure. The paper also discusses ways in which governments can advance integrated urban policy through reinforcing multi-stakeholder engagement, securing and aligning public and private finance, and constant monitoring and evaluation of policies.

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Preface

I am delighted to introduce the policy paper on *Integrated Urban Policy to Achieve the SDGs*, which was prepared by the OECD to support the Italian Presidency of the G7 in 2024.

Integrated urban policy is essential to achieving the 2030 Agenda and the Sustainable Development Goals (SDGs), as it enables cities to address complex, interlinked challenges through co-ordinated actions. By aligning plans and interventions across various key sectors of urban development, such as housing, transport, energy, and digital infrastructure, as well as across levels of government, integrated urban policy can help maximise synergies and reduce policy fragmentation. This integrated approach also fosters sustainable and inclusive growth by ensuring that urban development benefits all residents, particularly vulnerable groups, notably through improved access to affordable housing, public services, jobs, and green spaces. At the same time, it can drive economic development by enhancing infrastructure efficiency, stimulating innovation, and creating new employment opportunities, especially in green and digital sectors. Integrated urban policy thus helps reinforce the role of cities as engines of national and global development.

In this context, National Urban Policies (NUPs) and the OECD Principles on Urban Policy provide robust guiding frameworks for advancing integrated urban policy and accelerating progress towards the SDGs. NUPs help ensure coherence across priorities and interventions of different sectors and levels of government, as well as align local needs with national priorities to shape more competitive, sustainable, and inclusive cities. The OECD Principles on Urban Policy provide guidance on how to design and implement place-based, people-centred, and forward-looking urban policies.

Drawing on these frameworks, this policy paper aims to help national and subnational governments better understand how to achieve the SDGs through integrated urban policy. Building on good practices and experiences of OECD and G7 countries, it identifies seven priority areas where integrated urban policy can drive progress across multiple SDGs. It concludes by providing a set of recommendations on how to design and implement integrated urban policy. The paper informed the discussions of the G7 Ministerial Meeting on Sustainable Urban Development held under the Italian Presidency of the G7 on 3-4 November 2024 in Rome, Italy. It also benefited from additional data, examples and reviews under the Canadian Presidency of the G7 in 2025.

I hope that the analysis and recommendations from this paper will help governments at all levels advance more integrated and effective urban policy to accelerate progress towards the SDGs and shape more resilient urban futures.

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OECD Deputy Secretary-General

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This paper was co-ordinated by Stefano Marta, Head of the Smart and Sustainable Cities Unit, and drafted by Oscar Huerta Melchor, Project Manager (Chapters 1, 3 and 4) and Marcos Díaz Ramírez, Economist (Chapter 2), under the overall supervision of Aziza Akhmouch, Head of the Cities, Urban Policies and Sustainable Development Division of the CFE. Valuable comments were also received from Lucas Vázquez Bassat, Lorenz Gross, Soo-Jin Kim, and Tadashi Matsumoto in the CFE. Special thanks go to Anthony Cox, Senior Policy Advisor, Ecologic Economics and former Deputy Director of the OECD Environment Directorate (ENV), for his in-depth review of the paper.

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Abbreviations and acronyms

AI	Artificial intelligence
ANAH	French National Housing Agency
ANCT	French National Agency for Territorial Cohesion, *Agence nationale de la cohésion des territoires*
BCH	Build Canada Homes
CHIF	Canada Housing Infrastructure Fund
CIB	Canada Infrastructure Bank
DAC	OECD Development Assistance Committee
DDC	Decentralised development co-operation
DMAF	Disaster Mitigation and Adaptation Fund
EU	European Union
FUA	Functional urban area
G7	Group of the Seven
GDP	Gross domestic product
GHG	Greenhouse gas
GIF	UK Green Infrastructure Framework
GVA	Gross value added
IEA	International Energy Agency
NHP	Mexican National Housing Programme
NUP	National urban policy
ODA	Official development assistance
OECD	Organisation for Economic Co-operation and Development
PM2.5	Fine particulate matter
PPP	Public-private partnership
RHI	Canadian Rapid Housing Initiative
RDP	Regional development plan
SALAR	Swedish Association of Local Authorities and Regions
SDG	UN Sustainable Development Goal
SOS4LIFE	Save Our Soil for Life
SUDO	Sustainable Urban Development Officials
TOD	Transit-oriented development
TSUNAG	To Secure Urban Nature and Green Space
UK	United Kingdom
UN	United Nations
UN-Habitat	United Nations Human Settlement Programme
VLR	Voluntary local review
ZEB	Zero emission bus

Executive summary

Integrated urban policy – a co-ordinated and collaborative approach to urban development that aligns policies across sectors and levels of government, while engaging diverse stakeholders – is essential to deliver on the United Nations (UN) Sustainable Development Goals (SDGs). With five years left to achieve the 2030 Agenda for Sustainable Development (hereafter the "2030 Agenda"), it is urgent to accelerate progress on the SDGs in cities. National urban policies (NUPs) help align actions and investment across sectors and levels of government, supporting SDG 11 (Sustainable cities and communities) and over 100 SDG targets requiring local action.

Drawing on a review of literature from OECD countries and good practices identified as part of the work of the Sustainable Urban Development Officials group of the Group of Seven (G7), this paper identifies seven thematic areas where integrated urban policy can drive progress across multiple SDGs and where inaction carries high risks.

Key findings

Despite some progress, most cities in OECD countries are not on track to achieve the SDGs by 2030

- Cities are making progress on many SDGs, but performance remains uneven across goals. Between 2017 and 2022, cities improved on average in 8 of the 13 goals with available data – most notably in SDGs 11 (Sustainable cities and communities), 14 (Life below water) and 17 (Partnerships for the goals), driven by better Internet speed, stronger coastal protection and cleaner air. In contrast, cities have stalled or regressed on SDGs 8 (Decent work and economic growth), 12 (Responsible consumption and production) and 13 (Climate action).
- Most cities remain far from the 2030 suggested end values. As of 2022, 11% of cities in OECD countries had not reached any of the suggested SDG end values, and no city had achieved more than 5.

Although cities in OECD countries are close to achieving many targets within SDG 11, housing, transport and climate action remain key challenges

- Housing affordability is continuing to deteriorate. Between 2013 and 2023, housing prices increased by 68% in large cities. In some regions hosting large cities (1.5 million inhabitants or more), households now spend up to 25% of their disposable income (household income after taxes and transfers) on housing.
- Access to public transport remains uneven, with only 70% of residents in midsize and large cities living within a 10-minute walk – and below 50% in some cities.

- Climate action is still insufficient. Only 40% of cities emit less than 4.7 tonnes of carbon dioxide equivalent (tCO_2eq) per capita – the level aligned with the International Energy Agency's net zero scenario.

While central to SDG 11, NUPs can drive progress across all SDGs, but implementation gaps persist

- By co-ordinating policies across sectors and across levels of government, NUPs can strengthen synergies among SDGs and help align local needs with national priorities. A 2021 OECD/ United Nations Human Settlements Programme (UN Habitat) survey found that beyond SDG 11, NUPs can make the strongest contribution to SDGs 6 (Clean water and sanitation), 8 (Decent work and economic growth), 9 (Industry, innovation and infrastructure), 10 (Reduced inequalities) and 13 (Climate action).
- In 2023, 84% of 77 surveyed countries reported having adopted a NUP, but alignment with the SDGs is limited as only 31% link NUP monitoring to SDG indicators.

Seven SDG 11-related urban thematic areas where policy integration delivers and inaction is costly

- **Housing**: Affordable, adequate housing is critical to reduce poverty and exclusion. Canada's Rapid Housing Initiative uses modular construction and building conversions to quickly house vulnerable groups (SDG 1: No poverty, SDG 10: Reduced inequalities).
- **Sustainable transport**: Inadequate transport systems increase emissions and air pollution, harming public health while limiting access to jobs and services. Japan's transit-oriented development links land use and mobility to reduce emissions, improve health and build inclusive cities (SDG 3: Good health and well-being, SDG 13: Climate action).
- **Energy efficiency**: Without action, global energy demand could increase 18% by 2030, adding USD 650 billion per year to household energy bills. France's housing renovation policy aims to improve energy efficiency and affordability for low-income households, cutting emissions, reducing energy bills and avoiding future retrofits costs (SDG 10: Reduced inequalities, SDG 13: Climate action).
- **Digitalisation and data**: Limited use of digital infrastructure and data hampers service delivery and crisis response. Japan's PLATEAU project builds three-dimensional (3D) digital twins to support urban planning and co-ordinate policies on housing, transport and disaster management (SDG 11: Sustainable cities and communities, SDG 13: Climate action).
- **Urban regeneration**: Failing to invest in urban regeneration can reduce property tax revenues, weaken public services and city attractiveness. Germany's National Urban Development Policy funds projects that repurpose public spaces to support climate, mobility and social goals, such as transforming underused areas into green, educational and active mobility hubs (SDG 4: Quality education, SDG 13: Climate action).
- **Land use and planning**: Poor land use and planning can limit quality housing and services. Italy's SOS4LIFE project helps municipalities reduce land take and promote sustainable urbanisation by mapping ecosystem services and linking development to de-sealing actions that improve water absorption (SDG 6: Clean water and sanitation, SDG 13: Climate action).
- **Green and resilient infrastructure**: Without nature-based solutions, cities are increasingly vulnerable to floods, heatwaves and pollution: for example, a lack of investment in additional green infrastructure could potentially cost European Union (EU) cities EUR 190 billion annually in climate-related damages by 2070. The United Kingdom (UK) Green Infrastructure Framework helps cities

expand green space to boost climate resilience, health outcomes and equitable access to nature (SDG 3: Good health and well-being, SDG 13: Climate action).

Ways forward for integrated urban policy to achieve the SDGs

National and subnational governments could use an explicit NUP (a policy formally entitled "national urban policy" or a variant) to reduce inefficiencies and foster synergies across multiple SDGs, by:

- Developing integrated housing policies that address affordability, accessibility, inclusion, sustainability and economic resilience to tackle poverty (SDG 1), improve health and well-being (SDG 3) and reduce inequalities (SDG 10). This may include: diversifying housing supply, offering a mix of tenures; prioritising affordable housing near key public services; and retrofitting housing to generate local green jobs.
- Aligning transport policy with land use, zoning, housing, digital and urban regeneration policies to improve access to education (SDG 4) and jobs (SDG 8), and to reduce emissions (SDG 13). Urban mobility plans linked to land-use master plans and social inclusion policies along with joint planning in metropolitan areas could enhance accessibility to critical services.
- Using digitalisation to strengthen cities' resilience while enhancing access to education (SDG 4), creating new jobs (SDG 8) and improving energy efficiency (SDG 7). This could be done by expanding digital infrastructure, modernising services (e.g. mobility, healthcare, education), enabling data-driven decisions and promoting digital inclusion.
- Promoting energy efficiency through integrated urban policies to create low-carbon and resilient cities. This includes green building standards and codes (SDGs 7 and 11), energy-efficient infrastructure (SDG 9) and compact, mixed-use developments (SDG 11). This can be achieved by updating building codes and standards, enhancing vehicle efficiency measures, optimising digital systems with energy-efficient data centres, and strategic land-use planning.
- Encouraging urban regeneration to advance social, economic and environmental objectives by tackling poverty (SDG 1) through accessible housing and transport (SDG 11) and climate change mitigation (SDG 13). This requires: using spatial planning tools (e.g. digital twins, impact assessments) to assess policy trade-offs and synergies; integrating sustainability criteria in investment decisions; and establishing participatory governance to align renewal with broader urban priorities.
- Connecting land-use planning to housing, the economy, infrastructure and the environment to promote compact, connected and low-carbon cities (SDGs 11 and 13). This requires flexible land-use planning to accommodate changing conditions through scenario-based planning, periodic plan reviews and dynamic zoning.
- Embedding green infrastructure into urban planning frameworks (SDG 11) to boost economic growth (SDG 8) and nature-based solutions (SDG 15). This could be done by pooling budgets from different departments to co-fund green infrastructure, using green bonds and strengthening co-ordination through cross-departmental task forces.

1 Why urban policy matters for sustainable development

This chapter sets the scene on how integrated urban policy drives sustainable development. It provides an overview of the risks and opportunities from urbanisation and the role of national urban policies to advance the 2030 Agenda and its SDGs by prioritising affordable housing, promoting active transport, building energy-efficient and green infrastructure, and enhancing urban resilience. It delves more specifically into SDG 11 (Sustainable cities and communities).

Urban policy and sustainable development

Over the last decades, urbanisation has been considered a global policy opportunity and challenge. Getting urbanisation right is of vital importance for both urban and rural residents because its implications, positive or negative, may last for generations.

Urbanisation generates risks and opportunities

Across OECD countries, the population is largely concentrated in functional urban areas (FUAs). FUAs, defined as the combination of a city (urban centre) and its surrounding commuting zone, comprising a set of contiguous local units (Dijkstra, Poelman and Veneri, 2019[1]), account for approximately 80% of the total population. However, this share varies significantly, ranging from 34% in the Republic of Türkiye (hereafter Türkiye) to 81% in Portugal (OECD, 2024[2]). The urban population is projected to reach 5 billion and almost 55% of the world population by 2050 (OECD/European Commission, 2020[3]). Over the next two decades, across OECD countries, population is expected to remain concentrated in metropolitan regions. Projections for 27 OECD countries indicate that while the population in metropolitan areas will remain largely stable, regions near metropolitan areas and those further away are expected to experience declines of 2.8% and 2.3% respectively. As a result, the proportion of people living in metropolitan regions is set to rise slightly from 66% to 67% by 2040, while the share in nearby regions will fall from 16% to 15%, and in more remote regions from 18% to 17% (OECD, 2022[4]).

As engines of growth, and major hubs of people, goods and services, cities are instrumental in the socio-economic and environmental development of countries. In OECD countries, metropolitan areas with at least half a million inhabitants accounted for 45% of the total population and generated 52% of gross domestic product (GDP) in 2018 (OECD, 2020[5]). Cities have enormous potential for job creation, innovation and green growth and are the hubs and gateways in global trade and transport networks. For example, doubling the size of a city can increase productivity by 12% in India and 19% in the People's Republic of China (hereafter referred to as "China"),[1] but cities need to create 50 million green jobs by 2030 to reduce emissions and limit global heating to 1.5 degrees Celsius (°C).[2]

Urbanisation generates risks and opportunities for cities. For example, income levels in cities are 21% higher than the national averages, but income inequality is higher in metropolitan areas than in non-metropolitan areas (OECD, 2019[6]). Housing is a particular challenge as nearly 1 billion people live in informal settlements[3] close to urban areas worldwide,[4] and house prices in large FUAs increased by 68% between 2013 and 2023 while, in midsize FUAs, the increase was 50% (OECD, 2024[2]). Cities generate 70% of greenhouse gas (GHG) emissions[5] and represent two-thirds of global energy consumption, but at the same time are responsible for 55% of climate- and environment-related spending (OECD, 2019[6]). Thus, while many cities still lack the basic urban infrastructure needed to foster economic growth (e.g. mobility and electricity), social inclusion (e.g. adequate housing, sanitation) and environmental sustainability (e.g. clean energy), the spatial concentration of people and economic activities in urban areas provides an opportunity to increase resource efficiency and facilitate the access to opportunities for people to thrive.

NUPs can advance the 2030 Agenda at the local level

The experience of OECD countries suggests that to harness urbanisation and mitigate its risks, there is a need for aligning and co-ordinating sectoral policies across ministries, departments and levels of government. The design and implementation of urban policies can drive sustainable urban development through enabling an overarching co-ordination of key issues affecting residents' quality of life. Defined as "a co-ordinated set of policy decisions to plan, finance, develop, run and sustain cities of all sizes, through a collaborative process in shared responsibility within and across all levels of government, and grounded in multi-stakeholder engagement of all relevant urban actors, including civil society and the private sector"

(OECD, 2019, p. 8[6]), urban policy can ensure that the benefits of urbanisation are fully shared and inclusive, guaranteeing, in particular, the access to housing, infrastructure and services for all (e.g. transport, education, healthcare) and a safe environment.

The OECD Principles on Urban Policy provide high-level guidance for local and national governments to work together in: i) targeting an effective scale of policy action; ii) adopting a coherent, integrated and effective strategy; and iii) engaging stakeholders in a co-designed, co-implemented and co-monitored urban policy (OECD, 2019[6]) (Box 1.1). These principles provide the foundations for cities to have a solid economic activity, allowing their residents to make a good living and function well while making a rational use of their resources. In particular, Principle 7 calls for aligning and integrating sectoral policies to promote development and well-being under a multi-level approach. The NUP Guiding Framework developed by UN-Habitat outlines key elements and instruments of the policy process through all five NUP phases: feasibility, diagnosis, formulation, implementation and monitoring, and evaluation (UN-Habitat, 2016[7]).

Box 1.1. OECD Principles on Urban Policy

Scale

- **Principle 1**. Maximise the potential of cities of all sizes to advance national and global prosperity and well-being over time.
- **Principle 2.** Adapt policy action to the place where people live and work.
- **Principle 3.** Support interdependencies and co-operation between urban and rural areas.

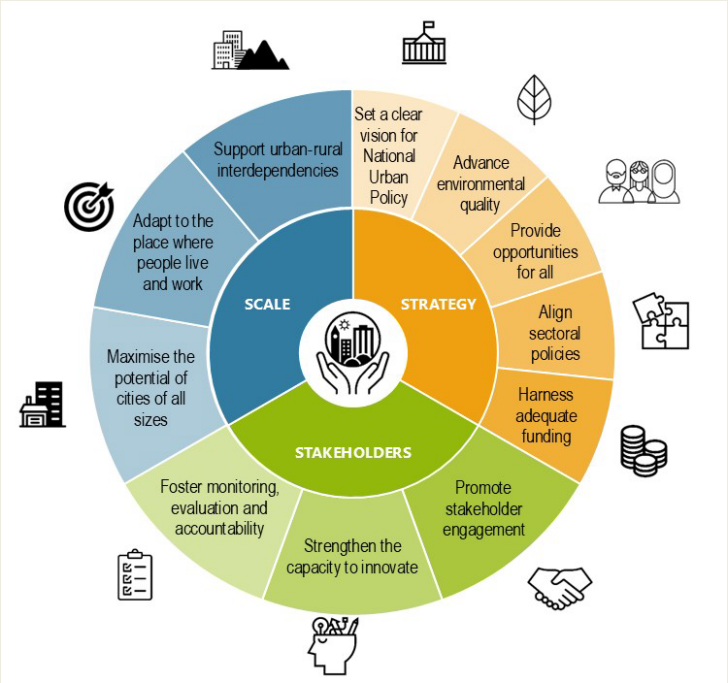
Strategy

- **Principle 4.** Set a clear vision for national urban policy that is fit for the future.
- **Principle 5.** Leverage the potential of cities of all sizes for advancing environmental quality and the transition to a low-carbon economy.
- **Principle 6.** Promote inclusive cities that provide opportunities for all.
- **Principle 7.** Foster a national and multi-level urban policy approach that sets incentives to align and integrate sectoral policies to jointly promote development and well-being in cities.
- **Principle 8.** Harness adequate funding for effective implementation of responsibilities for urban policy at all levels of government.

Stakeholders

- **Principle 9.** Promote stakeholder engagement in the design and implementation of urban policy.
- **Principle 10**. Strengthen the capacity of actors in cities to innovate and fulfil their duties effectively, efficiently and inclusively.
- **Principle 11**. Foster monitoring, evaluation and accountability of urban governance and policy outcomes.

Figure 1.1. OECD Principles on Urban Policy



Source: OECD (2019[6]), *OECD Principles on Urban Policy*, www.oecd.org/cfe/.

More specifically, NUP, defined as "a coherent set of decisions through a deliberate government-led process of co-ordinating and rallying various actors towards a common vision and goal that will promote more transformative, productive, inclusive and resilient urban development for the long term" (OECD/UN-Habitat/UNOPS, 2021, p. 46[8]) is increasingly used as a tool to strengthen the quality of urbanisation in OECD countries. An NUP primarily aims to provide a clear strategic framework and effective co-ordination mechanisms to articulate policies across sectors, levels of government and the urban-rural continuum for sustainable development and well-being. An NUP should also set a clear vision for urban policy that is fit for the future, as called for by Principle 4 "Set a clear vision for national urban policy that is fit for the future".

UN-Habitat-OECD research shows that 65 out of 77 countries reviewed worldwide (84%) have adopted an NUP (UN-Habitat/OECD, 2024[9]). Of the 65 countries with an NUP, 41 (63%) have an explicit policy, formally identified by terms such as "national urban policy" or similar variations in its title. The remaining 24 countries (37%) have an implicit NUP, where a strategic document, although not explicitly labelled as an NUP, focuses on urban issues or significantly impacts cities. A growing number of countries are implementing mostly explicit NUPs to provide a common vision on the process of urbanisation, define priorities and set directions to guide investments and co-ordinate policy action. The share of explicit NUPs, increased to 63% in 2024, up from 51% in 2018 and 58% in 2021 (UN-Habitat/OECD, 2024[9]).

NUPs are also vehicles to implement global agendas, in particular the SDGs (OECD/UN-Habitat/UNOPS, 2021[8]). In fact, NUP is officially included in the SDG targets (Indicator 11.a.1 Number of countries that have national urban policies or regional development plans), as a means to respond to population dynamics, ensure balanced territorial development and increase local fiscal space. By fully tapping into the potential of NUPs, national and subnational governments can harness the positive contribution of cities to global sustainability goals. Countries like Costa Rica and Germany argue that working towards

sustainable urban development requires integrated urban policies, and that an effective urban policy must be linked to the SDGs (OECD/UN-Habitat/UNOPS, 2021[8]).

An NUP's role is also to co-ordinate the action of different levels of government. Although the SDGs were agreed by national governments, they require the support and co-ordinated action of subnational levels of government for at least 105 of the 169 targets underlying the 17 SDGs (OECD, 2020[10]). This is notably the case for several policy domains, from water to public transport, land use, infrastructure, education, climate change and housing, among others. Through the alignment of different sectoral policies and with the contribution of subnational governments, NUPs can help advance SDGs in cities.

Based on the definitions of NUPs and the OECD Principles on Urban Policy, integrated urban policy may be understood as a co-ordinated and collaborative approach to urban development that aligns policies across sectors and levels of government, while engaging with diverse stakeholders.[6]

The institutional context matters for implementing NUPs

The existence and implementation of an NUP vary significantly across countries due to differences in institutional arrangements and the division of responsibilities among levels of government (OECD/UN-Habitat, 2018[11]; OECD/UN-Habitat/UNOPS, 2021[8]). Typically, in federal countries, responsibilities for urban policy are often fragmented across federal, state or provincial, and local levels or predominantly reliant on these lower levels. This can often hinder the development of a unified national urban strategy. For example, in Canada, provinces have jurisdiction over municipal affairs, limiting the federal government's direct role in urban planning. Similarly, in Australia, urban development falls under the authority of states and territories, with limited federal oversight (OECD/UN-Habitat/UNOPS, 2021[8]).

Moreover, constitutional restrictions may prevent federal governments from enacting binding urban legislation at the national level, leading them to use non-binding instruments such as incentives, policy guidance and partnerships. Research by the OECD and UN-Habitat highlights several strategies to address these governance challenges. For example, establishing inter-governmental platforms (e.g. national urban fora or committees) can foster dialogue and policy alignment across levels of government. Incentive-based programmes, where access to federal funding is tied to compliance with national objectives, can also encourage co-ordination (OECD/UN-Habitat/UNOPS, 2021[8]). Other effective tools include shared urban data systems for evidence-based policymaking, model legislation that subnational governments may voluntarily adopt, and targeted capacity building to support local policy implementation.

While specific contexts might differ, both federal and unitary countries can benefit from strong multi-level co-ordination to manage urbanisation effectively. In federal systems, the national government can play a critical role in providing financial and technical support to complement subnational efforts. In unitary states, institutional arrangements also vary, with some favouring centralised control while others promote decentralisation, most seeking a balance between national leadership and local engagement.

SDG 11 is not only a goal in itself but an enabler of other SDGs

SDG 11 (Make cities and human settlements inclusive, safe, resilient and sustainable, commonly referred as "Sustainable cities and communities") has a direct impact on people's well-being. It sets 10 targets and 15 indicators for addressing issues such as access to affordable housing, slums upgrading, accessible and sustainable transport, improving human settlement planning, protecting and safeguarding cultural and natural heritage, reducing the human and economic losses caused by disasters, improving air quality and better managing waste, and building green infrastructure and safe public spaces. SDG 11 promotes positive economic, social and environmental links between urban, peri-urban and rural areas. It is the most spatially explicit SDG as it deals with phenomena that are tied to physical space and geography, making them observable, measurable, and mappable across cities and regions, and determines access to housing,

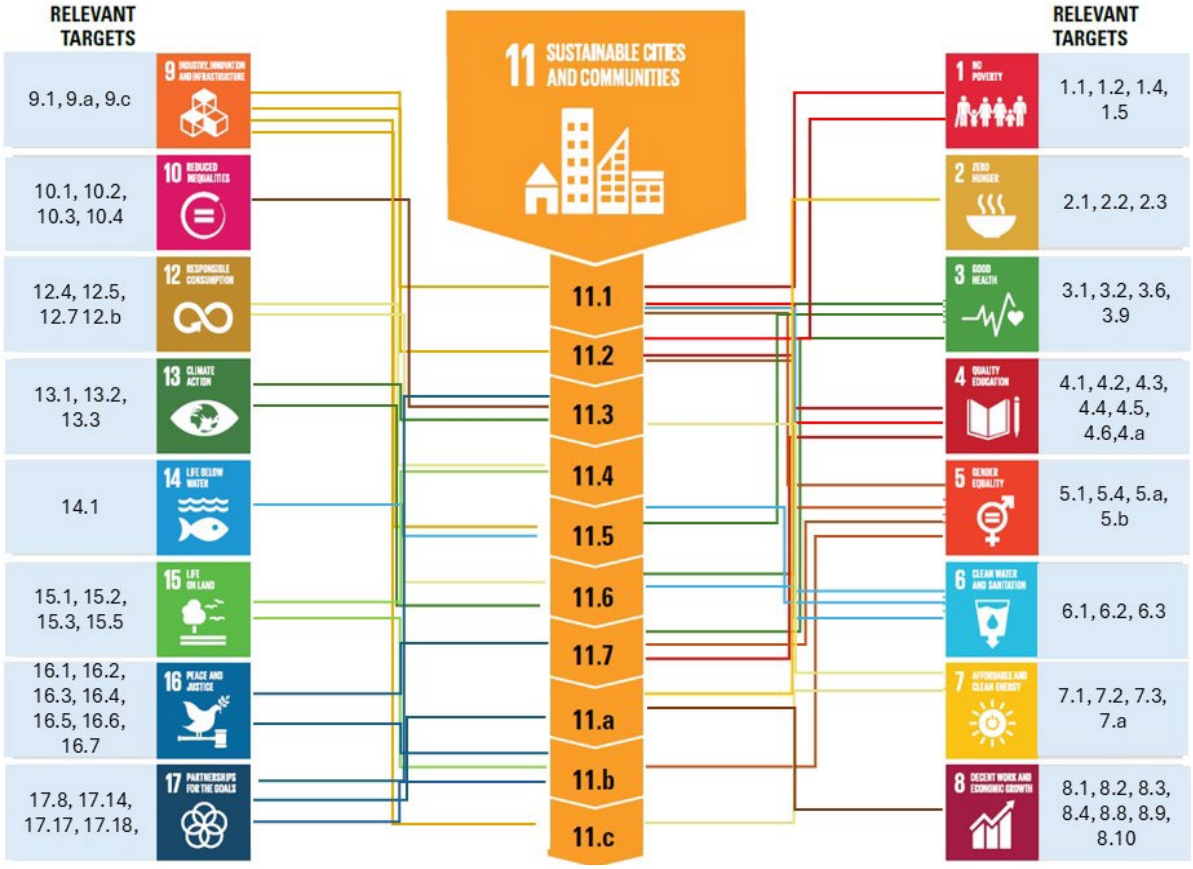
transport and green areas. It encourages countries and cities to adopt and implement integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, and resilience to disasters.

While SDG 11 is central to sustainable urban development, building synergies with other SDGs and minimising trade-offs is key to the effectiveness and impact of NUPs in achieving well-being outcomes. For example, a reliable provision of drinking water (SDG 6), energy (SDG 7), food (SDG 2) as well as well-paid jobs (SDG 8) and responsible production (SDG 12) are preconditions for sustainable cities (SDG 11). Similarly, education (SDG 4) and health (SDG 3) play a part in enabling sustainable urban development, aiming for all learners to acquire the knowledge and skills for sustainable development (e.g. climate change mitigation) and sustainable lifestyles, and achieve universal health coverage and access to quality healthcare services, thereby enabling individuals to sustain themselves and generate income more specifically. Linkages between SDG 11 and other SDGs can be identified at the target level. For example, as Figure 1.2 suggests, Target 11.1 aims to ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums by 2030, which is directly linked to Target 1.1 that calls to end extreme poverty. An NUP should therefore not only focus on SDG 11 to make cities and human settlements inclusive, safe, resilient and sustainable, but also consider how progress toward other SDGs could have a positive effect on cities. For example, social development and economic prosperity in cities (Target 11.a) depend on the sustainable and inclusive access to and management of water and sanitation, including addressing its rising inequality (SDG 6). Moreover, access to technologies and infrastructure (SDG 9) is essential to accelerating productivity and reducing urban poverty. Well-performing urban infrastructure transforms the quality of services and promotes economic development by guaranteeing jobs and income (SDG 8). Urban policies that earmark funding for sustainable transport can drive the low-carbon transition in cities (SDG 13).

There is a growing literature focused on the linkages between SDG 11 and other SDGs (Nabiyeva and Wheeler, 2024[12]; UN-Habitat, 2018[13]; Pham-Truffert et al., 2020[14]). According to an NUP survey conducted by the OECD, UN-Habitat and United Nations Office for Project Services (UNOPS)/Cities Alliance in 2020 among 89 countries, the top five SDGs that NUP can extensively contribute to, aside from SDG 11, were SDG 6 on clean water and sanitation (31 countries), SDG 9 on industry, infrastructure and innovation (30 countries), SDG 13 on climate action (29 countries), SDG 8 on decent work and economic growth (25 countries), and SDG 10 on reduced inequalities (24 countries) (Figure 1.3) (OECD/UN-Habitat/UNOPS, 2021[8]).

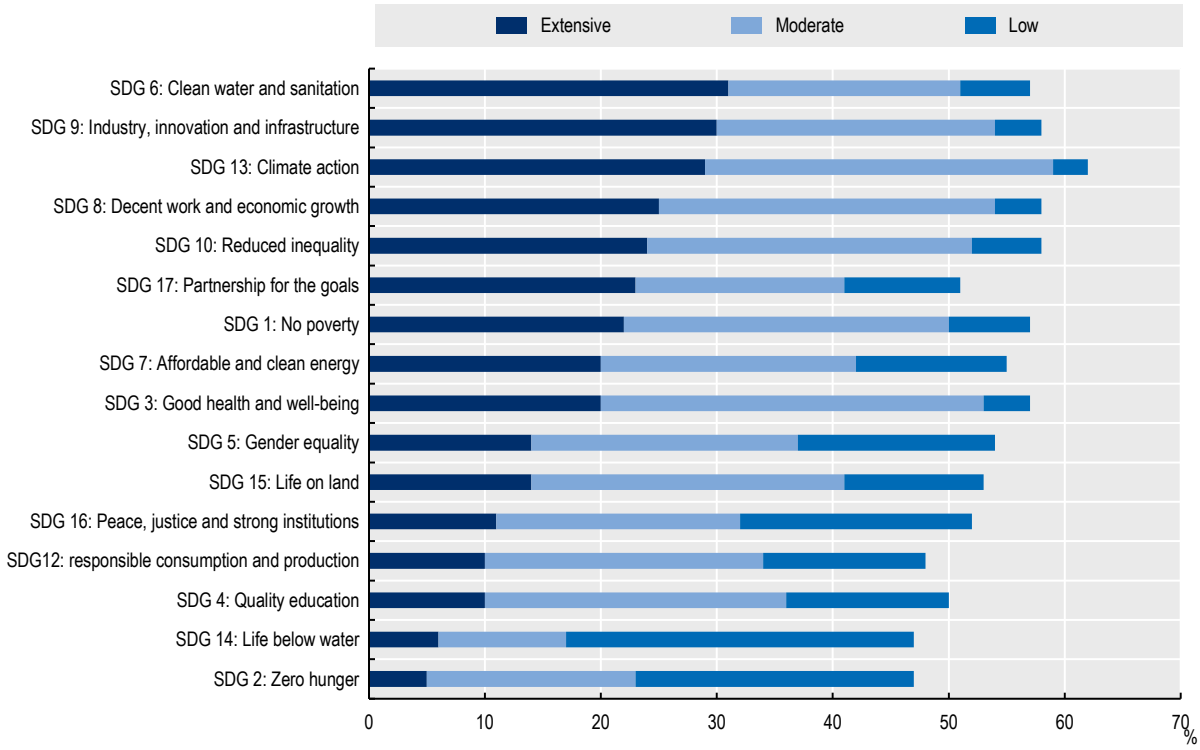
An NUP could be relevant to different SDGs. For example, in Israel, the Urban Strategic Plan for 2040 aims to promote an integrated vision for employment (SDG 8) and industrial areas (SDG 9); while Bulgaria's NUP requires that every integrated territorial strategy includes climate action measures (SDG 13); and Poland's NUP focuses on strengthening the co-operation of self-governments[7] within FUAs, enhancing urban-rural linkages and promoting economic development (SDGs 8 and 9) across all regions (OECD/UN-Habitat/UNOPS, 2021[8]). If well-co-ordinated, NUPs can also reduce silos and help better manage trade-offs and co-benefits across competing urban policy goals (Pham-Truffert et al., 2020[14]). For example, a siloed approach to housing and transport policies (SDG 11) would result in sprawl and car-centric urban development in the absence of adequate transport. This may lead to, for example, congestion and higher emissions (SDG 13), exclusion of marginalised communities (SDG 10), decreased productivity (SDG 9) and limited access to education (SDG 4) and medical services (SDG 3). NUPs allow for the implementation of policies across multiple areas ensuring coherence and integration and provide actionable steps for urban policy. An NUP is a place-based strategy that sets the long-term and integrated strategic goals for urban areas and link multiple policy sectors relevant to cities. More specifically, a multi-sectoral NUP might serve as a valuable tool for the integration of multiple policy areas in efforts to build more resilient, greener and inclusive cities (OECD/UN-Habitat/UNOPS, 2021[8]).

Figure 1.2. Interlinkages between SDG 11 and other SDGs and their targets



Source: Adapted and updated from UN-Habitat (2018[13]), *Tracking Progress Towards Inclusive, Safe, Resilient and Sustainable Cities and Human Settlements*, https://www.un-ilibrary.org/content/books/9789210472401.

Figure 1.3. Number of NUPs per level of contribution to other SDGs, n=86



Source: Data are drawn from the OECD/UN-Habitat/Cities Alliance National Urban Policy Country Survey 2020 and published in OECD/UN-Habitat/UNOPS (2021[8]), *Global State of National Urban Policy 2021: Achieving Sustainable Development Goals and Delivering Climate Action*, https://doi.org/10.1787/96eee083-en.

NUPs may serve as tools for integrated urban policies to achieve the SDGs

NUPs can help strengthen synergies across the 17 SDGs (UN-Habitat/OECD, 2024[9]). By breaking down silos and fostering collaboration, an NUP enables cities to pursue the SDGs, particularly SDG 11 in a coherent, efficient and people-centred manner, addressing the interconnected nature of urban challenges. For instance, nature-based solutions can be integrated across urban planning, waste management and water systems to strengthen climate resilience, and environmental and human health. Similarly, co-ordination between the health, housing and infrastructure sectors can help address vulnerabilities and enhance preparedness for shocks such as pandemics or extreme weather events.

A key feature of NUPs is that they are versatile policy instruments addressing specific policy themes defined according to the national urban priorities. Whether an NUP is mono-sectoral or multi-sectoral, what matters is its integration with other policies to foster cross-sectoral collaboration, create synergies and minimise trade-offs and misalignments, especially in sectors such as urban resilience and urban regeneration. An NUP survey conducted in 2023 by the OECD and UN-Habitat among 78 countries revealed that, for 90% of NUPs, climate resilience is a pressing priority. Economic development and social-institutional resilience were covered by 75% and 41% of NUPs respectively (UN-Habitat/OECD, 2024[9]). Hence, the design and implementation of NUPs should proactively engage sectoral ministries responsible for environmental protection, economic development and social policy. By promoting a shared vision, facilitating resource sharing and addressing interdependencies across policy areas, NUPs can help ensure that economic and social policies are better tailored to the specific challenges of different places.

As Table 1.1 shows, most G7 countries have an NUP either explicit or implicit in the promotion of more resilient and sustainable cities. In particular:

- **Germany and Japan have explicit NUPs in the phase of implementation**. These NUPs provide a strategic, long-term and shared vision for national urban development; integrate and co-ordinate sectoral policies (e.g. urban economy, social inclusion, climate change, technological innovation, etc.); include co-ordination mechanisms across levels of government clarifying roles, responsibilities and resources; and promote and ensure the engagement and participation of subnational governments and stakeholders (citizens, the private sector, academics, etc.) in the policy-making process.
- **Canada, France, Italy and the United Kingdom have implicit NUPs**. They have similar characteristics to explicit NUPs such as: the definition of a long-term strategic vision; integration and co-ordination of sectoral policies; mechanism of co-ordination across levels of government; and the promotion of stakeholder engagement. The difference is that urban development policy provisions are scattered in various policy documents adopted over time. This requires efforts to ensure policy coherence and align policy actions towards a common urban development vision, avoiding conflict and inconsistent priorities across documents.
- **The United States does not have an NUP, either explicit or implicit**. The United States operates through an implicit approach, where various federal policies, such as those related to housing, transport and economic development, impact urban areas without being co-ordinated under a unified urban policy framework. This means that while the federal government implements numerous programmes affecting cities, these initiatives are not part of a cohesive national urban strategy.

Table 1.1. National urban policies in G7 countries

Country	NUP of country (year)	Type	Stage of implementation
Canada	National Housing Strategy (mono-sectoral)	Implicit	Implementation
France	NUP1: *Politique de la ville* NUP2: *Action cœur de ville* (2023) NUP3: *Le programme Petites villes de demain*	Implicit	Monitoring and evaluation
Germany	*Nationale Stadtentwicklungspolitik*/National Urban Development Policy (2020)	Explicit	Implementation + Monitoring and evaluation
Italy	NUP1: The PON Metro Plus programme NUP2: *Strategia Nazionale per lo Sviluppo Sostenibile* (National Strategy for Sustainable Development) (2017) NUP3: *Strategia nazionale per le aree interne* (National Strategy for Inner Areas) (2022)	Implicit	Implementation + Monitoring and evaluation
Japan	National Spatial Strategy (National Plan) (2023)	Explicit	Implementation
United Kingdom	NUP1: Levelling Up White Paper and the Levelling-up and Regeneration Act (2023) NUP2: National Planning Policy Framework (NPPF) (2023) NUP3: National Model Design Code (2021)	Implicit	Implementation + Monitoring and evaluation
United States	x	x	x

Note: x = not applicable, i.e. no NUP in place
Source: UN-Habitat/OECD (2024[9]) and answers to the Global State of National Urban Policy 3.0 Country Survey conducted in June 2023.

The extent of positive outcomes and impacts delivered by NUPs largely depends on their effective implementation. The 2023 OECD/UN-Habitat survey on the global state of national urban policy highlighted a diversity of approaches through which countries implement NUPs, with reported results ranging from improved legislative frameworks to innovative planning, design and enhanced urban resilience (OECD/UN-Habitat, 2024[15]).

Of the surveyed countries, 76% (52 countries) have an NUP monitoring and evaluation framework and reporting a variety of positive impacts. For example, 42% (27 countries) reported that NUP helped introduce innovative urban planning instruments and promote an inclusive use of urban spaces and services. For instance, Morocco's NUP was reported to have helped manage rapid urbanisation through more effective spatial planning, allowing territories to leverage their potential while addressing socio-economic and environmental issues. Similarly, 37% (23 countries) reported better institutional arrangements and improved legal frameworks, alongside progress in fostering urban resilience. For example, in Peru, urban policy implementation remains at an early stage but the New Urban Agenda has spurred the development of new legal frameworks for sustainable urban development. Additionally, 34% (23 countries) noted more effective stakeholder engagement, and 32% (20 countries) identified contributions to environmental goals, carbon neutrality, clean energy target, and improved co-ordination of urban infrastructure and service delivery. However, only 15% of countries reported that their NUPs had significantly enhanced the ability of local authorities to increase local revenue (OECD/UN-Habitat, 2024[15]). This highlights the need for NUPs to better support local fiscal capacity and policy implementation.

NUPs could also contribute to addressing regional inequalities. OECD analysis comparing GDP per capita across regions and the presence of NUPs found that explicit NUPs are more common in countries with lower regional disparities, such as Finland, Japan, Korea, the Netherlands and New Zealand.

Data from 25 countries also show that 10 of the 11 countries where regional disparities declined (2000-20) had an NUP in place. Conversely, of the 14 countries where disparities increased, three had no NUP. Moreover, explicit NUPs are more commonly associated with countries experiencing a reduction in regional disparities, 9 out of 10 NUPs in these countries are explicit. By comparison, in countries where inequalities have worsened, only 5 out of 11 NUPs are explicit. While this analysis covers a limited scope of countries, it suggests that NUPs can have a potential role in addressing regional inequalities.

Developing and implementing NUP to localise the SDGs

A growing number of countries are integrating SDG targets and indicators in their NUP monitoring and evaluation frameworks (OECD/UN-Habitat/UNOPS, 2021[8]). Mexico, for example, has established indicators to assess progress across at least 8 of the 17 SDGs, with a particular focus on their contribution to SDG 11. In countries with an implicit NUP, or where the NUP is under review, links to the SDGs are not made nor are monitoring and evaluation frameworks established.

To help advance progress on the SDGs, NUPs need to meet the three qualifiers stated in Indicator 11.a.1: "ensure balanced territorial development", "respond to population dynamics" and "increase local fiscal space". The NUP country survey, conducted by the OECD and UN-Habitat in 2020 across 86 countries, indicated that 41% of countries with an NUP and 40% of countries with a regional development plan (RDP) fulfil all three qualifiers, while 31% of NUPs and 46% of RDPs fulfil two qualifiers, and only 26 NUPs were reported to fulfil the qualifier "increase local fiscal space" (OECD/UN-Habitat/UNOPS, 2021[8]). This implies that countries need to better understand the importance of these three qualifiers in sustainable urban development and how they may be integrated into NUPs.

NUPs (55 countries) and RDPs (37 countries) are key instruments to ensure a balanced territorial development and sustainable land consumption to manage urbanisation and urban expansion. In recent years, countries have been seeking a more compact and connected urban development through planned urban expansion, which ultimately contributes to other SDGs such as SDG 6 (Clean water and sanitation), SDG 13 (Climate action), SDG 15 (Life on land) that also require efficient land-use planning and management to meet their targets. Population dynamics is the second most included element of Indicator 11.a.1 reflected in the NUPs (53) and RDPs (40). This means that countries acknowledge that urban development should be people-centred and stress the importance of achieving inclusive growth and access to opportunities for people of all ages. A people-centred approach in urban development may positively impact SDGs 1 (No poverty), 5 (Gender equality), 8 (Decent work and economic growth) and

10 (Reduced inequalities). Fiscal space[8] is the least included element in the NUPs (26) and RDPs (19) despite the fact that fiscal instruments are vital for the implementation of the NUPs as cities' fiscal capacity is generally weak (OECD/UN-Habitat/UNOPS, 2021[8]).

Challenges for an integrated urban policy to meet the SDGs

A shift towards a more integrated approach to urban policy is desirable for overcoming policy inefficiencies, inconsistencies and overlaps. An NUP can potentiate the role of different sectoral policies to achieve sustainable development by ensuring coherent and co-ordinated actions among national level ministries and agencies and across different levels of government. However, it can require calibrating institutional mechanisms and ways of working to develop a more coherent approach to urban planning and enable it to contribute to the SDGs. Countries and cities experience different challenges in designing, implementing and monitoring integrated urban policies as identified in the literature (Knill, Steinbacher and Stenebach, 2020[16]; Rayner and Howlett, 2009[17]; OECD/UN-Habitat/UNOPS, 2021[8]). These include:

- **Governments' limited comprehensive understanding of NUP potential to promote sustainable development and the interlinkages with the SDGs**. OECD/UN-Habitat research indicates that while over two-thirds of countries recognise NUP potential to advance the SDGs beyond SDG 11 (Sustainable cities and communities), only 41% of countries report that their NUPs fulfil the criterion for Indicator 11.a.1, which includes responding to population dynamics, ensuring balanced territorial development and increasing local fiscal space. Moreover, only 31% of countries have integrated NUP monitoring and evaluation frameworks into their SDG monitoring and evaluation frameworks (OECD/UN-Habitat/UNOPS, 2021[8]). This suggests that a significant number of countries have yet to fully align their urban policies with the broader SDG agenda.
- **Short-term political and budgetary cycles often hinder the implementation of the long-term vision and investments needed to align urban development policies and strategies with the SDGs**. As highlighted in an OECD report "… immediate economic and social pressures often crowd out longer-term strategic policy initiatives. Public budgets and accountability systems are usually aligned with departmental structures and have difficulty tracking outcomes that occur in multiple policy areas and across multiple levels of government" (OECD, 2019, p. 13[18]).
- **Insufficient mechanisms and governance structures to ensure co-ordinated decision making across policy sectors and levels of government**. While 80% of countries (out of 74 surveyed) have horizontal (inter-ministerial) co-ordination mechanisms, and 73% vertical co-ordination mechanisms, many still lack consistent, long-term frameworks to overcome silos and institutional fragmentation. This limits inter-ministerial synergies, weakens alignment between national urban objectives and local priorities, and hinders the translation of strategic goals into effective local action (UN-Habitat/OECD, 2024[9]).
- **The lack of consistency between decisions taken in different sectors with the overall vision of the NUP**. While many countries have established formal mechanisms for inter-ministerial co-ordination, these are not always effective in ensuring coherence across sectors. Policy silos and institutional fragmentation remain significant obstacles, leading to misalignments between sectoral policies and the strategic objectives of NUPs; in fact, 86 countries surveyed, 64 (74%) have established formal multi-ministerial platforms between the leading NUP ministry or agency and relevant sectoral ministries. (OECD/UN-Habitat/UNOPS, 2021[8]). However, the persistence of policy silos suggests that the existence of these platforms does not necessarily translate into effective co-ordination.
- **Lack of integrated urban planning linked to the SDGs at the national and subnational levels to foster policy coherence and effectiveness, which creates a mismatch between global goals and local realities**. OECD research shows that without proper engagement and

co-ordination with local and subnational governments, 65% of the 169 SDG targets are unlikely to be achieved (OECD, 2024[19]). This underscores the necessity of integrated planning and co-ordination to ensure that local actions contribute meaningfully to global goals.

- **Inadequate financial and human capacity and capability at the local level to implement policies that contribute to sustainable development in a consistent manner and translate national SDG strategies into local action**. According to the 2020 OECD/UN-Habitat survey, of the 48 responding countries with an NUP at the implementation stage or beyond, 26 (54%) identified insufficient financial and human resources as major obstacles (OECD/UN-Habitat/UNOPS, 2021[8]).
- **Insufficient participation from citizens, private sector, academia and vulnerable communities limiting the inclusivity and legitimacy of urban development strategies**. Subnational governments are the most engaged stakeholders in NUPs, with 56% showing extensive and 34% moderate engagement. In contrast, other stakeholders are less involved: civil society in 34% of NUPs, the private sector in 29%, and both academia and the business sector in 26% (UN-Habitat/OECD, 2024[9]).

2 Cities' distance to the SDGs in OECD countries

This chapter assesses how cities in OECD countries are progressing towards the SDGs, with a particular focus on SDG 11 (Sustainable cities and communities). It examines trends over the past five years using the OECD localised indicator framework for SDGs. The analysis highlights disparities in progress across cities – both between and within countries – and identifies areas where acceleration is needed to meet the 2030 objectives. The chapter identifies specific challenges related to housing, transport and climate resilience and discusses the role of cities in advancing broader SDG outcomes.

SDG progress in cities in OECD countries

With only five years remaining to meet the 2030 deadline for the SDGs, accelerating progress in cities is more urgent than ever. Understanding where cities stand today – and where progress has stalled or reversed – is essential to inform targeted policy action and direct resources where they are most needed. This chapter provides an overview of how cities in OECD countries are advancing towards the SDGs, with a focus on progress, disparities and remaining gaps. It draws on data from the OECD localised indicator framework for SDGs (2020[10]) – available in the OECD webtool Measuring the Distance to the SDGs in Regions and Cities (2025[20]) – and the OECD Database on Regions, Cities and Local Areas (2025[21]). The first section examines overall trends and distances to suggested end values for 2030 across all goals (see Box 2.1 for details on the methodology to define suggested end values for 2030). The second zooms in on SDG 11, the only place-based goal dedicated to urban areas, and assesses both overall progress and inequalities. The final section unpacks selected indicators within and beyond the SDG 11 index – including on air quality, land use, housing, transport and climate resilience – to identify specific policy challenges and opportunities.

Box 2.1. The OECD localised indicator framework for SDGs

The OECD has developed a framework to measure the distance of regions and cities to achieving each of the 17 SDGs. The framework allows benchmarking the performance of regions and cities both *within* the same country – to support public action across levels of government – and *between* countries – to foster peer learning and policy dialogues across regions and cities. In the framework, regions are defined as the first administrative tier of subnational government, and cities as FUAs (OECD, 2025[22]). The framework covers more than 530 large regions and more than 660 cities of more than 250 000 inhabitants.

In the context of OECD countries, around 105 out of the 169 SDG targets have been identified as very relevant for regions and cities. Through a literature review and expert consultation, the 169 SDGs targets from the UN indicator framework have been classified according to their level of relevance for subnational levels of government (place-relevant) and for OECD countries (OECD-relevant). The result is a set of 105 SDG targets, measured by more than 120 indicators, for regions and cities in OECD countries (referred to as the “OECD subnational SDG targets and indicators”).

To evaluate the achievements of a city or region on the SDGs, the framework defines suggested end values for relevant indicators. By defining end values for 2030, regions and cities can assess where they stand today and how much distance they must cover to reach the objective. When end values are not inferable from the UN framework or expert recommendations, end values are defined based on best performance of regions and cities in that indicator (for more details, see OECD (2020[10])).

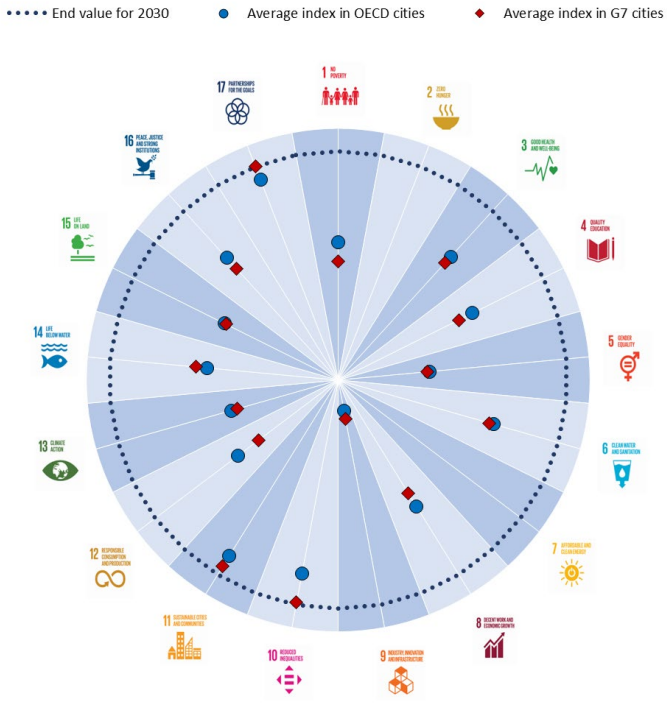
To summarise results, the framework combines selected, normalised indicators into indexes for each SDG. It normalises the SDG indicators on a scale from 0 to 100 – where 100 is the suggested end value – and aggregates headline indicators that belong to the same SDG to provide an index score for each of the 17 SDGs. It is worth noting that these indexes are based on a selected subset of indicators rather than the full list. For example, the SDG 11 index draws on indicators for air pollution (measured by exposure to PM2.5 fine particulate matter) and sustainable land use (measured as the difference between built-up area growth and population growth). See Table A A.1 for the full list of indicators used in each SDG index.

The indicators and indexes are openly available in the Measuring the Distance to the SDGs in Regions and Cities visualisation tool (oecd-local-sdgs.org). The tool was launched in 2020, with values covering 2017-18 and it was recently updated to cover values up to 2022-23.

Sources: OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025); OECD (2020[10]), *A Territorial Approach to the Sustainable Development Goals: Synthesis report*, https://doi.org/10.1787/e86fa715-en; OECD (2025[22]), *OECD Geographical Definitions*, https://www.oecd.org/en/data/datasets/oecd-geographical-definitions.html.

Despite some progress, most cities in OECD countries are not on track to achieve all of the SDGs by 2030. In 2022, 11% of cities in OECD countries (out of more than 660) had not achieved any of the suggested end values for 2030, only 39% had achieved 2 or more and no single city had achieved more than 5. On average, cities were close to the suggested end values in SDGs 11 and 17, with less than one-tenth of the distance remaining. However, for half of the goals, the average distance to end values was still greater than one-third. The gap was particularly large for: SDG 13 on climate action and resilience, due to rising temperatures and cooling needs; SDG 12 on responsible consumption and production, hindered by increases in per capita waste and car dependency; SDG 5 on gender equality, where no significant progress has been made in closing the employment gap between men and women; and SDG 9 on industry and innovation, as many cities lag in innovation and patenting. These patterns are broadly mirrored in G7 cities, which perform slightly better than the OECD average on SDGs 11 and 17 (by around 5 percentage points, or p.p.) and show similar gaps on SDGs 5, 9 and 13. For SDG 12, however, cities in G7 countries lag further behind, with average distances 11 p.p. higher than in OECD cities (Figure 2.1).

Figure 2.1. Distance to achieving SDGs in cities in OECD countries, 2022 or most recent year

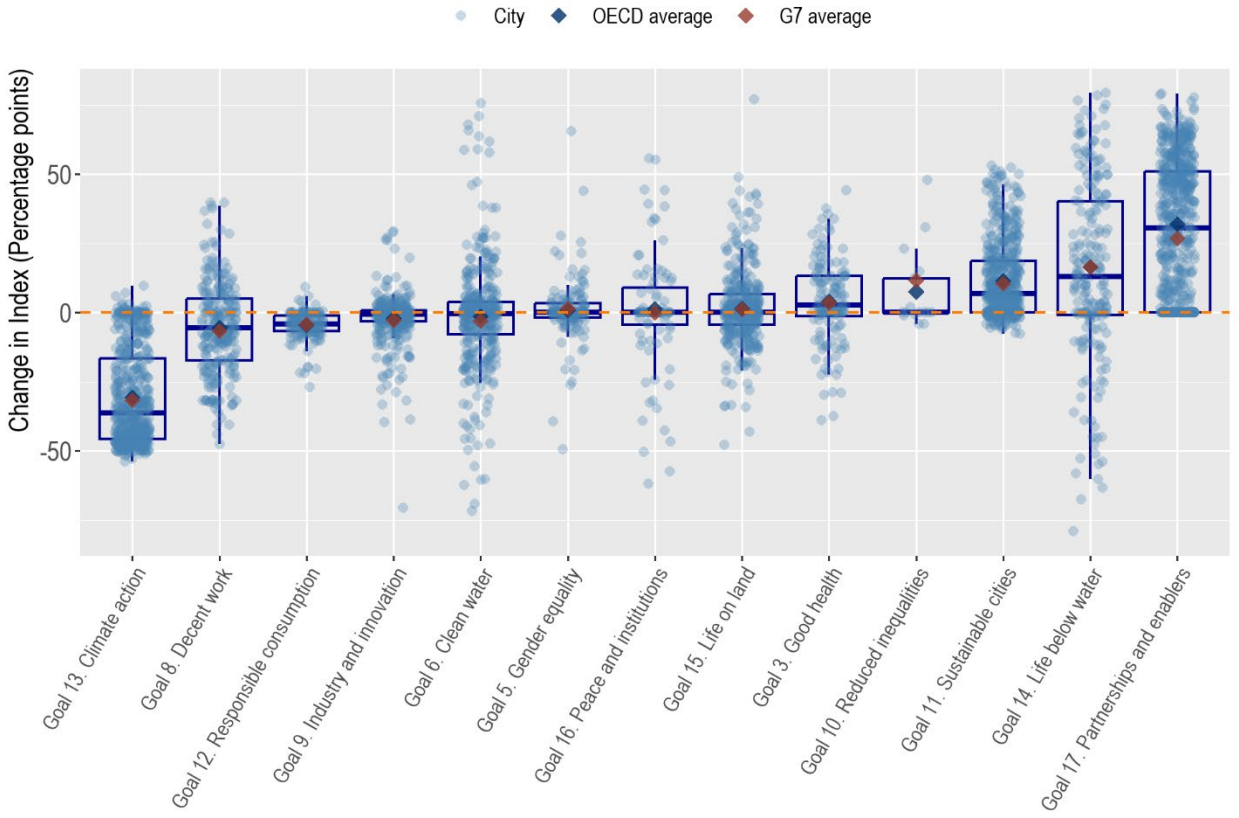


Notes: This chart shows how far average city indexes are from the suggested end value for 2030 for each SDG. The outer dotted line marks that end value. Dots closer to the line indicate better performance. Table A A.2 lists the number of cities and countries per SDG index. Averages are based on available data and may be less reliable for indexes with small samples.
Cities correspond to FUAs of 250 000 inhabitants or more.
Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

Cities in OECD countries are making progress on most SDGs, but results vary significantly across goals. From 2017 to 2022, cities in OECD countries improved on average in 8 out of 13 goals with available data. The most notable gains were in SDG 17 (Partnerships for the goals, 32 p.p.), driven by increased Internet speed, SDG 14 (Life below water, 16 p.p.), reflecting stronger coastal protection, though with significant disparities across cities, and SDG 11 (Sustainable cities and communities, 12 p.p.), largely due to improved air quality. In contrast, most cities have stagnated or regressed on SDG 12 (Responsible consumption and production, -5 p.p.), SDG 8 (Decent work and economic growth, -6 p.p.) and SDG 13 (Climate action, -31 p.p.). These trends are largely similar in cities in G7 countries (Figure 2.2).

Progress is also highly uneven across cities within the same goal. While many cities advanced, others made limited progress or even regressed. In SDG 11, despite overall improvements, 15% of cities saw a decline in their index score between 2017 and 2022. In SDG 17, all cities recorded increases in Internet speed, but while 30% of cities achieved gains above 50 p.p., one-third of cities saw progress of less than 10 p.p. Disparities in progress are widest in SDG 6 (Clean water and sanitation) and SDG 14 (Life below water), driven by sharp declines in water availability and coastal protection in some cities (Figure 2.2).

Figure 2.2. Progress of SDG indexes in cities in OECD countries, 2017-22



Notes: Each circle represents a city in an OECD country. The vertical axis shows the change in the SDG index (in percentage points) between 2017 and 2022. Cities above the dashed line at zero experienced an increase in their index score, indicating progress on that goal. Cities below the line saw a decline. The box plots summarise the distribution of city-level changes for each SDG. The dark blue diamond shows the average of cities in OECD countries and the red diamond shows the average of cities in G7 countries. Table A A.3 lists the number of cities and countries per SDG index. Averages are based on available data and may be less reliable for indexes with small samples.
Cities correspond to FUAs of 250 000 inhabitants or more.
Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

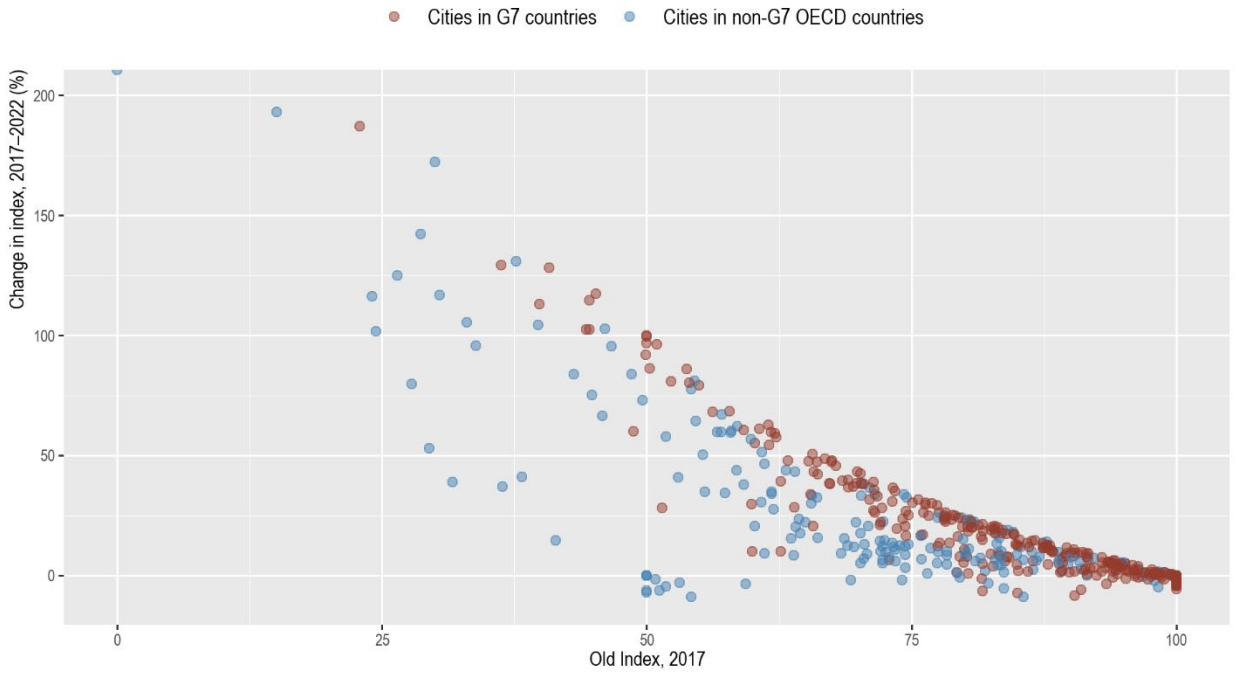
SDG 11: A core lens for urban progress

SDG 11 (Sustainable cities and communities) provides a useful lens for understanding urban progress. As the only goal explicitly dedicated to cities, it addresses core urban challenges such as housing, transport, land use, pollution and disaster resilience. It also plays a cross-cutting role, with direct links to other goals like health (SDG 3), clean water (SDG 6) and climate action (SDG 13) (see Figure 1.2). Cities are central actors in the 2030 Agenda – not just as sites of impact, but as drivers of change. With a clear framework for local governments to monitor, plan and act, SDG 11 offers a concrete entry point to assess sustainability at the urban level. In the OECD localised indicator framework, the index for SDG 11 uses the indicator of exposure to fine particulate matter (PM2.5) and the indicator of land consumption (measured as built-up area growth relative to population growth) which together capture environmental and land-use aspects of urban sustainability.

Progress in the SDG 11 index has been unequal across cities, but is leading to convergence within many countries. Cities with initially lower index scores in 2017 have tended to improve the most in the past five years, helping reduce within-country disparities (Figure 2.3). Countries like Canada, Denmark and the Netherlands are now close to reaching the suggested end values for most of their cities. However, this is not the case everywhere. In countries like Chile, Poland and Türkiye, many cities remain far from the end values. These countries displayed the greatest variation in SDG 11 performance in 2022, with some cities nearing completion while others still score below half of the way (Figure 2.4).

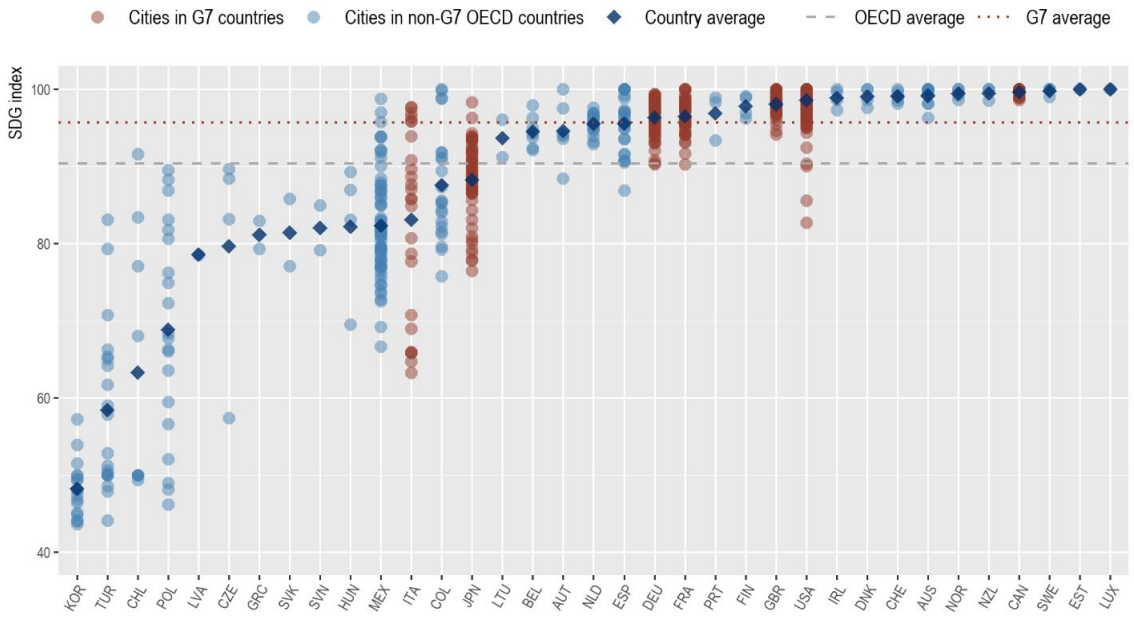
OECD countries and their cities are relatively well positioned to achieve most targets under SDG 11 by 2030, compared to other SDGs. Alongside goals such as SDG 3 (Good health and well-being) and SDG 17 (Partnerships for the goals), SDG 11 is among the goals where at least half of the targets[9] show smaller remaining distances in OECD countries (OECD, 2025[23]). On average, cities across OECD countries have around 10% of the way left to reach the suggested end values for 2030, with cities in G7 countries even closer – showing an average remaining distance of just 5% (Figure 2.4). While some inequalities persist, particularly in countries where some cities lag far behind, continued policy focus on SDG 11 could help ensure that more cities reach the suggested end values within the 2030 timeframe.

Figure 2.3. City convergence in SDG 11 index



Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

Figure 2.4. SDG 11 index in cities, 2022



Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

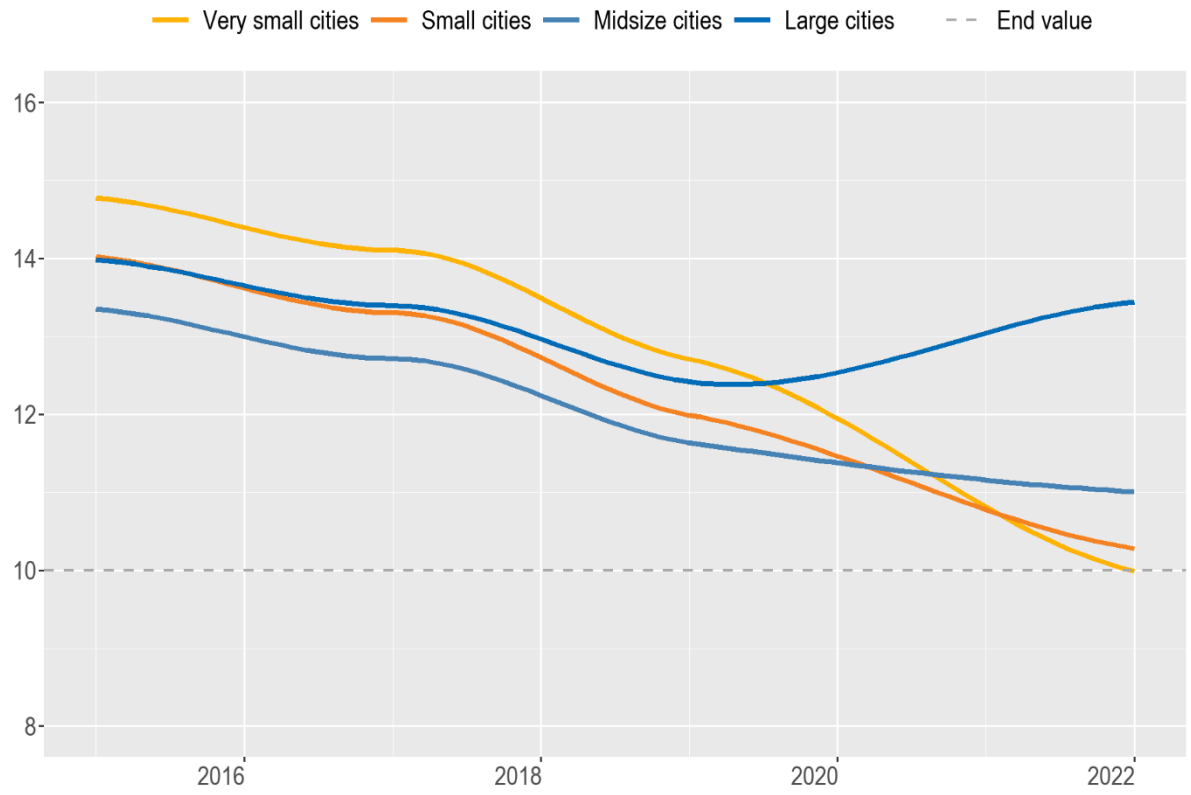
While the index for SDG 11 provides a useful overview of urban development, it may mask important differences across specific policy areas: it captures key environmental and spatial dimensions – namely air pollution and land consumption – but does not reflect the full scope of SDG 11. To better understand where cities are advancing and where challenges remain, it is essential to examine both the indicators within the index and additional measures such as housing affordability, access to public transport and climate resilience. This more detailed analysis provides a fuller picture of urban sustainability and helps identify targeted areas for policy action.

Beyond the index: Unpacking SDG 11 indicators

Cities in OECD countries have made progress in SDG 11 by improving air quality and sustainable land use

Cities in OECD countries have made progress on SDG 11 through significant reductions in exposure to air pollution (PM2.5). Since 2015, when the SDGs were adopted, average PM2.5 concentrations in cities in OECD countries have declined by nearly three micrograms per cubic metre (µg/m^3). This reduction varies by city size with decreases of 32% in very small cities (50 000 to 100 000 inhabitants), 26% in small cities (100 000 to 250 000), 13% in midsize cities (250 000 to 1.5 million) and 11% in large cities (over 1.5 million).[10] In 2022, 44% of cities (out of 666) had reached the end value of less than 10 µg/m^3, up from 34% in 2015 (Figure 2.5).

Figure 2.5. Exposure to air pollution in cities, from 2015 to 2022



Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

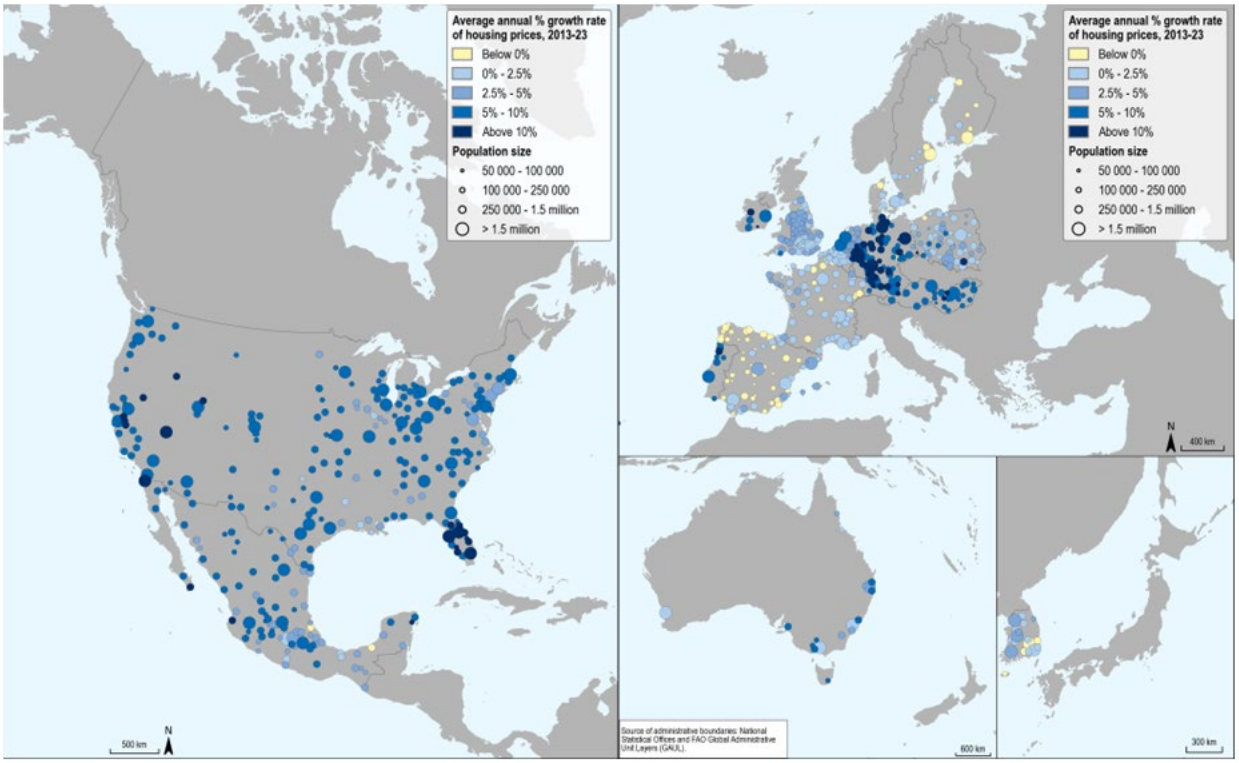
Sustainable land consumption has also improved in recent years. On average, the difference between built-up area growth and population growth in midsize and large cities has decreased twofold (reaching a level of five percentage points in 2010-20), indicating a shift toward more spatially efficient urban development. However, this improvement has not translated into more effective responses to housing needs. Land use, particularly for residential development, remains inefficient in many areas. For example, over the past decade, residential built-up area per capita has increased faster in commuting zones than in city centres, where housing prices have long been and remain the highest (OECD, 2025[21]; 2022[4]).

Significant challenges remain to achieve SDG 11 targets for housing, transport and climate resilience

Housing remains a pressing and worsening challenge in most cities in OECD countries. Over the past 10 years, housing prices have risen sharply in most cities, and particularly strong in large cities. In these areas, housing prices increased by nearly 68%, the highest among all city sizes. Midsize cities saw prices rise by 50%, followed by small cities at 37% and very small cities at 16%. These trends have widened disparities by city size, with housing prices in large cities now 86% higher than in very small cities (OECD, 2024[2]) (Figure 2.6).

Housing costs – including expenditure on rents, mortgages and maintenance – represent a significant burden on household finances. High housing prices translate into a significant financial burden for households and make homeownership increasingly difficult to attain, particularly in regions with large cities. Across regions in OECD countries, households spend nearly one-fifth of their disposable income[11] on housing. In some regions hosting large metropolitan areas, the burden is far higher – reaching 35% in Bogotá, 27% in Greater London and 24% in California. These pressures make it more difficult for households to achieve housing stability, especially through ownership. Over the past decade, the share of households owning their homes outright has remained stable at around 45% across the OECD. In capital city regions such as Berlin (Germany), Greater London (United Kingdom) and Stockholm (Sweden), less than one in four people own their home outright, and less than 55% when including ownership with a mortgage. Limited progress on homeownership, combined with rising housing costs, can reinforce economic insecurity and deepen inequalities (OECD, 2024[2]).

Figure 2.6. Growth in housing prices in FUAs, 2013-23



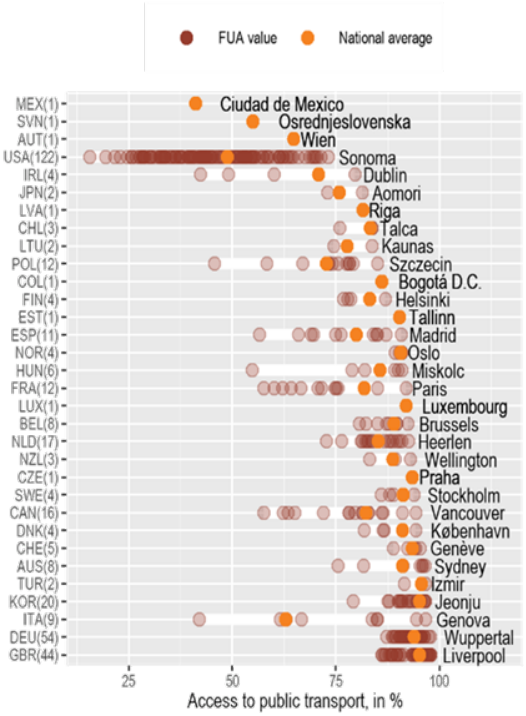
Source: OECD (2024[2]), *OECD Regions and Cities at a Glance 2024*, https://doi.org/10.1787/f42db3bf-en.

Access to public transport remains highly unequal across cities. In OECD countries, 71% of people in midsize and large cities can reach a public transport stop within a 10-minute walk. This share rises to 80% in European countries and 90% in Asian countries. However, in some countries in the Americas, less than half of the population has such access (OECD, 2024[2]). Within the same country, the average difference between the best- and worst-off cities in terms of access to public transport is of nearly 16 p.p. (Figure 2.7).

Even when available, public transport often falls short in reach and efficiency. Across cities in OECD countries, transport performance – measured as the percentage of people or amenities that can be reached using 30 minutes of public transport in a given area – is 26%. Cities in Korea, Norway, Sweden and Switzerland have the highest levels in transport performance, with average values above the 50%. Transport performance is not explained by city size, as in many countries the best performing cities are the midsize ones. Yet, transport performance can be very unequal even across the cities of the same country. The average gap between the most and least performing city of the same country is of around 23 p.p. (Figure 2.8).

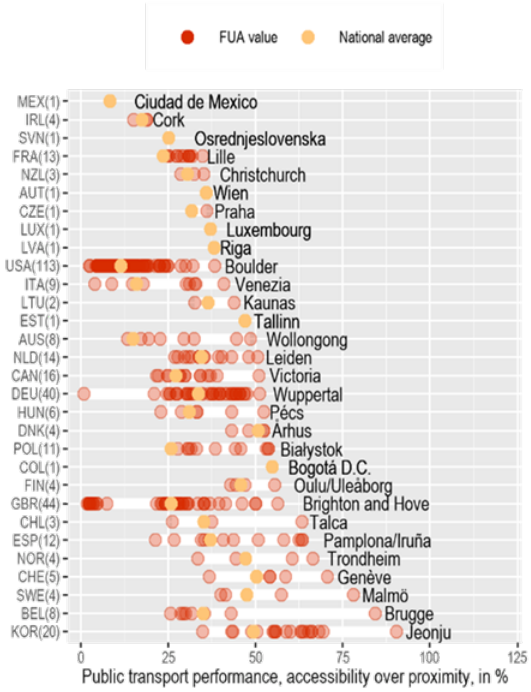
Access to and quality of public transport also vary widely even within the same city. People living in city centres typically benefit from better service than those in surrounding areas. In North and Latin American cities, the gap in public transport access between central and outer areas exceeds 40 p.p., compared to less than 15 p.p. in European and Asian cities. Transport performance follows a similar pattern, with service levels in city centres averaging 18 p.p. higher than in the commuting zones. In countries such as Belgium, France and Spain, these within-city gaps are particularly large, reaching over 50 p.p. between the most and least balanced cities (OECD, 2024[2]).

Figure 2.7. Walking access to public transport in cities, 2023



Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: OECD (2024[2]), *OECD Regions and Cities at a Glance 2024*, https://doi.org/10.1787/f42db3bf-en.

Figure 2.8. Public transport performance in cities, 2023

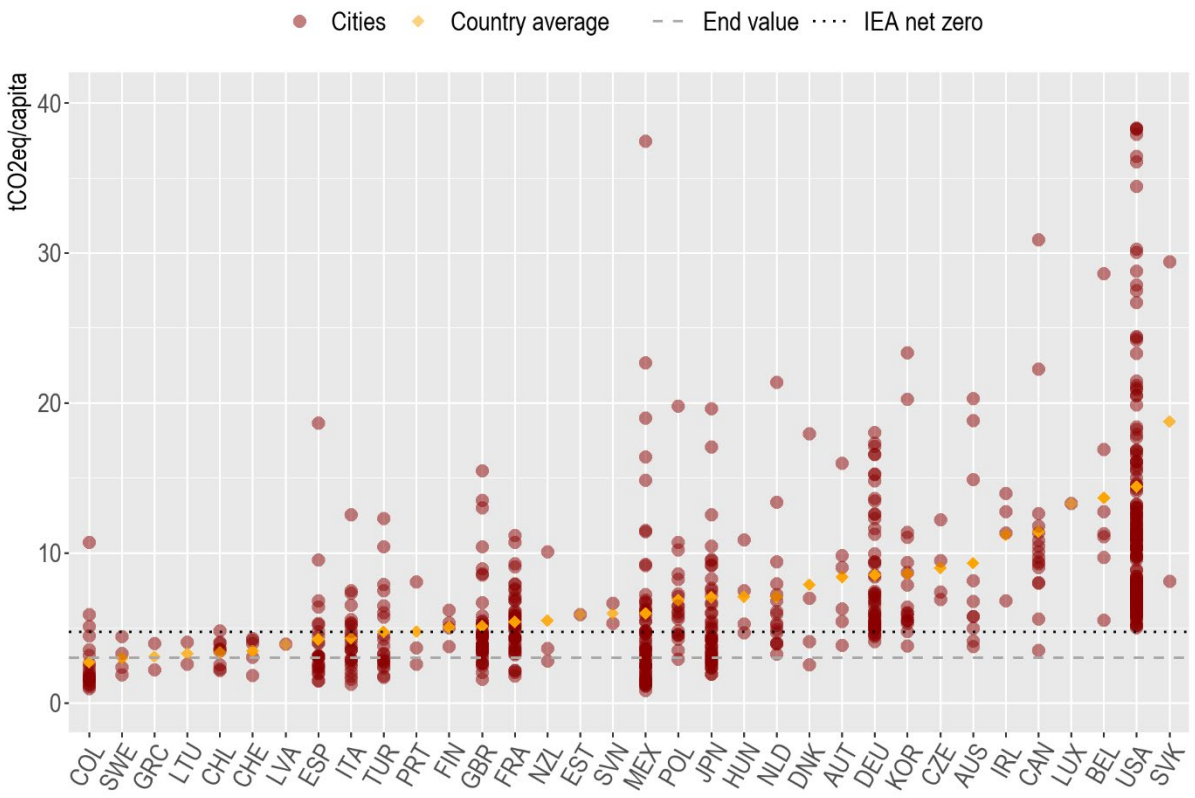


Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: OECD (2024[2]), *OECD Regions and Cities at a Glance 2024*, https://doi.org/10.1787/f42db3bf-en.

The growing effects of rising temperatures on public health and energy use reveal the gap in progress toward SDG 13 on climate action. The climate crisis is intensifying, with 2024 marking the hottest year on record (ECMWF, 2024[24]). This rise in temperatures is leading to a significant increase in cooling degree days, an indicator that might reflect the growing demand for cooling buildings. In 2022, only 3% of regions and cities (out of 377 regions and 586 cities) did not experience increases in cooling degree days (end value), compared to 8.5% in 2018. These trends heighten risks to public health, strain energy systems and can reinforce inequalities, particularly in cities where buildings and infrastructure are ill-equipped to cope with prolonged heat exposure – highlighting the need for cities to take a more active role in building climate resilience, including through nature-based solutions and the decarbonisation of buildings.

Despite progress in recent years, urban emissions remain well above levels compatible with the net zero emissions scenario. In 2022, only 40% of cities in OECD countries emitted fewer than 4.7 tCO_2eq per capita, the threshold needed to align with the International Energy Agency's net zero emissions scenario (Figure 2.9). The remaining 60% had, on average, nearly twice that level (OECD, 2024[2]). While cities play a central role in achieving national climate targets, most are not yet on a decarbonisation trajectory. Strengthening the ability of cities to reduce emissions will require targeted support, better governance co-ordination and increased public investment in clean transport, energy-efficient buildings and low-carbon infrastructure.

Figure 2.9. GHG emissions per capita in cities, 2022

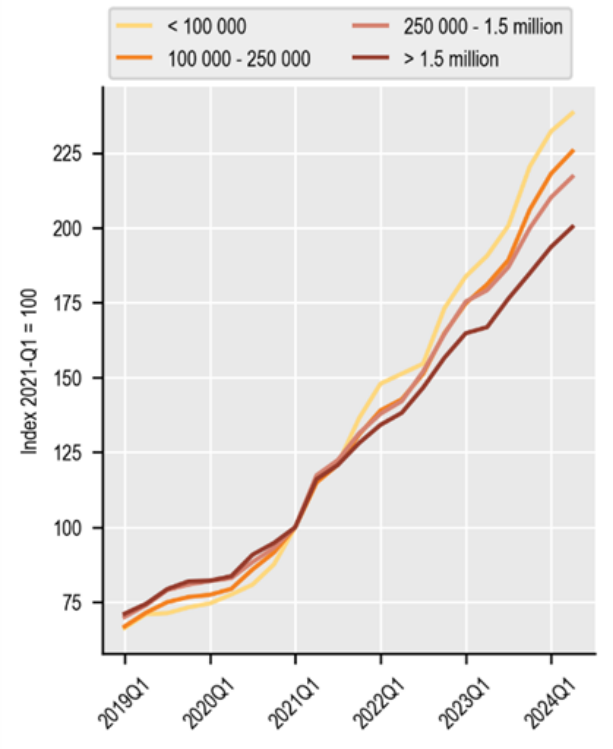


Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: Based on OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed 30 July 2025).

Progress in SDG 17 (Partnerships for the goals) – particularly in digitalisation and in official development assistance (ODA) through decentralised development co-operation (DDC) – can help accelerate progress across other goals.

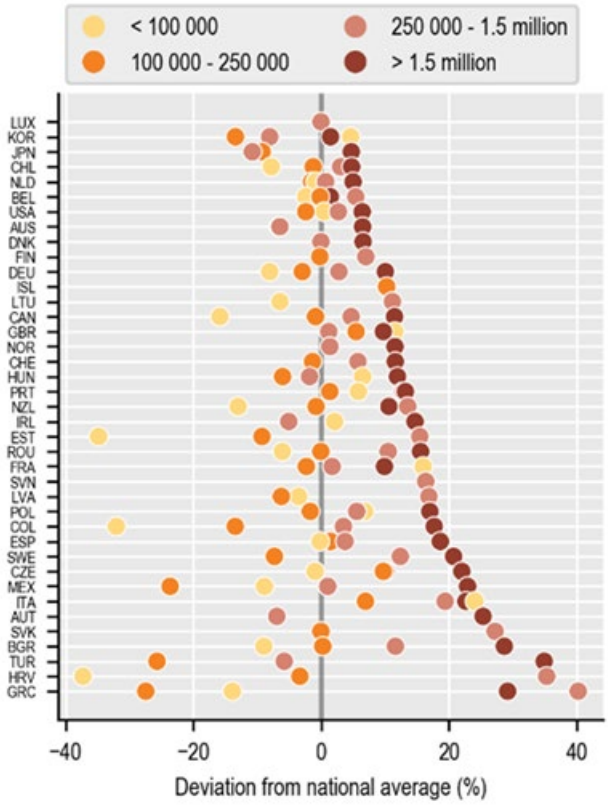
Cities in OECD countries have made strong gains under SDG 17, driven by increasing digitalisation, a key enabler of global and local partnerships. Internet speeds have increased in most cities, with especially rapid gains in smaller ones. Over the past five years, cities have seen considerable improvements in broadband download speeds (OECD, 2024[2]). By 2023, Internet speeds had increased by nearly 85% in large cities and more than doubled in small and very small cities compared to 2021 (Figure 2.10). In 2023, 84% of cities (out of 677) had achieved the suggested end value (of 79 megabits per second [Mbps] or more), up from 26% in 2019. While some within-country gaps remain (Figure 2.11), the rapid increase of quality Internet in smaller cities is closing the urban digital divide. Digitalisation, including emerging artificial intelligence (AI) tools, could pave the way for smarter urban planning, greener mobility and more effective governance.

Figure 2.10. Evolution of Internet speed in cities, from 2019 Q1 to 2024 Q2



Source: OECD (2024[2]), *OECD Regions and Cities at a Glance 2024*, https://doi.org/10.1787/f42db3bf-en.

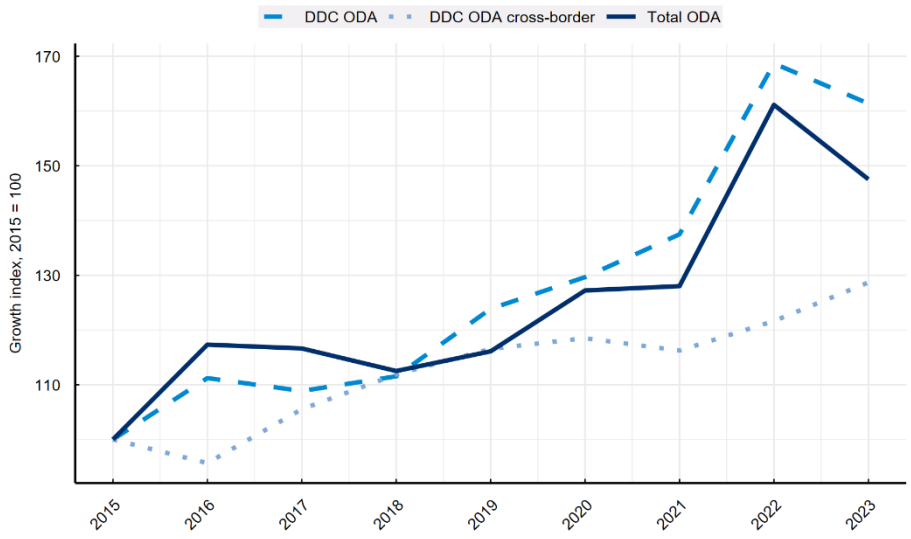
Figure 2.11. Disparities in Internet speed across cities, 2024Q2



Source: OECD (2024[2]), *OECD Regions and Cities at a Glance 2024*, https://doi.org/10.1787/f42db3bf-en.

Official development assistance (ODA) channelled through subnational governments – a key component of decentralised development co-operation (DDC) – is a relevant indicator for tracking the evolution of the global partnerships for the SDGs. DDC flows, as reported by the OECD Development Assistance Committee through the Creditor Reporting System database (OECD, 2025[25]), have increased by 61% since 2015, offering growing potential to support SDG implementation. In addition, cross-border DDC – the ODA from subnational governments in OECD countries to cities and regions in ODA-eligible countries – has increased by around 29%. Those financial flows have mostly supported projects focused on SDGs 1 '(No poverty, 17% of total cross-border DDC), 5 (Gender equality, 12%) and 3 (Good health and well-being, 11%). DDC, including city-to-city partnerships, plays a key role in advancing the SDGs by enabling not only financial support but also non-financial collaboration such as peer learning, capacity building and technical co-operation (OECD, 2023[26]; 2023[27]). These partnerships strengthen localised SDG action in both donor and partner cities, particularly in areas like urban planning, water management, gender equality, climate adaptation and public service delivery. While DDC still represents a small share of total ODA, in some OECD countries like Czechia and Spain it accounts for as much as one-fourth of the total ODA volumes. Moreover, its true scale is likely underestimated, as many small cities lack the capacity and incentives to report their activities, and in-kind contributions often fall outside official ODA statistics. Mobilising more DDC – and improving its visibility – can help accelerate SDG progress (Figure 2.12).

Figure 2.12. Evolution of DDC ODA, 2015-23



Note: Cross-border estimates were computed following the methodology developed by the Country Programmable Aid (OECD, 2025[28]). Based on 15 Development Assistance Committee countries with available DDC data.
Source: OECD (2025[25]), *CRS: Creditor Reporting System (flows)*, http://data-explorer.oecd.org/s/1b1/ (accessed on 22 April 2025).

3 Integrated urban policy to achieve the SDGs in practice

This chapter showcases examples of integrated urban policies contributing to the SDGs in OECD countries. It begins with an analysis of how countries and cities seek to ensure coherence and co-ordination of different urban-related areas that have an impact on cities such as housing, transport, urban regeneration, digitalisation, energy efficiency, land use and green infrastructure to achieve urban sustainable development. This is followed by an examination of the different factors that enable integrated urban policies to meet the SDGs covering issues such as finance, multi-level governance, data and monitoring, and strategic foresight.

Country examples of integrated urban policies to meet the SDGs

OECD countries have implemented different policy initiatives to tackle pressing urban challenges and contribute to sustainable development. The following chapter unpacks such initiatives, building on literature review from OECD countries and practices identified as part of the work of the G7 Sustainable Urban Development Officials group (Box 3.1). These urban sectoral areas are aligned with different SDGs, although this alignment is rarely explicitly acknowledged within the NUP practices themselves.

Box 3.1. Promoting integrated urban policy to achieve the SDGs: Methodology

In the framework of the 2024 Italian Presidency of the G7, 29 examples of good practices on integrated approaches to urban policy were identified as part of the work of the Sustainable Urban Development Officials group with a view to facilitating knowledge sharing. These practices referred to different urban development priorities ranging from housing to public transport, digitalisation, energy efficiency, urban regeneration, land use and green infrastructure. The practices highlighted their impact on ecological, social and digital transitions, alongside criteria for replication, including aspects such as the institutional framework, financing mechanisms, the learning process and the main innovation. These examples were complemented with a literature review and existing knowledge from earlier reports produced under the guidance of the OECD Working Party on Urban Policy.

Table 3.1. List of practices on integrated approaches to urban policy

Area	Country	Country and example
Housing and homelessness	Canada	Canada Housing Infrastructure Fund and Rapid Housing Initiative
		Housing Accelerator Fund
		Reaching Home: Canada's Homelessness Strategy
	France	Housing Renovation Policy
	Japan	Housing Policy and Private Sector Practice
Transport	Canada	Canada Infrastructure Bank and zero emission buses
	Japan	Transit-oriented development
Digital technologies and data	Germany	Smart Cities model projects
	Japan	Project PLATEAU
	United Kingdom	Digital connectivity tool (digitalisation of cities)
		PropTech Innovation Fund
Energy efficiency	France	Housing Renovation Policy
	United Kingdom	Goldsmith Street, Norwich (inclusive cities; net zero and resilient cities)
Urban regeneration	France	Les Mureaux urban renewal programme and the EcoQuartier eco-neighbourhood label
		ANCT observation, spatial analysis and research missions
		City core action plan *Action coeur de ville*
		The construction of the Olympic village as part of urban regeneration
	Germany	Dein Park - National Urban Development Policy pilot project
		Pioneer Park in Hanau - Growth and sustainable regeneration programme
	Italy	Levante Waterfront - Genoa
		PON National Metropolitan Cities Programme
		Next Generation Rome integrated strategic planning
		ReStart Scampia
Land-use planning	Italy	Save Our Soul for Life (SOS4LIFE)
	Japan	Comfortable and Walkable Towns Project
	United Kingdom	National Model Design Code

Green infrastructure	Canada	Canada's National Adaptation Strategy
	Japan	TSUNAG: To Secure Urban Nature and Green Space.
	United Kingdom	Green Infrastructure Framework

Across the spectrum of integrated policies analysed for this report, seven specific thematic areas of urban policy emerged: housing, sustainable urban transport, digitalisation and smart cities, energy efficiency, urban regeneration, urban planning and land use, as well as green and resilient infrastructure (Table 3.1). These examples aim to illustrate the extent to which each policy has direct or indirect impacts on other areas. For example, housing renovation policies can increase housing supply while meeting energy efficiency standards and contributing to climate change mitigation. Similarly, land-use policies are primarily intended to co-ordinate the planning and management of land resources, yet they also influence housing availability, transportation systems, environmental sustainability and economic development. Moreover, these practices encompass both national and subnational initiatives. While subnational initiatives aim to address local challenges, they can also be aligned with – and contribute to – nationwide policy frameworks. This is in line with SDG 11 (Sustainable cities and communities) Target 11.b. calling to "…increase the number of cities and human settlements adopting and implementing integrated policies and plans towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters…" (UN, United Nations[29]).

Table 3.2. Integrated approach to urban policy: Overview of practices across OECD countries by thematic area

Thematic area	Primary SDG target and general features of policies	Cost of inaction related to the lack of an integrated approach	Links to other SDGs	Examples
Housing	**SDG 11:** Sustainable cities and communities **Target 11.1**: By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums. **General features**: Policies focus on removing barriers to accessing affordable housing and on promoting both private and social housing through measures such as construction funding and improved access to mortgages.	In OECD countries, approximately one in three low-income tenant households spend over 40% of their disposable income on rent, exceeding the commonly accepted affordability threshold. Not providing affordable housing could exacerbate poverty and exclusion in cities (OECD, 2024[30]). If affordable quality housing is not provided, an additional 2.2 billion people across the world are expected to live in slums over the next 30 years, exacerbating poverty, inequality and limited access to services such as health and education.	• SDG 1 (No poverty): Essential to lifting people out of poverty and preventing homelessness. • SDG 3 (Good health and well-being): Reduce exposure to environmental hazards and supports mental and physical health. • SDG 4 (Quality education): Create better conditions for studying and learning. • SDG 6 (Clean water and sanitation): Ensure the provision of water, sanitation and hygiene infrastructure. • SDG 7 (Affordable and clean energy): Energy-efficient housing supports access to affordable, reliable and sustainable energy. • SDG 10 (Reduced inequalities): Reduce spatial segregation and increase social cohesion. • SDG 13 (Climate action): Green building codes and energy-efficient retrofits	**Canada**: National Housing Strategy **Japan**: Housing Policy and Private Sector Practice **Mexico**: National Housing Programme

Thematic area	Primary SDG target and general features of policies	Cost of inaction related to the lack of an integrated approach	Links to other SDGs	Examples
			in housing help reduce carbon emissions.	
Transport	**SDG 11:** Sustainable cities and communities **Target 11.2**: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all. **SDG 12**: Responsible consumption and production **Target 12.2**: By 2030, achieve the sustainable management and efficient use of natural resources. **Target 12.7**: Promote public procurement practices that are sustainable, in accordance with national policies and priorities. **SDG 17**: Partnerships for the goals **Target 17.7**: Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships. **General features**: Policies focus on transit-oriented development to attract businesses, tourism and residents.	Without sustainable transport policies, countries and cities across the world will fail to achieve net zero emissions by 2050 which need to decrease by 3% annually (IEA, 2025[31]). Road transport significantly contributes to air pollution, leading to health-related costs estimated at USD 1.7 trillion annually in OECD countries (OECD, 2016[32]). This pollution is responsible for numerous premature deaths and chronic health conditions.	SDG 1 (No poverty): Facilitate access to goods and services and jobs. SDG 3 (Good health and well-being): Promote active mobility (walking, cycling) and reduce air pollution and traffic injuries. SDG 7 (Affordable and clean energy): Support energy efficiency through promotion of electric vehicles and fuel-efficient public transport. SDG 9 (Industry, innovation and infrastructure): Invest in sustainable transport infrastructure and innovation. SDG 10 (Reduced inequalities): Improve mobility for marginalised groups. SDG 13 (Climate action): Help reduce GHG emissions through low-carbon transport strategies.	**Japan**: Transit-oriented development **Cork (Ireland)**: Transit-oriented development **Canada**: Canada Infrastructure Bank and zero emission buses
Digital technologies and data	**SDG 9**: Industry, innovation and infrastructure **Target 9.c**: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet. **SDG 17**: Partnership for the goals **Target 17.18**: Enhance capacity-building support to increase the availability of high-quality, timely and reliable data. **General features**: Policies	Despite the proliferation of digital technologies, a vast majority of generated data remain untapped. For instance, evidence from case studies has shown that only 1% of Internet of Things data are utilised, indicating a significant underuse of available information that could enhance urban management and services (McKinsey Global Institute, 2015[33]). Poor data governance leads to fragmented data systems, hindering the effective sharing and utilisation of information across departments and	SDG 3 (Good health and well-being): Access to telemedicine, health information systems and AI for diagnostics. SDG 4 (Quality education): Facilitate access to long-distance education. SDG 5 (Gender equality): Technology tools for empowerment, safety and access to services for women. SDG 8 (Decent work and economic growth): Promote digital jobs, gig economy and e-commerce platforms. SDG 11 (Sustainable cities and communities): Smart cities, urban data systems and digital public services.	**Germany**: Smart Cities Model Projects **Japan**: Project PLATEAU **UK**: Digital connectivity tool (digitalisation of cities)

Thematic area	Primary SDG target and general features of policies	Cost of inaction related to the lack of an integrated approach	Links to other SDGs	Examples
	seek to leverage digital technologies and data to link different urban policy sectors as part of smart city initiatives.	agencies. This fragmentation impedes co-ordinated responses to urban challenges.	SDG 13 (Climate action): Data for monitoring emissions, modelling climate risks and supporting early warning systems.	
Energy efficiency	**SDG 7**: Affordable and clean energy **Target: 7.3**: By 2030, double the global rate of improvement in energy efficiency. **General features**: Policies seek to achieve net zero by reducing energy consumption (i.e. from heating and cooling), improving energy and water efficiency of buildings, reducing GHG emissions and reducing the cost of living for residents, in particular low-income residents.	Without enhanced energy efficiency, global energy demand across the world could rise by 18% by 2030, leading to higher energy costs for households and businesses, potentially exceeding USD 650 billion annually. Conversely, accelerated energy efficiency measures could reduce energy demand by 5%, resulting in significant cost savings (IEA, 2022[34]). Buildings account for about 37% of global energy-related CO_2 and, each week, floor space equal to Paris is added, locking in current inefficiencies. By 2050, embodied carbon could approach half the emissions of new buildings, yet boosting energy efficiency and selecting smarter materials for buildings can cut these emissions by roughly 46% for a cost premium below 1%, avoiding costly retrofits and unnecessary energy bills (OECD, 2024[35]).	SDG 9 (Industry, innovation and infrastructure): Reduce operational costs and environmental impacts in manufacturing and industrial processes. SDG 11 (Sustainable cities and communities): Energy-efficient buildings and transport systems contribute to sustainable urban development. SDG 12 (Responsible consumption and production): Promote efficient resource use, including energy. SDG 13 (Climate action): Energy efficiency is a key strategy for reducing GHG emissions.	**France**: Housing Renovation Policy **UK**: Goldsmith Street, Norwich (inclusive cities; net zero and resilient cities) **Spain**: National Integrated Energy and Climate Plan
Urban regeneration	**SDG 11**: Sustainable cities and communities **Target: 11.3**: Enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management. **SDG 12**: Responsible consumption and production **Target: 12.5**: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. **General features**: Urban	Not investing in urban regeneration could lead to declining property tax revenues, which in turn has implications for funding public services and making cities less attractive to businesses.	SDG 1 (No poverty): Reduce urban poverty and improve access to services. SDG 3 (Good health and well-being): Reduce health risks through cleaner environments. SDG 6 (Clean water and sanitation): Ensure better water supply and sanitation. SDG 7 (Affordable and clean energy): Renovation often includes energy-efficient retrofits. SDG 8 (Decent work and economic growth): Stimulate local economies, attract investment, and create jobs. SDG 10 (Reduced inequalities): Address	**France**: Construction of the Olympic village **Germany**: National Urban Development Policy **Genoa (Italy)**: Urban regeneration of the Levante Waterfront area

Thematic area	Primary SDG target and general features of policies	Cost of inaction related to the lack of an integrated approach	Links to other SDGs	Examples
	regeneration initiatives seek to develop underutilised land, promote environmental and social sustainability, strengthen climate change adaptation and enhance well-being.		spatial and socio-economic inequalities. SDG 13 (Climate action): Mitigate climate change impacts.	
Land-use planning	**SDG 11**: Sustainable cities and communities **Target 11.3**: Enhance inclusive and sustainable urbanisation and capacity for participatory, integrated and sustainable human settlement planning and management. **General features**: Policies aim to promote compact urban development by supporting cities in adapting their building structures and public spaces to new and changing needs.	Limited land use and spatial planning may prevent housing development, accessibility to services and designing attractive cities. Regions that consume more land per capita tend to experience slower economic growth. For instance, OECD regions with 10% less developed land per capita recorded approximately 1 percentage point higher per capita GDP growth over the following decade (OECD, 2017[36]).	SDG 1 (No poverty): Equitable land-use planning may ensure access to land and housing, reducing vulnerability. SDG 6 (Clean water and sanitation): Protect watersheds and water infrastructure. SDG 9 (Industry, innovation and infrastructure): Guide the siting of infrastructure and promotes efficient land use for economic development. SDG 10 (Reduced inequalities): Help reduce spatial segregation and promotes equitable access to resources and services. SDG 13 (Climate action): Strategic land use reduces emissions, enhances resilience and protects carbon sinks.	**UK**: National Model Design Code **Korea**: Comprehensive National Land Plan **Italy**: Save our Soil for Life project
Green infrastructure	**SDG 11**: Sustainable cities and communities **Target 11.7**: Provide universal access to safe, inclusive and accessible, green and public spaces. **SDG 9**: Industry, innovation and infrastructure **Target 9.1**: Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all. **General features**: Policies aim to provide a more equitable access to high-quality greenspace to improve residents' health	The lack of investment in green infrastructure in EU cities could lead to EUR 190 billion a year in climate-related damages by 2070 (IUCN, n.d.[37]).	SDG 1 (No poverty): Can reduce environmental injustice and improve quality of life in underserved communities. SDG 3 (Good health and well-being): Green spaces improve air quality, reduce stress, and encourage physical activity. SDG 6 (Clean water and sanitation): Aid in water filtration, stormwater management and protecting aquatic ecosystems. SDG 9 (Industry, innovation and infrastructure): Encourage nature-based solutions within infrastructure planning. SDG 13 (Climate action): Green infrastructure (e.g. urban forests, permeable surfaces) helps cities adapt to impacts of natural disasters like flooding and heatwaves.	**UK**: Green Infrastructure Framework **Japan**: Certification system for green spaces **Finland**: National Urban Parks programme **Canada**: National Adaptation Strategy

Thematic area	Primary SDG target and general features of policies	Cost of inaction related to the lack of an integrated approach	Links to other SDGs	Examples
	and well-being and enhance preparedness to environmental hazards in deprived areas.			

Increasing access to affordable housing enables aligning social, economic and spatial goals

As cities keep growing, access to affordable, high-quality housing is a top priority for national and subnational governments. Housing is a major determinant of quality of life in cities. It touches on every aspect of a country's economy, has an interface with practically every social development sector and is the largest land use in the built environment. At the global level, as of 2020, nearly 1.1 billion people lived in slums or slum-like conditions in urban areas across the world. If affordable quality housing is not provided, an additional 2.2 billion people are expected to live in slums over the next 30 years (UN-Habitat, 2023[38]). According to estimates, over two million people are officially recorded as homeless across OECD countries, underscoring the ongoing challenge of ensuring access to adequate housing. In 2022, 60% of individuals aged 18 to 29 years expressed concerns about their ability to find and maintain suitable housing (OECD, 2024[30]). Data also show that in almost all OECD countries with available information, low-income tenants in subsidised housing were less likely to spend more than 40% of their disposable income on housing compared to those renting in the private market (OECD, 2024[30]). Ensuring inclusive access to housing is a persistent challenge for OECD countries. On average, middle-income households now spend around 31% of their income on housing – a figure that increased by 5 p.p. between 2005 and 2015 (OECD, 2021[39]). Meanwhile, public investment in housing has fallen sharply, from 0.17% of GDP in 2001 to just 0.06% in 2018 across OECD countries. This decline has contributed to a shortage of affordable housing and intensified upward pressure on house prices and rents. In addition to affordability concerns, the housing sector also faces growing sustainability challenges, including low energy efficiency. The housing sector is responsible for 17% of global CO_2 emissions and 37% of PM2.5 emissions (OECD, 2021[39]).

Examples of housing policies to promote sustainable urban development include the following:

- **Canada co-ordinates across levels of government to improve housing outcomes.** Canada is creating a new federal entity called Build Canada Homes (BCH) that will be responsible for building affordable housing, providing financing to affordable home builders and catalysing a productive home industry. A major focus of BCH will be to reduce the input costs of housing by unlocking federal lands at a nominal value and bringing it to market quickly. Programmes such as the Rapid Housing Initiative (RHI) and the Canada Housing Infrastructure Fund (CHIF) are also instrumental to help co-ordinate public investments and ensure that local housing and infrastructure needs are addressed in co-ordination with other levels of government. The RHI was designed to quickly create new affordable housing units for priority populations (e.g. homeless, seniors, Indigenous peoples, veterans and people with disabilities), through the rapid construction of new housing and/or the acquisition of existing buildings for conversion. The CHIF works with communities to accelerate the construction and upgrading of housing-enabling infrastructure (e.g. drinking water, wastewater, stormwater and solid-waste infrastructure, including green infrastructure), directly supporting the creation of new homes and increasing densification. Initiatives like the RHI and CHIF support inclusive, accessible and resilient urban environments by increasing the supply of affordable housing and ensuring longer-term sustainability through government co-ordination.
- **Japan seeks to provide housing options to an ageing population and increased single-person households through collaboration with the private sector.** In 2024, the Japanese government amended the Housing Law to promote the utilisation of the private rental housing stock

through co-operation and collaboration between the public and private sectors and central and local governments. The reform introduced measures such as improving the housing market environment to enable people in need of housing support to move in more easily, and establishing a certification system (housing with residential support). This system allows private entities, in in co-ordination with welfare services, to monitor the safety of tenants, particularly elderly residents. The government implements cross-sectoral strategies that align housing, urban planning and social services with demographic and market realities. These include the nationwide Housing Safety Net System, which registers private rentals that commit to accommodating older and vulnerable tenants, subsidises accessibility and safety upgrades, and connects landlords with local housing-support corporations and welfare agencies to secure appropriate homes and ongoing care (OECD, 2025[40]). Japan also links housing policy with energy-efficient refurbishment and public health objectives. A national survey of more than 2 000 houses and 4 000 occupants found that residents' blood pressure was significantly reduced following energy efficiency renovations, due to improved indoor air temperatures (OECD, 2022[41]).

- **Mexico has aligned its housing policy to global agendas to co-ordinate the action of different stakeholders and promote urban compact development.** The National Housing Programme (NHP) incorporates the seven elements of adequate housing established by UN-Habitat (i.e. security of tenure; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility; location; and cultural adequacy) to ensure that all stakeholders in the housing and urban development sectors across levels of government promote these criteria in the plans, rules and programmes of each institution. The programme emphasises the importance of aligning housing policies with urban planning and land-use strategies. By promoting the development of housing in areas with existing infrastructure and services, the NHP aims to create more compact, connected and sustainable urban environments.

Sustainable transport is a driver of sustainable cities as it advances environmental, social and spatial goals

Transport is a vital enabler of several SDGs, notably in relation to economic growth (SDG 8), climate action (SDG 13), urban development and affordable housing (SDG 11), reduction of inequalities (SDG 10) and decent work (SDG 8). Improving accessibility to jobs, services and goods is a priority for all cities, as in many cases low- and middle-income households have been pushed out to the urban periphery due to increasing house prices. In OECD countries, around 84% of residents in urban centres have access to a public transport stop within a 10-minute walk. However, this level of accessibility declines sharply in suburban areas, where only about 56% of residents enjoy the same proximity. On average, 70% of people living in FUAs can access public transport within walking distance, yet car dependency remains widespread, particularly in areas with high commuting activity (OECD, 2024[2]). Public transport initiatives also focus on making a more rational use of roads and space (e.g. in France, Paris dedicates 27% of its surface to transport and 57% of that space is used by cars), lowering air pollutants and GHG emissions to improve air quality (e.g. shifting from cars to public transport can reduce up to 2.2 tons of annual carbon emission per person, and living car-free could reduce up to 3.6 tons of annual carbon footprint) (UN, n.d.[42]). According to research, at least seven SDGs are linked to mobility, either through explicit transport-related targets or via cross-cutting dimensions of urban public transport (UCLG/UITP, 2019[43]).

As cities are grappling with traffic congestion, road accidents and transport-related emissions, the need for integrated, climate-responsive and inclusive transport services continues to grow. Without a shift towards sustainable transport options, emissions will continue to rise. Instead of focusing solely on physical movement, mobility systems must be re-designed around accessibility, especially for vulnerable groups such as older adults, children and people with disabilities (OECD, 2025[44]). This paradigm shift is key to reversing the increasing trend in car ownership and use, and its direct link to growing emissions. Currently, across OECD countries, transport accounts for around 23% of global CO_2 emissions, with road transport

representing the largest part (OECD, 2019[45]). Ambitious low-carbon transport measures can substantially reduce emissions, improve public health outcomes and yield enormous economic benefits. These measures have the potential to save trillions of life years and cut healthcare costs by hundreds of billions of dollars each year. The projected savings in public health expenditure are estimated at approximately USD 875 billion annually, particularly in regions experiencing the most significant improvements in health outcomes (ITF, 2024[46]). These savings can help offset the upfront investment required for sustainable transport infrastructure, making the transition both socially and economically viable. Moreover, the lack of access to public transport, especially in peripheral urban areas or in marginalised neighbourhoods, may aggravate economic and social challenges, particularly for low-income households. The absence of a reliable public transport service prevents cities from promoting inclusive and integrated urban planning and solving other social and environmental challenges such as housing and air pollution. In fact, the lack of public transport may be one of the reasons why affordable housing developments become expensive as residents must invest more time and money in commuting, which affects their well-being and productivity. For example, across Canada's eight largest cities, over half of all neighbourhoods face some level of risk from transport poverty (IRPP, 2024[47]). This situation has led to what is often referred to as the "affordability paradox": households must choose between less expensive housing in the suburbs, where poor transit options make costly car ownership essential, or more costly accommodation in city centres, where reliable public transport could reduce or eliminate the need for a personal vehicle (IRPP, 2024[47]). Moreover, the economic case for improving accessibility is compelling. Enhanced market access benefits all types of regions. A 10% increase in accessibility typically leads to a 2% rise in regional GDP. For instance, in France, between 1990 and 2012, the Haute-Garonne region, including the city of Toulouse, experienced a 40% improvement in market access, which contributed to an 8% increase in its GDP (OECD, 2020[48]).

Country examples of integrated transport urban policy include:

- **Japan has adopted the transit-oriented development (TOD) model to build sustainable cities**. The model includes a terminal station development in the city centre and an integrated development of a railway and suburban areas along the railway line. This model combines transport infrastructure with land use, economic development and community well-being. It has allowed authorities to ease the concentration of population in urban areas, reduce traffic congestion and air pollution, improve the work and housing environment and reduce the number of roads accidents and deaths. The Osaka Station area, for example, is being redeveloped under a TOD model to create a fusion base for greenery and innovation. Through TOD projects, city planners adjust zoning regulations, such as floor area ratios and building types, to encourage mixed-use developments near stations. This integration ensures that residents have access to essential services within a short walking distance, enhancing liveability.
- **In Ireland, the city of Cork pursues its compact liveable growth objectives under a TOD approach**. Transport is one of the strategic objectives set by local council to transform Cork into a 15-mminute city as a response to the SDGs and the climate change emergency. A "15-minute city" is an urban planning concept in which all inhabitants – regardless of age, background or ability – can access their essential daily needs within a 15-minute walk or bike ride from their home (Moreno, 2021[49]). Development focuses on increasing proximity through mixed-land use, increasing ease of access, focusing on people-oriented design and creating a sense of place. The delivery of the long-term sustainable plans via TOD may lead to the creation of approximately 35 000 new jobs (Cork City, 2022[50]).
- **Canada seeks to contribute to a clean environment through an electric bus fleet**. Since 2020, the Canada Infrastructure Bank (CIB) has been aligning its strategic vision to the evolving policy priorities, particularly on GHG emission reductions and housing needs. Thus, the CIB has been assisting municipalities, school boards and private operators in communities across the country in electrifying their bus fleets, contributing to modernised transit that is fast, efficient and clean. As of the end of 2023-24, zero emission bus financing reached CAD 1.67 billion, supporting the purchase

of 6 062 zero emission buses that are forecasted to reduce emissions by an estimated total of more than 188 000 tCO_2eq annually.

Countries harness digital technologies and data to implement integrated urban policies for sustainable development

The use of digital technologies in cities may be a catalyst for achieving the SDGs. They may have an impact on 70% of SDG targets touching areas such as poverty, education, climate action and cities.[12] For example, limited progress in tackling exclusion related to income, ethnicity and gender (SDG 5) prevents people from having access to the Internet and access public services available online such as education (SDG 4) and healthcare (SDG 3). At the same time, the low levels of education may hinder people's possibilities of developing the skills for digital technology use.

The lack of a strategy to foster digitalisation may limit cities' potential to increase productivity levels, strengthen the efficiency of public services and even get access to high-quality and timely data for decision making. OECD research shows that the proportion of citizens satisfied or very satisfied with their life is 1.5 p.p. higher in cities with high public sector innovation scores than in their low-score counterparts (OECD, 2021[51]). Moreover, the cost of not investing in bridging the digital gap would limit people's possibilities of accessing education, healthcare, employment and financial services. Across the world, 33% of the population lacks an Internet connection. Addressing this digital infrastructure gap requires an investment of around USD 1.6 trillion.[13] Failing to address this gap could limit access to digital governance tools to enhance citizen engagement and improve decision making, causing cities to lag in transparency and efficiency. For example, in 2014 the city of Paris (France) implemented a digital participatory budgeting platform called *Budget Participatif*, where citizens vote on how to allocate a portion of the city's budget (up to EUR 100 million annually). This digital tool has engaged over 500 000 residents annually leading to greater transparency and improved efficiency (PBP, 2017[52]), By contrast, cities without such platforms, especially those relying on analogue public consultations (e.g. paper surveys, in-person town halls only), report much lower engagement rates (often less than 5% of the local population) (European Court of Auditors, 2019[53]).

In fact, it is argued that improving digital maturity – measured by digital affordability and infrastructure indices – may help progress on the SDGs even in countries with low income levels.[14] Digitalisation and smart city strategies are reshaping the way cities are providing public services and engaging with citizens. Indeed, most of the world's population owns a mobile phone (8.5 billion mobile subscriptions in 2022)[15] and 90% of those is a smartphone.[16] This opens the possibility for cities and their partners (e.g. private sector enterprises, research institutions) to collect real-time data for decision making and increase the availability of public services. Country examples leveraging data and digital technologies for integrated urban policy include the following:

- **Germany uses smart city projects to encourage the development and dissemination of practical solutions for shaping sustainable cities**. Since 2019, the federal government has dedicated over EUR 820 million to fund 73 Model Projects Smart Cities across the country to pursue integrated urban development, adapt to climate change and improve municipal processes and services for the benefit of all residents. The smart city projects also help cities to build resiliency as the solutions developed through the open-source requirement are independent of specific providers and can be used by other cities. Digital tools and solutions developed within the programme support the early detection of environmental risks and climate-related hazards.
- **Japan harnesses the power of data and 3D technology to reinforce city planning**. In 2020, the national government developed the PLATEAU project, which is a nationwide urban digital twin realisation project, leading to urban space reorganisation, using data from 200 cities across the country. Through the project, authorities create 3D urban models for integrated urban planning and development. These digital twins[17] facilitate data-driven decision making, ensuring that TOD

projects are responsive to the evolving needs of urban populations. The project constitutes a unified platform that integrates various urban data, such as building structures, land use and infrastructure. This facilitates informed decision making across multiple policy areas, including housing, transportation and disaster management.

- **The UK government developed a Connectivity Tool for a robust metric of what constitutes a well-connected place**. The tool is a web-based platform that generates a measure of connectivity for every location in England and Wales. It calculates travel times from 100 square metre grid cells to all destinations in six categories: jobs, education, health, shopping, entertainment and residential by walking, cycling and public transport. Through this tool, the government expects to drive growth, deliver decarbonisation, engender better health outcomes and locate new development and services (e.g. houses, offices and schools) in the most sustainable, easily accessible locations. The Connectivity Tool adopts an integrated approach by combining three core dimensions: transport infrastructure, land-use patterns and access to services and opportunities. It assesses the availability and quality of transport options, including public transport, road network and active travel routes. At the same time, it examines how different types of land use, such as residential, commercial and industrial areas, are spatially distributed and how this affects accessibility. Additionally, it evaluates how easily residents can reach essential services such as healthcare, education and employment centres. By bringing these elements together, the tool provides a nuanced understanding of connectivity that goes beyond basic distance measures. It enables the identification of areas with connectivity gaps and informs more strategic decisions on where to prioritise infrastructure investment.

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Policies and programmes pursuing energy efficiency have become essential to sustainability, as rising energy demands for heating, cooling and lighting represent a sizeable amount of energy consumption and households' expenses. Across the world, over 65% of energy consumption and 70% of GHG emissions come from cities (EC, 2021[54]). Energy demand for space cooling has risen 4% per year on average since 2000, twice as quickly as for water heating (IEA, 2023[55]). To improve energy efficiency in cities, measures are most often targeted at the building sector. Buildings play a pivotal role in the transition to a low-carbon economy as they account for nearly 40% of global energy-related CO_2 emissions, and in some large cities as much as 70% (OECD, 2022[41]). Decarbonising the building stock, particularly older properties, through energy efficiency measures and the use of renewable energy, not only cuts emissions but also delivers additional benefits for public health, energy affordability and employment. The cost of inaction in energy efficiency may be reflected in households' budgets to pay for energy (heating and cooling), and in the public sector budgets due to increase public expenditure in healthcare. In major economies, households spend between 3% to 7% of their income on cooling and heating, but lower income households may spend more (IEA, 2023[56]). Investments in energy efficiency measures in buildings offer strong potential for job creation, with estimates ranging from 9 to 30 jobs for every USD 1 million spent (IEA, 2020[57]). In the European Union, an investment of EUR 1 million in building energy renovation is estimated to generate an average of 18 jobs (Renovate Europe, 2020[58]). In addition to economic benefits, improved energy efficiency and upgraded electrical equipment can enhance well-being. In the European Union, such improvements in indoor air quality are estimated to yield up to USD 259 billion (EUR 190 billion) in annual public health savings (IEA, 2014[59]).

Conducting building renovations to reduce energy consumption and energy costs for households is one of the main strategies cities have adopted to mitigate climate change. Ensuring access to affordable, reliable and sustainable energy (SDG 7) could have positive benefits in other SDGs. Energy efficiency may not only help reduce energy use in industrial sites but also make public transport, housing construction and domestic use of energy more environmentally friendly, contributing to making cities more safe, sustainable and resilient (SDG 9). It could also make production and consumption patterns more sustainable leading to circular-economy processes and reducing waste (SDG 12). Energy efficiency is tied to digitalisation as it is essential to monitor consumption and support more intelligent and efficient industrial operations (SDG 9). Fostering energy efficiency in cities is expected to reduce the need for fossil fuels and lower carbon emissions causing climate change (SDG 13). Country examples of energy efficiency in the building sector in cities include the following:

- **France has made housing energy efficiency a top priority to mitigate the impact of and adapt to climate change**. In 2021, the Climate and Resilience Act was reformed to include stringent thermal regulations for new buildings to cut energy consumption, reduce GHG emissions and combat fuel poverty. Some of the new measures include a carbon footprint based on a life-cycle

analysis, and the need to take account summer comfort to ensure that buildings are better adapted to the future climate. To support the renovation of the housing stock through incentive-based measures such as grants, subsidies and information and advice to landlords. France's approach to housing energy efficiency reflects a multi-dimensional strategy that embeds climate goals into urban development, housing policy and social equity.

- **The United Kingdom is testing a low-carbon social housing initiative that combines high-quality architectural design, environmental sustainability and a strong focus on social well-being.** In the United Kingdom, socially rented homes are long-term tenancies offered to people with low incomes, typically by a local authority or a government-registered not-for-profit company known as a housing association, and the rent is determined by government policy at around 50% of the market rate. In the city of Norwich, Goldsmith Street hosts a low-carbon social housing built for a range of different occupiers, to very high standards of design and sustainability. It comprises 105 socially rented homes, including family homes and flats (83 dwellings/per hectare). Up to 95% of the heat that would otherwise be lost to leaks and drafts can be recovered, generating savings in energy bills.
- **Spain has adopted a cross-sectoral energy efficiency plan covering housing, transport, industry and services**. Spain's integrated National Energy and Climate Plan 2021-2030 seeks, among other goals, to reduce 23% of GHG emission by 2030 compared to 1990, and aims for an energy efficiency improvement of 39.5% in 2030. To meet these targets, the plan outlines 17 energy efficiency measures, 10 of which are sector-specific and designed to meet energy savings obligations. These include initiatives such as a financial aid programme for municipalities to implement low-emission zones, as well as the digital and sustainable transformation of urban transport towards greener mobility. (Government of Spain, 2020[60]).[20] The plan reflects a cohesive, place-based strategy that recognises the interdependencies of energy efficiency, climate action, urban governance and sectoral transformation.

Urban regeneration projects are used to meet broader social, environmental and economic objectives

Urban regeneration can improve the physical, social, economic and ecological environment of cities. It has the potential to advance at least 15 of the 17 SDGs and over 45 SDG targets through addressing challenges such as social equity, human health, carbon emissions, infrastructure, liveability and housing (UN-Habitat, 2024[61]). Conversely, failing to invest in revitalising urban areas could lead to economic, social and environmental costs. When cities neglect investment in declining areas, property values tend to fall, leading to lower property tax revenues. This reduction in funding weakens public services, makes the area less appealing to businesses, and limits local job opportunities. Moreover, ageing buildings without upgrading, which typically implies a range of interventions to improve the physical, functional, environmental and safety performance, consumes more energy for heating and cooling, leading to higher bills for households. Urban regeneration projects tend to include green spaces. The lack thereof leads to higher temperatures, exacerbating health problems. Neighbourhoods experiencing decadence experience an increase in social exclusion, whereby disadvantaged groups become more isolated.

Urban regeneration projects undertaken by cities can contribute to a wide range of policy goals. These include the provision of affordable and adequate housing; upgrading and expanding infrastructure; improving public transport, repurposing historic and existing buildings; culture-led regeneration; local economic development; education and health; tourism; the restoration of the natural environment; and enhancing efficiency in energy, water and materials use. They also support the increased adoption of renewable and low-carbon energy sources as well as improved waste management. Urban regeneration can advance the localisation of the SDGs by promoting collaboration among different sectors that

otherwise would work in silos and the engagement of a wide range of stakeholders. Country examples of regeneration projects supporting integrated urban development include the following:

- **France used the 2024 Paris Olympic and Paralympic Games as a lever to regenerate an area that had lost its socio-economic function**. To accommodate athletes during the games, authorities built the Olympic village in the northern Parisian district of Pleyel. This development aimed not only to provide housing for participants but also to help restore the area's socio-economic function, that is, the services that support the social and economic well-being of its residents. These include improved access to housing, employment, education, healthcare, retail and commerce, mobility and public spaces. The new buildings were constructed using bio-sourced materials, considering the impacts of global warming and the need to reduce the carbon footprint of both construction and the built environment. These efforts aim to help lower energy bills for low-income households and improve insulation, thereby reducing exposure to extreme weather and lowering healthcare costs. All spaces were designed to be repurposed after the games into housing, including between 25% and 40% allocated to social housing, depending on the municipality, alongside offices, public facilities and shops.
- **Germany's National Urban Development Policy 2021-2024 provided a platform to test innovative projects that enhance sustainable development**. Specific emphasis was put on the potential for use and redesign of public spaces, changing mobility and leisure needs, equity in land use as well as climate protection and adaptation. For example, in the Brandenburg region, the town of Neuruppin implemented a project to repurpose an underutilised park into a space for sustainable education, nature-based recreation and active mobility. A citywide network of stakeholders including schools, voluntary associations and the city administration formed the foundation for the community-led revitalisation of Dein Park. This case exemplifies an integrated urban lens by aligning environmental, educational, social and mobility goals within a participatory planning process. It shows how underused spaces can become catalysts for broader sustainable urban transformation. By repurposing the underutilised Dein Park for nature-based recreation and sustainable education, the project integrates green infrastructure into the urban fabric. The inclusion of active mobility as a function of the revitalised park supports healthier lifestyles and more sustainable transport patterns. It links urban green space to mobility planning and accessibility, particularly at the neighbourhood scale. By embedding sustainability education within a public space, this case connects environmental goals with social development.
- **In Italy, the city of Genoa pursues urban renovation works to enhance resiliency to climate change**. The renovation of the Levante Waterfront area includes new urban blue infrastructure[21], a nautical district, a renovated sports centre, a new urban park, residential buildings, commercial areas, a pedestrian walkway and hospitality infrastructure. Sustainability is a key element in the renovation works. The project showcases an integrated urban approach, combining climate resilience, sustainable development, mixed-use planning and social equity. The renovation focuses on climate adaptation through urban blue infrastructure and environmental strategies, such as oxygenating canal waters to protect biodiversity. It integrates residential, commercial, recreational and hospitality spaces in a compact, well-connected area, addressing environmental, economic and social challenges.

Land-use planning helps cities to co-ordinate competing urban development priorities

Land-use planning is closely linked to broad agendas such as the transition to a low-carbon economy, reducing socio-spatial inequality and the generation of opportunities for economic growth. Since land use defines the organisation of all key functions and activities that form and shape a city, it affects many aspects of life in urban areas such as the environment, public health, economic growth, the distribution of wealth, social outcomes and the attractiveness of cities. Land use has become a key tool to promote compact cities with mixed-use quarters strongly connected to each other, providing local governments with

efficiency increases and cost savings mainly due to the increased proximity between urban residents and activities.

Land use plays a pivotal role in achieving several of the SDGs. For example, by making cities walkable, land use can influence air pollution (SDG 11) and contribute to better health outcomes (SDG 3); while minimising transportation-related emissions (SDG 11), and thoughtful land use can contribute to climate change mitigation (SDG 13). The availability of land also determines the construction of housing (SDG 11), which in turn has an impact on poverty alleviation (SDG 1), public health (SDG 3), education (SDG 4) and employment (SDG 8). Due to its importance, land use is highly regulated across OECD countries, but that regulation is segmented horizontally, involving ministries with very different responsibilities (e.g. agriculture, environmental protection, urban development, transport, housing and spatial planning), and vertically land use is regulated by local authorities (i.e. zoning) through centrally determined legislative frameworks. Well-planned land use fosters sustainability, equity, connectivity and economic vitality. It reduces long commutes, improves quality of life, supports local economies and promotes active transport, while decreasing reliance on cars. Mixed-use development helps address housing shortages and creates inclusive communities. Prioritising green spaces, parks and ecosystems not only aids climate resilience by managing stormwater and reducing heat islands but also enhances biodiversity. Furthermore, it ensures equitable access to jobs, services and amenities, while policies supporting affordable housing and public services help reduce inequalities and prevent segregation.

- **France used the 2024 Paris Olympic and Paralympic Games as a lever to regenerate an area that had lost its socio-economic function**. To accommodate athletes during the games, authorities built the Olympic village in the northern Parisian district of Pleyel. This development aimed not only to provide housing for participants but also to help restore the area's socio-economic function, that is, the services that support the social and economic well-being of its residents. These include improved access to housing, employment, education, healthcare, retail and commerce, mobility and public spaces. The new buildings were constructed using bio-sourced materials, considering the impacts of global warming and the need to reduce the carbon footprint of both construction and the built environment. These efforts aim to help lower energy bills for low-income households and improve insulation, thereby reducing exposure to extreme weather and lowering healthcare costs. All spaces were designed to be repurposed after the games into housing, including between 25% and 40% allocated to social housing, depending on the municipality, alongside offices, public facilities and shops.
- **Germany's National Urban Development Policy 2021-2024 provided a platform to test innovative projects that enhance sustainable development**. Specific emphasis was put on the potential for use and redesign of public spaces, changing mobility and leisure needs, equity in land use as well as climate protection and adaptation. For example, in the Brandenburg region, the town of Neuruppin implemented a project to repurpose an underutilised park into a space for sustainable education, nature-based recreation and active mobility. A citywide network of stakeholders including schools, voluntary associations and the city administration formed the foundation for the community-led revitalisation of Dein Park. This case exemplifies an integrated urban lens by aligning environmental, educational, social and mobility goals within a participatory planning process. It shows how underused spaces can become catalysts for broader sustainable urban transformation. By repurposing the underutilised Dein Park for nature-based recreation and sustainable education, the project integrates green infrastructure into the urban fabric. The inclusion of active mobility as a function of the revitalised park supports healthier lifestyles and more sustainable transport patterns. It links urban green space to mobility planning and accessibility, particularly at the neighbourhood scale. By embedding sustainability education within a public space, this case connects environmental goals with social development.
- **In Italy, the city of Genoa pursues urban renovation works to enhance resiliency to climate change**. The renovation of the Levante Waterfront area includes new urban blue infrastructure[22],

a nautical district, a renovated sports centre, a new urban park, residential buildings, commercial areas, a pedestrian walkway and hospitality infrastructure. Sustainability is a key element in the renovation works. The project showcases an integrated urban approach, combining climate resilience, sustainable development, mixed-use planning and social equity. The renovation focuses on climate adaptation through urban blue infrastructure and environmental strategies, such as oxygenating canal waters to protect biodiversity. It integrates residential, commercial, recreational and hospitality spaces in a compact, well-connected area, addressing environmental, economic and social challenges.

Land-use planning helps cities to co-ordinate competing urban development priorities

Land-use planning is closely linked to broad agendas such as the transition to a low-carbon economy, reducing socio-spatial inequality and the generation of opportunities for economic growth. Since land use defines the organisation of all key functions and activities that form and shape a city, it affects many aspects of life in urban areas such as the environment, public health, economic growth, the distribution of wealth, social outcomes and the attractiveness of cities. Land use has become a key tool to promote compact cities with mixed-use quarters strongly connected to each other, providing local governments with efficiency increases and cost savings mainly due to the increased proximity between urban residents and activities.

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Co-ordinated land-use policies help address challenges such as urban sprawl, infrastructure provision and access to services. Poorly managed land use, especially in low-income countries, leads to insufficient infrastructure and overcrowding as urban populations grow faster than construction. Conversely, in many high-income countries, infrastructure may exceed needs due to population decline, and unchecked low-density expansion can drive up infrastructure costs. Achieving balanced development requires aligning land use with transport planning, either by extending public transport or by increasing density around existing transit corridors to reduce congestion and pollution (OECD/European Commission, 2020[3]).

Moreover, since land use is linked to one-third of CO_2 emissions (OECD, 2017[36]), the lack of proper planning can hinder climate change mitigation efforts. Moreover, the urban form depends on the relationship between buildings and transport networks dictated by land-use practices. In this case, the lack of land-use planning may affect the distribution of wealth, social outcomes and the competitiveness and attractiveness of cities. When cities fail to plan how land is used, patterns of uncontrolled sprawl emerge, posing a real challenge for cities' fiscal and environmental sustainability as well as its potential agglomeration benefits, and making the maintenance of services and infrastructure in established areas costlier. Across the world, cities expanded physically faster than their population growth rates with average annual land consumption rates of 1.5% compared to 1.2% respectively from 2010 to 2020 (UN-Habitat, 2023[38]), indicating that better land use is possible.

Thus, land-use planning needs to take a more integrated approach and be flexible and responsive to changing conditions (OECD, 2017[36]). Country examples of integrated land use policy for urban development include the following:

- **The UK National Model Design Code sets a baseline standard of quality expected to be considered by local authorities when developing local design codes and planning**

applications. Local design codes reflect a comprehensive approach to urban design that combines sustainability, health, inclusivity and local responsiveness. They provide a framework for creating healthy, safe, green, environmentally responsive, sustainable and distinctive places, with a consistent and high-quality standard of design. They support local authorities to design new developments in a way that enhances health and well-being and creates safe, inclusive, accessible and active environments, and determines how landscape, green infrastructure and biodiversity should be approached. The National Model Design Code focuses on creating sustainable, healthy, inclusive and contextually responsive urban spaces, bringing together environmental stewardship, social equity and high-quality design in urban development. It underscores the importance of balancing ecological, social and economic factors in shaping cities.

- **In Korea, land-use planning serves to foster social inclusion, job creation and economic revitalisation**. Land-use planning is used as a tool for ensuring more efficient and effective city management, pursuing sustainable and balanced development, facing an ageing and shrinking population, supplying affordable housing and improving quality of life and regional competitiveness (OECD, 2019[62]). It is the basis for the urban regeneration which is evolving towards a partnership between tiers of government and broader coalitions from civil society and the private sector.
- **Italy's Save Our Soil for Life (SOS4LIFE) project seeks to establish a robust regulatory framework and local planning tools to mitigate the impact of urbanisation and enhance urban resilience to climate change**. The project provides a methodology for the detection, evaluation and mapping of ecosystem services provided by urban soils, aimed to quantify costs and impacts caused by soil consumption and soil sealing in urban and rural areas. It defines urban regulations and implementation tools at the municipal level to maintain a balance of "no net land take" in newly urbanised areas and to encourage urban regeneration projects. This project encourages municipalities to balance new urban developments with compensatory de-sealing actions. This approach fosters sustainable land use by prioritising the regeneration of existing urban areas and reducing the need for new land consumption. SOS4Life exemplifies an integrated urban approach by harmonising environmental stewardship, social inclusion, data-driven governance and scalable solutions to create resilient and sustainable urban environments.

Green infrastructure can preserve the urban environment while strengthening the social identity, heritage and community cohesion

Green infrastructure – "a strategically planned network of natural and semi-natural areas with other environmental features, designed and managed to deliver a wide range of ecosystem services, while also enhancing biodiversity" (EC, n.d.[63]) – can help mitigate the effects of urban heat islands, improve energy efficiency by cooling buildings and outdoor spaces, and enhance air quality by absorbing pollutants and releasing oxygen. It also promotes health and well-being by providing relief from urban stressors and offering opportunities for physical activity, while generating economic benefits by increasing property values through more attractive surroundings. Parks, green roofs, rain gardens and street trees play multiple roles for the quality of life in cities (SDG 11) and support the achievement of different SDGs, such as improving health and well-being (SDG 3) and water management (SDG 6), mitigating the effects of climate change (SDG 13), and protecting the natural ecosystems in urban areas (SDG 15).

Conversely, urban areas without green infrastructure may be more vulnerable to flooding, heatwaves and storms, which could have financial implications. Research estimates that the lack of investment in green infrastructure in EU cities could lead to EUR 190 billion a year in climate-related damages by 2070.[25] Green infrastructure could decrease 0.1°C in peak daily temperature, which could lead to an average reduction of 3.0% in heat-related mortality (Santamouris and Osmond, 2020[64]).

Country examples of green infrastructure initiatives supporting integrated urban policy include the following:

- **The United Kingdom focuses on green infrastructure to build healthy, high-quality towns and cities**. The UK Green Infrastructure Framework (GIF) provides a structure to analyse where greenspace in urban environments is needed the most, support equitable access to greenspace across the country and encourage better planning for implementing or improving green infrastructure, particularly where existing provision is poorest. The framework is expected to contribute to nature recovery by embedding nature into new developments, improving the extent and connectivity of nature-rich habitats to increase wildlife populations, building resilience to the impacts of climate change and ensuring cities are habitable for the future. The GIF contains a holistic approach to urban planning, where green infrastructure is not treated as an isolated environmental goal but as a foundational element for healthier, more equitable and better-connected urban development. Across the country, urban green spaces alone support 2.1 million people to meet their weekly physical activity guidelines, avoiding health service costs of around GBP 1.4 billion. The GIF combines spatial planning, public health, social equity and environmental resilience to ensure equitable access to green spaces, enhance urban liveability and promote sustainable land use and inclusive growth.
- **Japan uses an evaluation and certification system to secure high-quality green spaces in cities**. The country established the TSUNAG (To Secure Urban Nature and Green Space) system to evaluate and certify private businesses' and other entities' efforts to secure high-quality green spaces that contribute to responding to climate change, securing biodiversity and improving well-being. Through TSUNAG, Japan recognises green spaces as multifunctional assets that address climate resilience, biodiversity and human well-being within urban development. Businesses receive three main advantages from the certification: i) by visualising the value of greenery, they are evaluated by investors, financial institutions, tenants, etc. from the perspective of sustainability, which will lead to the attraction of private investment; ii) gain local support; and iii) they can utilise financial support by the state such as interest-free loans and subsidies to build high-quality green spaces. This evaluation and certification system takes a cross-sectoral approach by encouraging private sector engagement in the creation and maintenance of high-quality green spaces to enhance environmental sustainability, promote social-well-being, align nature-based solutions to development goals and strengthen collaborative governance.
- **Through its national urban parks programme, Finland seeks to preserve the nature and landscape values of urban areas** as well as maintain ecological corridors and biodiversity. Finland views urban parks as multifunctional spaces that integrate environmental conservation, cultural heritage and urban liveability. To uphold high national standards, the national government assesses city proposals for urban park designation using a set of criteria such as the park's content, size, ecological value, cohesiveness and long-term sustainability. Through this programme, Finland links nature preservation, ecological connectivity and cultural continuity within urban planning by protecting biodiversity and ecological corridors to support environmental sustainability, preserving cultural and natural heritage as part of place-based identity and social cohesion, enhancing urban quality of life through accessible green spaces that promote health and well-being and promoting national consistency in urban environmental standards through centralised evaluation criteria.
- **Canada supports resilient communities by taking a "value chain approach" that moves knowledge to action** through a strategic sequence of investments along the continuum of data-to-capital projects. Guided by Canada's National Adaptation Strategy, a whole-of-society plan that establishes a vision for resilience to climate change, investments along the value chain help to address complex issues through multiple targeted initiatives ranging from reliable climate data to climate-informed codes, standards and guidance to integrated planning capacity supports, such as Canada's Climate Toolkit for Housing and Infrastructure initiative. The Climate Toolkit aims to equip infrastructure practitioners with the tools and resources they need to identify and implement urban resilience solutions. It includes an open-access Climate Insight platform, which will help users

identify relevant climate risks and explore low-carbon resilient options, a roster of experts to connect users to qualified professionals to assist in options evaluation, and a helpdesk to field inquiries and guide users toward best practices, tools and data sources. For example, if looking for information on extreme heat, a municipality could use the Climate Insight platform's map to examine the relationship between days with maximum temperature above 30°C and a social vulnerability index to target investment where it is most needed or use the platform's library to explore codes and standards relating to heat-resilient construction. Canada has also invested in green infrastructure to mitigate the impacts of extreme climate events and make communities more liveable, through programmes like the Disaster Mitigation and Adaptation Fund (DMAF) and the Natural Infrastructure Fund. For example, the DMAF invested over CAD 27 million to plant nearly 300 000 trees in the city of Montreal, which has some of the highest vulnerability to death from extreme heat in the country. Investments like this one are critical to protecting the safety and well-being of urban communities.

Lessons from country examples: Key enabling factors for integrated urban policies to meet the SDGs

Across the literature, several factors have been highlighted as enablers of integrated urban policy (Ran and Nedovic-Budic, 2018[65]; Cejudo and Michel, 2021[66]; Holden, 2012[67]; Trein, Meyer and Maggetti, 2019[68]; Trein, 2017[69]), including financial resources, institutional frameworks, stakeholder engagement, data and information and strategic foresight. Their main function is to generate interdependence among the different policy levers of sustainable development, facilitate implementation and maintain policy integration over the long term.

Securing and aligning public and private finance

Countries need to leverage public and private sources of financing to achieve the 2030 Agenda. Investment in infrastructure, from housing and transport to urban regeneration, requires budgetary outlays, which in turn need an adequate level of tax revenues. Achieving the SDGs by 2030 will require USD 5-7 trillion a year, which represents 7% to 10% of global GDP.[26] According to UN-Habitat, the total investment needed for infrastructure and the SDGs is estimated at USD 38 trillion for the period 2020-30, with the total investment gap being USD 5.6 trillion (UN-Habitat, 2020[70]). Over the last 5 years, the financing gap has widened, reaching USD 4 trillion annually of what should be invested to meet the SDGs (UN DESA, 2025[71]).

National governments take the lead to develop plans to fund the urban policy or programme and, in most cases, build public-private partnerships (PPPs) to support implementation. The main question is how to influence budget allocations to shift funding priorities or investment decisions to better align with the SDGs.

There is no single financing approach as this depends on the fiscal rules of every country, the division of responsibilities across levels of government and the governance framework. To align the fiscal system with sustainable development, some countries adopt country-led plans and strategies such as the Integrated National Financing Frameworks in Colombia and Mexico.[27] In some cases, both public and private sectors contribute to financing specific items of a national policy. For example, the creation of the UK GIF was funded by the government, while the private sector finances the delivery, although large infrastructure projects are financed through public-private investments. In Germany, the implementation of the Growth and Sustainable Regeneration Programme is done through public funding while the National Urban Development Policy is funded through a mix of national, regional and local funds. In Canada, the zero emission bus initiative is funded through a combination of public and private resources. The Canada Infrastructure Bank provides public financing with favourable loans to transit operators, while private sector

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To sustain integrated policies, it is necessary to pool funds from different ministries, agencies and other public organisations. This helps to strengthen coherence, reduce fragmentation avoiding a silo approach, broaden the donor base and tackle multi-dimensional challenges through a coherent approach. However, in practice, the SDGs are tackled in a disjointed manner, leading to competition for financial resources. Research suggests that while the SDGs promote an integrated approach, the focus of financial flows has been on one SDG at a time (Kessler, Cárdenas Monar and Boutron, 2023[72]). For example, on the issue of climate change, 90% of finance goes to mitigation despite growing evidence of an increasing gap in adaptation finance (Climate Policy Initiative, 2021[73]).

A few examples outline the benefits of a coherent approach to financing to support better urban development outcomes. For instance, to conduct urban regeneration projects in the area of the Olympic Village and build it into an EcoQuartier label eco-neighbourhood after the games, the French authorities mobilised funding from 13 institutional co-financiers overseen by the Olympic Works Delivery Company (SOLIDEO). Similarly, to implement the city core action plan *Action coeur de ville* 2, aimed at improving living conditions for residents in medium-sized cities and strengthening their role as engines of regional development, France has pooled resources from different funds and institutions. These include: the *Fonds d'accélération de la transition écologique dans les territoires*, commonly known as the Green Fund, which supports the ecological transition; the National Housing Agency (ANAH), which provides subsidies for private housing; and *Action Logement,* which helps improve housing conditions for private sector employees.

PPPs can finance development projects while also promoting innovation and strengthening skills. For example, Japan uses PPPs to fund TOD initiatives. Public funds are leveraged to build the public transport network while the private sector finances building development such as commercial facilities, offices and apartments. In Canada, federal funding is often combined with contributions from provincial, territorial and municipal governments. In some cases, private sector investment is also involved, particularly for projects delivered through PPPs.

Local and regional governments are increasingly integrating the SDGs into their budgeting and financial planning processes. By assessing the contribution of different budget items to each of the 17 SDGs, cities and regions are seeking to measure and maximise the impact of public spending on sustainability objectives. The Basque Country (Spain) and the city and Eurometropolis of Strasbourg (France), for example, assess the contributions of different budget items to each of the 17 SDGs to identify the direct and indirect impact of public spending on the SDGs (Marta et al., 2024[74]). This approach reflects a shift towards data-driven decision making, enabling more targeted resource allocation to meet environmental, social and economic goals.

There is a diversity of institutional models for the implementation of integrated urban policies

Ensuring high-quality multi-level governance through supporting policy and decision making among national, regional and local governments with the involvement of state and non-state actors can determine the effectiveness of integrated urban policies. While no single best model exists for delivering integrated urban policies, the experience of OECD countries highlights at least three features of institutional settings that help ensure the best possible policy outcomes, namely leadership, inter-ministerial co-ordination and co-ordination across levels of government.

First, a clear definition of political leadership is vital to attaining integrated urban policies for sustainable development. The interaction of different policies in the urban policy mix is not guaranteed by the design of a NUP per se but requires the authority of a decision-making body. Line ministries or centres of government (the support structure serving the highest level of the executive branch of government, such as the president or prime minister)[29] can be effective vehicles for a whole-of-government effort towards sustainable urban development. For example, Colombia's National Planning Department led the task force composed of different experts and institutions that designed the System of Cities (Colombia's NUP). The department has the rank of a ministry and serves as an advisory body to the national government on all aspects related to the economic and social development of Colombia (OECD, 2022[75]). It has the authority of co-ordinating the implementation, monitoring, evaluation and management of results of the National Development Plan and the different programmes and projects contained therein.

Second, the interlinked character of the SDGs and the multi-dimensional nature of the NUP require horizontal integration to maximise policy complementarities across the social, economic and environmental aspects of sustainable urban development. Setting inter-ministerial or cross-sectoral committees can help identify cross-cutting issues and address related linkages and interdependencies. For example, in the United Kingdom, the implementation of the GIF is overseen by a cross-government steering group that includes representatives from government departments responsible for delivering green infrastructure and those departments with responsibility for delivering services. However, it is essential to ensure that these cross-ministerial groups or committees have the mandate to influence the three dimensions of development (i.e. economic, social and environmental) and that their membership goes beyond the line ministries to include those that have the authority to influence interactions among different ministries, such as finance or internal affairs.

Third, formulating integrated policies for sustainable urban development requires strong co-ordination and sustainability goal alignment across levels of government (Bridges and Guo, 2024[76]). Formal and/or informal mechanisms such as fora and conferences allow countries to: share experiences; understand the needs and problems at different levels of government; submit proposals; and seek assistance in the design, implementation and monitoring of programmes and projects (OECD, 2017[77]). For example, the implementation of Germany's Smart Cities Models Projects gives cities the flexibility to adapt the national guidelines to their local needs. In Canada, the homelessness strategy, Reaching Home, offers significant flexibility to communities as they implement federal (national) requirements. Central to the programme is an integrated governance model at the local level that brings together all orders of government – federal, provincial/territorial, municipal and Indigenous – as well as community partners to collaboratively implement solutions. This includes the implementation of co-ordinated access systems, which improve co-ordination and streamline access to housing and related supports for people experiencing homelessness. While differences in the capacity levels of subnational governments, along with varying local priorities and political agendas, can complicate co-ordination, by aligning efforts around federally mandated outcomes while remaining responsive to local needs, Reaching Home enhances co-ordination, minimises duplication and ensures more effective resource allocation. At the regional level, for example, in 2021, the Basque Country (Spain) created the Multi-Stakeholder Forum for Social Transition and the 2030 Agenda to foster collaboration between government and local actors. This tool for SDG localisation

brings together representatives from regional ministries, provincial and city councils, and the Association of Basque Municipalities to guide SDG implementation by offering strategic recommendations (OECD, 2025[78]).

Seeking multi-stakeholder engagement and goal-alignment is key to design initiatives that offer co-benefits in achieving the SDGs

Achieving the SDGs requires multi-stakeholder engagement of citizens, private sector and academia in the design of place-based sustainability policies, programmes and projects. Aligning non-governmental stakeholders' sustainability goals with those of local and national governments may accelerate the implementation of policy initiatives through greater political support and buy-in, while also generating co-benefits among mutually reinforcing SDGs and strengthening transparency, effectiveness, trust and accountability. This is necessary particularly in policies related to urban regeneration, housing, transport, green infrastructure and digitalisation, which require end-user input. In Canada, the experiences of the Rapid Housing Initiative and the Canada Housing Infrastructure Fund show that improved housing outcomes are best achieved through co-operation between governments and by linking housing and infrastructure investments. For example, where federal, provincial and municipal governments co-ordinate their efforts through shared funding agreements and joint planning, housing and infrastructure investments are financed through funding streams that combine housing and infrastructure outcomes to ensure long-term liveability. In Germany, local governments, academic institutions, private sector actors and citizens are actively involved in developing smart city projects to support integrated urban development. These participatory processes are designed to ensure that smart city initiatives prioritise people and the common good, offering tailored solutions that address specific local needs.

National Urban Forums can also foster integrated urban policies through dialogues regarding the process of urbanisation. They constitute a platform where a wide range of stakeholders, from national and local levels, debate on the process of urbanisation of the country contributing to informed policy decision making based on different perspectives.[30] Moreover, the Partnership Platform for Localizing the SDGs, developed by Italy and UN-Habitat, serves to increase co-operation and partnerships to accelerate the localisation of the SDGs at the country level (Box 3.2).

Box 3.2. The Partnership Platform on Localizing the SDGs

The Partnership Platform on Localizing the SDGs, jointly led by Italy's Ministry of Environment and Energy Security and UN-Habitat, is an operational initiative launched in 2024 to fast-track localisation of the SDGs at the national and local levels. It aims to foster multi-level governance and policy coherence by supporting countries in designing and implementing National SDG Localization Frameworks, comprehensive strategies including governance mechanisms, policies and resources designed to translate national SDG ambitions into concrete local action.

At the local level, the platform offers tailored support to local governments and stakeholders to build capacities in data management, planning, monitoring, investment and service delivery. It also helps identify and fund high-impact local projects, often in alignment with Italian bilateral environmental co-operation

The initiative tackles three main challenges:

- Knowledge gaps, particularly due to lack of disaggregated local data.

- Coherence and decision-making gaps, arising from misalignment between national and local planning.
- Implementation gaps, caused by limited local institutional capacity and funding.

Through the platform, partners work to deliver transformative change, including more effective multi-level governance, enhanced local capacity for planning and delivering inclusive public services and improved local-level financing through project development and funding support.

Sources: Government of Italy (n.d.[79]), *Partnership Platform on Localizing the SDGs*, https://www.mase.gov.it/portale/documents/d/guest/2025-05-21_partnership_platform_on_localizing_the_sdgs_brochure_2025-pdf; Government of Italy (n.d.[80]), *National Sustainable Development Strategy - Partnership Platform on Localizing the SDGs*, https://www.mase.gov.it/portale/partnership-platform-on-localizing-the-sdgs-1.

Integrated policies require an evidence base and constant monitoring and evaluation to be credible and efficient

Urban policies, like any other policy, are not made in a vacuum. Solid evidence is required to guide the policy-making process. Countries and cities have deployed various data governance frameworks from the outset of the policy cycle (OECD, 2023[81]) to identify interdependencies between sectors (e.g. housing, transport, environment), foster monitoring, evaluation and accountability of urban governance and policy outcomes (OECD, 2019[6]). This enables policymakers to design policies that address multiple objectives simultaneously and avoid siloed approaches. Evidence-based insights reveal where interventions are most needed, for example areas of high congestion or inadequate housing, ensuring policies are tailored. Moreover, early data use enables impact assessments and scenario modelling, allowing policymakers to foresee trade-offs. Countries have also advanced on the production, dissemination and utilisation of granular SDG data at the subnational level to track progress on the 2030 Agenda. For example:

- In Germany, the city of Bonn has accumulated a long experience reporting on sustainability indicators since the early 2000s. Based on this experience, Bonn published its first voluntary local review (VLR) in 2020, which links the city's long-standing indicator-based reporting with goals in the city's Sustainability Strategy adopted in 2019. Since 2002 the city government has developed indicators to track its progress on sustainability indicators and analyse trends over time to inform local policies (OECD, 2022[82]). These indicators provide a basis for aligning municipal policies with the SDGs, enabling the city to evaluate the effectiveness of its strategies in areas such as affordable housing, green space expansion, clean transportation and employment opportunities. The use of sustainability indicators is a cornerstone of its integrated urban policy approach, facilitating informed decision making, fostering transparency and promoting continuous improvement in the pursuit of sustainable development. VLRs are a tool to assist countries and cities to localise the SDGs (Box 3.3).
- Korea uses key performance indicators at the city and service levels to assess the performance of the Smart City Challenge projects, a national initiative launched by the Ministry of Land, Infrastructure and Transport, in 2018, to foster innovation in urban development by encouraging collaboration between local governments, private companies and citizens to co-create smart city solutions tailored to specific urban challenges. The challenge actively connects government, industry, academia and civil society, breaking down silos between sectors and encouraging integrated planning and implementation across mobility, environment, public safety and more. The Smart City Challenge initiative aims to solve urban problems with innovative ideas through public-private co-operation, is implemented as competition-based through step-by-step government support from preliminary projects to main projects, and outcome indicators are actively used to measure service performance (OECD, 2021[83]).

- In Argentina, the province of Córdoba launched its Open Management Portal to meet data demands for assessing multi-dimensional well-being. The portal is a visual web platform through which the public can access information related to social justice, sustainable economic growth and strengthening institutions, which are the three axes of government action aligned with the SDGs (OECD, 2022[82]).
- In the United Kingdom, the Digital Connectivity Tool sets measurable standards to assess how well-connected potential development sites are by combining transport and land-use data to generate a national measure of connectivity for any location in England and Wales. This helps ensure municipalities can make more informed decisions on sustainable growth. This Digital Connectivity Tool supports integrated urban development by offering clear, up-to-date guidance to local authorities, network providers and developers. It fosters cross-sector collaboration, ensuring digital infrastructure is planned alongside other urban priorities. By streamlining processes such as planning and permitting, the portal helps embed digital connectivity into broader urban policies, promoting cohesive and future-ready development.
- France's Observation, Spatial Analysis and Research Missions of the National Agency for Territorial Cohesion provide decision makers with the tools and services (e.g. territorial portraits, territorial diagnostics, interactive maps and other data) to respond to cities' changing needs and improve quality of life. By analysing territorial dynamics related to demographic, economic, ecological and digital transitions, the agency supports the design and implementation of effective urban policies. It plays a central role in advancing integrated urban policies by co-ordinating support, data and expertise for local and regional authorities. It works to ensure that urban development is cohesive, inclusive and adapted to territorial needs.

Box 3.3. The role of voluntary local reviews in SDG localisation: Examples from G7 countries

Cities and regions are increasingly championing a territorial approach to the SDGs. This trend is reflected in the growing number of local and regional governments preparing VLRs as a mechanism for self-assessment and reporting on the 17 SDGs. Since 2016, the number of VLRs has expanded significantly, growing from 2 in 2016 to 60 in 2023. Among G7 countries, 64 VLRs have been published, with Germany accounting for the highest number (20), followed by Italy (13), Japan (9), the United Kingdom (7), the United States (7), Canada (5) and France (3) (UN-Habitat, 2024[84]). VLRs are playing a pivotal role in accelerating SDG localisation, including in G7 countries, through the following key dimensions (UN-Habitat, 2024[85]):

- **Strengthening data ecosystems**: VLRs facilitate the identification of data availability and gaps, thereby contributing to the development of robust local data systems. This process often fosters horizontal co-operation between municipal departments and vertical co-ordination with national statistical offices, enhancing the overall quality of local SDG reporting. For example, in the United Kingdom, the city of Bristol's 2022 VLR incorporated a comprehensive data-driven approach to SDG tracking. The report integrated diverse data sources to assess indicators such as child poverty, food insecurity and air quality, supporting local evidence-based decision making (Bristol City Office/University of Bristol, 2022[86]).
- **Standardising monitoring and reporting**: By adopting a consistent monitoring framework, VLRs can improve comparability, coherence and peer-to-peer learning among cities and regions. In Japan, the Future Tokoy strategy, emerging from the VLR process, for example, aligns local SDG reporting with global benchmarks by integrating digital tracking systems and stakeholder engagement mechanisms into its sustainability planning. The city follows a plan-do-check-action cycle, enabling continuous policy adjustments through real-time data feedback

loops (Tokyo Metropolitan Government, 2023[87]). Another example is the case of Florence, Italy. According to its 2021 VLR, the city has adopted international, European and national frameworks to align its SDG monitoring system with Italy's National Sustainable Development Strategy and the National Institute of Statistics Istat's indicator framework (Istat, 2023[88]), enabling benchmarking of progress against cities in Italy, Europe and globally (Metropolitan City of Florence, 2021[89]).

- **Promoting evidence-based policymaking**: Through data analysis, VLRs can enable city governments to identify development gaps, prioritise interventions, set time-bound objectives and guide policy decisions. Niort's 2020 VLR in France exemplifies this approach, setting clear, measurable sustainability targets, such as reducing urban sprawl, increasing green spaces and restoring biodiversity corridors (Ville de Niort, 2019[90]). As part of this approach, the VLR incorporates quantitative indicators, such as the number of trees planted per capita, to systematically track progress and measure impact.
- **Aligning budgets with local sustainability goals**: VLRs can influence municipal budget allocation, ensuring financial resources are directed towards sustainability goals and prioritising between the goals. Freiburg's 2023 VLR in Germany presents an innovative double-entry sustainability management system that fully integrates sustainable development objectives into the city's financial planning (Freiburg im Breisgau, 2023[91]). This system links budget decisions to local SDG targets, ensuring that public spending aligns with sustainability outcomes while enabling policymakers to track the impact of financial allocations.
- **Enhancing inclusive planning**: By involving local communities in data collection, validation and policy design, VLRs can strengthen participatory and inclusive governance while fostering community-driven decision making. The 2022 Thunder Bay VLR in Canada exemplifies this approach by emphasising Indigenous community engagement and ensuring that local sustainability plans align with their needs and priorities (Dodaro, Wilkinson and Schiff, 2022[92]). One key initiative, Our Health Counts, addresses gaps in Indigenous health data, providing a more accurate representation of Indigenous populations in local SDG reporting (Anishnawbe Mushkiki, 2019[93]).
- **Increasing transparency, accountability and trust**: VLRs can enhance open governance, fostering trust between local governments and communities by promoting data-driven and participatory policymaking. Involving residents and stakeholders in decision making strengthens transparency and shared ownership of sustainability goals, making local governance more accountable and reinforcing long-term commitment to SDG implementation. In Germany, the Cologne Climate Council, a public advisory body, provides ongoing guidance on the city's sustainability policies to ensure they are transparent, evidence-based and aligned with community expectations (City of Cologne, 2021[94]).
- **Reinforcing multi-level governance**: VLR processes can strengthen multi-level governance and policy coherence. Italy's 2022 VNR highlights the importance of integrated territorial approaches to align local and national SDG strategies (Government of Italy, 2022[95]). By integrating VLRs into the national reporting process, Italy has facilitated a bottom-up contribution to national SDG assessments, reinforcing the impact of local actions in achieving national sustainability goals.
- **Elevating global recognition and co-operation**: In the United States, New York's Voluntary Local Review Declaration, launched in 2019 at the United Nations General Assembly, has encouraged over 330 local and regional governments worldwide to commit to local SDG reporting (New York City, 2018[96]). Since then, cities and regions have increasingly showcased their VLRs in international platforms, such as the High-Level Political Forum on

Sustainable Development, the World Urban Forum and the Regional Forum on Sustainable Development. These events provide opportunities for global peer learning and collaboration.

Sources: Bristol City Office/University of Bristol (2022[86]), *Bristol and the SDGs: 2022 Review of Progress, Challenges and Opportunities*, https://sdglocalization.org/sites/default/files/2024-11/bristol_2022_en-compressed.pdf; City of Cologne (2021[94]), *Climate Council Cologne*, https://www.stadt-koeln.de/artikel/69774/index.html; Climate Policy Initiative (2021[73]), *Global Landscape of Climate Finance 2021*, https://www.climatepolicyinitiative.org/wp-content/uploads/2021/10/Full-report-Global-Landscape-of-Climate-Finance-2021.pdf; Dodaro, A., A. Wilkinson and R. Schiff (2022[92]), *Thunder Bay and the SDGs: A Voluntary Local Review*, https://sdglocalization.org/sites/default/files/2024-11/thunder_bay_2022_en-compressed.pdf; Freiburg im Breisgau (2023[91]), *Voluntary Local Review of the City of Freiburg 2023*, https://sdglocalization.org/sites/default/files/2024-11/freiburg_2024_en-compressed.pdf; Istat (2023[88]), *Sustainable Development Goals*, https://www.istat.it/en/statistical-themes/focus/well-being-and-sustainability/sustainable-development-goals/#:~:text=Istat%2C%20along%20with%20with%20National,coming%20from%20the%20Bes%20framework; Metropolitan City of Florence (2021[89]), *Voluntary Local Review per l'Agenda Metropolitana 2030*, https://sdglocalization.org/sites/default/files/2024-11/florence_2021_it-compressed.pdf; Government of Italy (2022[95]), *Voluntary National Review, Italy 2022*, https://hlpf.un.org/sites/default/files/vnrs/2022/VNR%202022%20Italy%20Report.pdf; New York City (2018[96]), *Global Vision, Urban Action: Voluntary Local Review, New York City's Implementation of the 2030 Agenda for Sustainable Development*, https://sdglocalization.org/sites/default/files/2024-11/new_york_2018_en-compressed.pdf; Tokyo Metropolitan Government (2023[87]), *Tokyo Sustainability Action*, https://sdglocalization.org/sites/default/files/2024-11/tokyo_2023_en-compressed.pdf; UN-Habitat (2024[84]), *Voluntary Local Review Repository*, https://sdglocalization.org/voluntary-local-reviews-page?field_vlr__target_id=All&term_node_tid_depth=All&field_vlr_year_target_id=All&field_vlr_title_value=; UN DESA (2020[97]), *Aloha+ Challenge Dashboard*, https://sdgs.un.org/partnerships/aloha-challenge-dashboard; Ville de Niort (2019[90]), *Niort Durable 2023: Feuille de route niortaise vers les ODD*, https://sdglocalization.org/sites/default/files/2024-11/niort_2020_fr-compressed.pdf.

Strategic foresight can support greater integration of urban policy

Governments at all levels must be prepared to detect policies, or aspects of the policy, that are becoming irrelevant, in the face of multiple disruptions occurring simultaneously, and be attentive to promising opportunities unfolding (OECD, 2025[98]; UNDP, 2018[99]). Thus, engaging in strategic foresight – defined as a "structured approach to exploring possible future changes and their implications for decision making today" (OECD, 2021, p. 8[100]) – can provide governments with the capacity to explore and prepare for multiple plausible futures, opportunities and challenges to ensure that their strategic plans are future-ready. By integrating foresight into urban planning, policymakers can ensure that different sectors, such as transportation, housing and environmental management, work synergistically towards common goals.

Exploring and anticipating what sustainable urban development will look like in 2030 and beyond involves scanning the horizon for new urban development trends, constructing alternative scenarios about what future changes could occur in cities, and designing forward-looking strategies for advancing sustainable urban development objectives under a wide range of possible circumstances. Local governments must address practical considerations, such as identifying forms of public transport that can effectively reduce emissions by 2030 and are financially feasible within constrained budgets. They also need to determine the types of housing required by 2030 and beyond, housing that provides shelter for all households, is well-located and environmentally sustainable. Moreover, they must consider the role that (digital) technologies, including AI, will play in transforming urban planning. This could assist governments to build development narratives of their desired futures by 2030 and beyond and be prepared for a full range of possible futures. For example:

- **In the United Kingdom, the city of Newcastle-upon-Tyne uses strategic foresight to support integrated urban development by enabling long-term, inclusive and adaptive planning**. Through initiatives like Newcastle City Futures, the city applies a quadruple helix model – engaging government, academia, industry and civil society – to co-create policies that cut across sectors such as housing, transport, energy and digital infrastructure (Newcastle University, n.d.[101]). Projects like City Futures 2065 use scenario planning to address long-term risks and uncertainties,

helping Newcastle align urban policy with future challenges and opportunities (City of Newcastle, 2015[102]).

- **In Sweden, authorities have used the SymbioCity approach as an integrated urban development framework to foster sustainable, inclusive and context-sensitive strategic planning**. It was developed by the Swedish Association of Local Authorities and Regions (SALAR) and its international branch. This approach helps cities align environmental, economic, socio-cultural and spatial priorities. It embeds long-term thinking, systems analysis and scenario planning into urban policy and planning processes. Emphasising the interconnectedness of urban systems such as transport, energy, water and public space, it promotes holistic solutions and cross-sector synergies. The approach encourages inclusive governance by engaging local authorities, civil society, the private sector as well as citizens and is adaptable to diverse local contexts (SymbioCity, n.d.[103]).

Box 3.4. The OECD-UN-Habitat Global Stocktake SDG localisation project

To accelerate progress towards the 2030 Agenda and inform future strategies, the OECD and UN-Habitat are undertaking a global stocktake on SDG localisation. This initiative aims to assess progress since 2015, gather lessons from national and local governments and propose actions for the next five years, aligned with the six UN Transitions and post-2030 scenarios.

The project includes three main components:

- **A data and measurement framework**: Building on the OECD localised indicator framework and UN-Habitat's Global Urban Monitoring Framework, the organisations will develop a harmonised system to track SDG progress in cities and regions globally. This will address data gaps, especially at the local level, and promote disaggregation, thematic integration and city comparability. The aim is to create a unified reference for governments to assess and project their progress.
- **Analysis of 10 years of SDG localisation**: A review of local implementation across five pillars – policies and planning; leadership and engagement; data; financing; and multi-level governance – will identify lessons learned and recommend actions. The analysis includes VLRs, national strategies and deep-dives into 20 pioneering cities and regions. The OECD and UN-Habitat will also promote the action-oriented VLR methodology and encourage policy alignment through tools like the OECD's Checklist for Public Action.
- **Foresight and post-2030 scenarios**: The initiative will model possible post-2030 urban futures using data, projections and AI. Scenarios will explore the role of digital technologies in enhancing urban resilience, governance and inclusive development. However, challenges such as limited data and capacity in developing cities must be addressed.

The findings will inform global platforms including the SDG Summit in 2027, the World Urban Forum and G7/G20 agendas, offering a roadmap for sustained localisation efforts beyond 2030.

4 Ways forward for integrated urban policy to achieve the SDGs

This chapter presents a menu of options to leverage NUPs and implement an integrated approach to achieve the SDGs. Guidance ranges from policy formulation and financing to multi-level governance, data and stakeholder engagement, drawing extensively on the OECD Checklist for Public Action to localise the SDGs as well as insights from the OECD-UN-Habitat Global State of National Urban Policy.

In OECD countries, efforts to co-ordinate urban policies (e.g. housing, transport, energy efficiency, land use, digitalisation, urban regeneration and green infrastructure) bring significant benefits in terms of efficiency in resource management and effectiveness of policies. Urban policies for sustainable development deal with highly complex issues (e.g. urban safety, environmental protection, urban poverty, economic growth) that cannot be solved only by sectoral strategies. NUPs play a critical role in advancing the 2030 Agenda and its SDGs and accelerating the uptake of NUPs can drive better SDG 11 outcomes to "ensure balanced territorial development", "respond to population dynamics" and "increase local fiscal space".

While the range of examples and practices documented in this paper (notably in Chapter 3) rely on place-based specifics and needs for urban policy integration, the principles under which they were formulated and implemented are transferable elsewhere. Moving forward, national and subnational governments could put in place the following actions to replicate some of these practices in other contexts.

Integrated policies and strategies for urban development

Promote an innovative use of explicit NUPs that leverage the strong synergies with multiple SDGs to ensure that urban policies take a cross-sectoral approach and promote coherence among policy areas

Such NUPs should promote the integration of sectoral policies, such as housing, transport, digitalisation and smart city initiatives, among others, by: establishing shared vision and goals; providing institutional co-ordination mechanisms; aligning funding and investment strategies; and enabling data sharing. Duplication of strategies, programmes and actions leads to inefficiencies in the use of resources and unintended negative consequences. Urban policy integration can enhance complementary effects and coherence across the urban policy system through strategic use of policy planning tools (e.g. the budget process and public procurement). An NUP should create an integrated policy framework, where the interdependencies between sectors are recognised and leveraged to produce smarter, more liveable and resilient cities by:

- **Developing integrated housing policies that holistically address affordability, accessibility, social inclusion, environmental sustainability and economic resilience, and connect them to other urban policies (e.g. transport, land use, economic development)**. Access to affordable housing is a basic condition to tackle poverty (SDG 1), improve health and well-being (SDG 3), reduce inequalities and discrimination (SDG 10) and enhance energy efficiency (SDG 7) and resilience against disasters (SDG 13). This could be done by: diversifying housing supply, encouraging a mix of tenure options; prioritising affordable housing near public transport, education and healthcare services and employment hubs; and using housing retrofit programmes to generate local green jobs.
- **Ensuring transport policy initiatives are consistent with land use, zoning, housing, digital and urban regeneration policies as they may impact people's mobility and accessibility to urban opportunities**. Transport is key to connect marginalised communities and provide them access to education (SDG 4), affordable housing to reduce poverty (SDG 1) and decent jobs (SDG 8). It is central to reducing emissions to mitigate climate change (SDG 13) and lowering traffic congestion, which improves productivity (SDG 9) and well-being (SDG 3). For example, adopting urban mobility plans linked to land use master plans and social inclusion policies, and fostering joint planning mandates in metropolitan areas could help ensure accessibility to critical services such as education and healthcare.
- **Using digitalisation and smart city policies to strengthen cities' resilience while pursuing sustainable development**. Leveraging digital technologies may enhance access to education

(SDG 4) and health (SDG 3), create new industries (SDG 9) and jobs (SDG 8), and improve energy efficiency in urban areas through smart grids and energy management systems (SDG 7). This could be done by expanding digital infrastructure, modernising services (e.g. mobility, utilities and infrastructure, healthcare, education), enabling data-driven decision making, stimulating innovation and promoting digital inclusion.

- **Promoting energy efficiency as part of integrated urban policies to create low-carbon and resilient cities**. Cities could use green building standards and codes (SDGs 7 and 11), energy-efficient infrastructure (SDG 9) and mixed used developments to reduce travel and energy consumption (SDG 11). This could in turn help to improve health (SDG 3) and support climate goals (SDG 13). This can be achieved, for example, by integrating energy efficiency into buildings via codes and standards, enhancing vehicle efficiency measures, optimising digital systems with energy-efficient data centres, and promoting compact, mixed-use urban development through strategic land-use policies.
- **Encouraging urban regeneration initiatives to advance social, economic and environmental objectives under the framework of the NUP**. Urban regeneration has an impact on almost all SDGs from tackling poverty (SDG 1) through the provision of accessible housing and transport (SDG 11) to support climate change mitigation efforts (SDG 13), the promotion of clean energy (SDG 7) and the preservation of land and natural resources (SDG 15). This requires: moving beyond physical renewal to use spatial planning tools (e.g. digital twins, impact assessments) to visualise possible trade-offs and synergies across sectoral policies; integrating sustainability criteria in investment decisions; and establishing participatory governance structures to maintain coherence between renewal efforts and broader urban development priorities.
- **Connecting land-use planning to housing, economic development, infrastructure and environmental protection** through promoting compact, connected and clean cities (SDG 11). This can also help to reduce energy use (SDG 7), foster a low-carbon economy while strengthening environmental codes (SDG 13), reduce social-spatial inequality (SDG 5) and encourage economic growth and prosperity (SDG 8). To this end, land-use planning needs to take a more flexible and responsive approach to accommodate changing conditions, for example through scenario-based planning, periodic plan reviews and dynamic zoning.
- **Using green infrastructure to make cities more resilient, liveable and sustainable**. This could be done by embedding green infrastructure into urban planning frameworks (SDG 11), providing incentives for economic growth (SDG 8) and prioritising nature-based solutions in infrastructure projects (SDG 15). This could be done by: pooling budgets from different departments (e.g. health, transport, environment, housing) to co-fund green infrastructure projects; using green bonds[31] for large-scale green infrastructure (e.g. parks, green corridors); and strengthening co-ordination through cross-departmental taskforces or working groups to jointly plan and manage green infrastructure.

Financing and budgeting

Ensure access to different sources of funding for the implementation of integrated urban policies

The experience of OECD countries showcases several options that national and subnational governments can use to fund and put in place integrated urban policies:

- **Leveraging the NUP to align funding for integrated urban policy objectives**. This could include the use of own-source revenues and inter-governmental transfers, to support urban development, enhance cities' financial capacity and optimise public investment efficiency across different levels

of government. NUPs can help to introduce financial incentives such as grants to encourage investors to support urban policy projects. Co-funding mechanisms help to share the costs of specific projects such as infrastructure construction or urban regeneration.

- **Establishing PPPs to finance large investment projects to mitigate government's risk, improve the availability of resources and leverage additional public finance**. PPPs should build on national legal frameworks, risk-sharing mechanisms and streamlined procurement processes with the objective of enabling private investors to work together with the government to deliver investment projects, notably in sustainable urban infrastructure.
- **Setting up de-risking schemes to incentivise private investment into innovative sustainable urban development solutions**. This could be done through guarantee schemes, grants, loans and fiscal incentives or by establishing special economic or urban development zones to pilot new technology and solutions.
- **Leveraging the 2030 Agenda as a tool to mobilise financial resources at the national and local levels**. This may include incorporating the SDGs into the national and local budgets, using the SDGs as a criterion to dedicate sufficient financial resources to meet local needs and using participatory budgeting to ensure that local priorities are reflected in the allocation of funds.

Multi-level governance and institutional framework

Develop institutional mechanisms to manage policy interactions and align actions across levels of government

Aligning mandates, resources and capacities is critical as urban policies integrate cross-cutting urban issues such as pursuing social cohesion and climate change adaptation, which transcend the boundaries of established policy fields.

- **Aligning urban development strategies across all levels of government**. This may involve developing NUPs with priorities and targets clearly aligned to the SDGs, ensuring their adaptability to local levels and creating inter-governmental co-ordination platforms such as councils or working groups with representatives from all levels of government.
- **Identifying and tasking a specific authority with co-ordinating the NUP process at the centre of government and with managing the interactions among the different sectoral ministries and agencies**. This authority should have the necessary political backing to influence how different actors involved in NUP and SDG implementation interact and co-operate.
- **Using voluntary national and local reviews as a tool to foster vertical co-ordination, facilitate multi-level dialogue for lesson learning and encourage monitoring and evaluation**. These reviews, especially when linked to each other, can create shared ownership of the SDGs showing progress and allowing local governments to showcase their initiatives; they are channels for multi-level dialogue across levels of government and may involve civil society and the private sector as well as also help identify action-oriented recommendations.

Data, monitoring and evaluation

Strengthen the mechanisms for monitoring and evaluating the impact of integrated urban policies

This involves ensuring that territorial indicators and data are effectively used to drive continuous policy improvement. SDG targets and indicators could be integrated into the NUP monitoring and evaluation frameworks. The goal should be to guarantee that the development and revisions of policies are grounded

in reliable evidence (qualitative and quantitative) to deliver the desired urban development outcomes. Monitoring and evaluation policies are crucial not only for improving efficiency and enhancing public service delivery, but also for building transparency and public trust.

- **Advancing the production and use of harmonised territorial indicators across all levels of government to strengthen multi-level and multi-sectoral co-ordination and supporting evidence-based policymaking**. This includes adopting standardised methodologies to enable international comparability, improving data interoperability and ensuring consistency of indicators across territorial scales.
- **Continuing to leverage emerging data sources and digital technologies to close data gaps, model multi-sectoral synergies and trade-offs, and deliver real-time, data-driven solutions while ensuring data privacy, security and representativeness**. For example, geolocalised data from sources such as satellites, administrative records and sensor networks – combined with AI-driven analytics – can generate timely, granular insights and support more precise, adaptive urban policy responses.
- **Advancing on the production, dissemination and utilisation of granular SDG data at the subnational level**. This includes supporting national, regional and local governments in collecting and integrating disaggregated data, and promoting the use of these in planning, budgeting and performance monitoring at the city and regional levels, including through the production of action-oriented VLRs.
- **Featuring urban-related SDG targets and indicators in NUP monitoring and evaluation frameworks**. This will help assess the impact of integrated urban policies on the SDGs more accurately and support more consistent and accountable urban strategies.

Stakeholder engagement

Ensure stakeholders engagement in the development and implementation of integrated urban policy at the national and subnational levels

Strong multi-stakeholder engagement is a key factor in the success of integrated urban policy as it can improve policy performance by helping frame problems in more accurate ways and by providing information to identify policy solutions and evaluate the implementation process. Governments can build on the experience and input from different stakeholders, from individual citizens to small and medium-sized enterprises and large multinationals.

- **Engaging with academia and research institutions to guide policymakers in the development of innovative solutions to address the challenges of urban living**. This could be done by leveraging studies and data analysis, joint research projects, advisory or expert groups that can offer data-driven recommendations and/or incubators to foster entrepreneurship in urban innovation.
- **Encouraging and enabling greater private sector involvement in the formulation and implementation of integrated urban policies through targeted incentives and partnerships**. This includes incentives for private sector participation, co-financing and risk sharing in urban development projects related to transport, housing and renewable energy.
- **Using the SDGs to engage citizens in the implementation of integrated urban policy**. This may require organising public awareness campaigns (e.g. sustainability weeks, youth councils), co-designing urban projects with citizens (e.g. green areas), using digital tools and aligning urban policy with citizens' values to ensure that the goals, priorities and implementation of urban policies reflect the needs and preferences of the people who live in the city. This involves recognising residents not just as beneficiaries but as active stakeholders in shaping urban development.

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Notes

[1] For further information, see World Bank, https://blogs.worldbank.org/en/sustainablecities/the-world-is-facing-a-looming-jobs-crisis--cities-can-help-.

[2] For further information, see C40 cities, https://www.c40.org/campaigns/good-green-jobs/.

[3] Informal settlements are residential areas where residents lack security of tenure over the land or housing they occupy, often living under the constant threat of eviction. These areas typically have inadequate access to basic services and infrastructure such as clean water, sanitation, electricity and proper roads. Additionally, the housing in informal settlements is generally built without adherence to formal planning or building regulations, frequently placing residents in environmentally or physically hazardous locations. For further information, see UN-Habitat, https://habitat3.org/wp-content/uploads/Habitat-III-Issue-Paper-22_Informal-Settlements-2.0.pdf.

[4] For further information, see https://www.worldbank.org/en/topic/urbandevelopment/overview.

[5] For further information, see https://www.ipcc.ch/report/ar6/wg3/chapter/chapter-8/.

[6] The terms NUP and integrated urban policy are not used interchangeably: an NUP sets the strategic national framework for the growth, management and functioning of cities while integrated urban policy refers to the method or approach to achieve more coherent, efficient and context-specific urban development normally promoted by the national governments through NUPs.

[7] Self-governments refers to local or regional governments that have a degree of autonomy to make decisions and manage public affairs within their jurisdictions as per Poland's legislation.

[8] Fiscal space refers to the budgetary flexibility a government possesses to raise expenditure (or lower taxes) in support of policy goals without jeopardising fiscal sustainability or macroeconomic stability. In urban policies, fiscal space enables authorities to finance critical instruments necessary for implementing NUPs and RDPs, especially in contexts where municipal fiscal capacity is weak. For further information, see https://www.imf.org/external/pubs/ft/fandd/2005/06/basics.htm.

[9] Because of data limitations, SDG indexes are available at the subnational level only for the 17 broad goals. At the national level, indexes are available at the target level, offering greater SDG detail but less geographic granularity.

[10] Cities are defined as FUAs. Large cities are defined as FUAs with populations over 1.5 million. Midsize cities range from 250 000 to 1.5 million, small cities from 100 000 to 250 000, and very small cities from 50 000 to 100 000 inhabitants.

[11] Disposable income refers to the income available to households after accounting for taxes and transfers. This contrasts with gross income, which represents the total income received by households before any taxes are paid or transfers received.

[12] For further information, see UNDP, https://www.undp.org/press-releases/digital-technologies-directly-benefit-70-percent-sdg-targets-say-itu-undp-and-partners.

[13] See ITU, https://www.itu.int/hub/2025/01/digital-infrastructure-investment-usd-1-6-trillion-to-close-the-gap/.

[14] For further information, see https://www.undp.org/sites/g/files/zskgke326/files/2023-12/undp-accelerating-the-sdgs-through-digital-public-infrastructure-v2.pdf.

[15] There are more mobile phone subscriptions (8.5 billion) than population (7.9 billion) worldwide. For further information, see World Economic Forum, https://www.weforum.org/stories/2023/04/charted-there-are-more-phones-than-people-in-the-world/.

[16] See https://explodingtopics.com/blog/smartphone-stats.

[17] According to IBM, a "digital twin is a virtual representation of an object or system designed to reflect a physical object accurately. It spans the object's lifecycle, is updated from real-time data and uses simulation, machine learning and reasoning to help make decisions." For further information see: https://www.ibm.com/think/topics/what-is-a-digital-twin

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[20] For further information, see https://www.odyssee-mure.eu/publications/efficiency-trends-policies-profiles/spain.html.

[21] Bleu infrastructure encompasses networks of natural and semi-natural water features within urban areas. These systems are designed to manage water sustainably, deliver ecosystem services, and improve the overall quality of life for city residents. For further information see: https://greenblue.com/gb/about-us/why-green-and-blue/

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[25] For further information, see https://www.e3g.org/news/underfunded-underprepared-underwater-cities-at-risk01/.

[26] For further information, see United Nations Environment Programme, https://www.unepfi.org/positive-impact-2/#:~:text=An%20estimated%20%245%2D7%20trillion,water%20and%20sanitation%20and%20agriculture, ECOSOC, https://www.un.org/pga/72/wp-content/uploads/sites/51/2018/05/Financing-for-SDGs-29-May.pdf.

[27] For further information, see INFF, https://inff.org/country-experiences.

[28] For further information, see INFF, https://inff.org/country-experiences.

[29] For information, see https://www.oecd.org/en/networks/network-of-senior-officials-from-centres-of-government-cog.html.

[30] For further information see: https://urbanpolicyplatform.org/download/national-urban-forum-to-support-participatory-and-inclusive-national-urban-policy/

[31] Green bonds are financial instruments used to raise capital for environmentally sustainable projects while providing investors with regular, fixed-income returns. The funds are earmarked exclusively for financing or refinancing green initiatives, such as renewable energy, energy efficiency, clean transportation, and responsible waste management, that promote sustainability and social responsibility. For further information see: https://www.worldbank.org/en/news/feature/2021/12/08/what-you-need-to-know-about-ifc-s-green-bonds; and https://www.iberdrola.com/sustainability/investments-green-bonds

Annex A. Indicators and samples by SDG index

Table A A.1. List of indicators in the indexes for cities

SDG (simplified name)	SDG target	Indicator	Sources
Goal 1. No poverty	1.2	Percentage of population with a disposable income below the 60% of national median disposable income	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 3. Good health	3.2	Infant mortality rate (number of deaths of children one year old or younger per 1 000 live births)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
	3.6	Transport-related mortality rates (deaths per 100 000 people)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 4. Quality education	4.2	Percentage of people with access to at least one school within 15 minutes of walking	OECD based on Mapbox data
	4.3	Percentage of population from 25 to 64 years old with at least tertiary education	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 5. Gender equality	5.4	Gap in employment rate between men and women (male-female, percentage points)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 6. Clean water	6.6	Change in water bodies (from 1992 to 2015, percentage points)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 7. Clean energy	7.2	Percentage of total electricity production that comes from renewable sources	OECD based on Global Power Plant Database
	7.2	Percentage of total electricity production that comes from coal	OECD based on Global Power Plant Database
	7.2	Percentage of total electricity production that comes from fossil fuels (natural gas and oil, excluding coal)	OECD based on Global Power Plant Database
Goal 8. Decent work	8.2	Annual growth rate of real gross value added (GVA) per worker (%, from 2012 to 22)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
	8.5	Unemployment rate (%)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 9. Industry and innovation	9.5	Patent applications (Patent Co-operation Treaty) per 1 000 000 people	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 10. Reduced inequalities	10.1	Gini index of disposable income (after taxes and transfers) (from 0 to 1)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 11. Sustainable cities	11.3	Difference between built-up area growth rate and population growth rate (percentage points)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
	11.6	Exposure to PM2.5 in µg/m³, population weighted	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)

Goal 12. Responsible consumption	12.8	Number of motor road vehicles per 100 people	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA)
Goal 13. Climate action	13.1	GHG emissions per capita (tCO_2eq/capita)	OECD based on EDGAR
	13.2	Change in cooling degree days needed to maintain an average building indoor temperature of 22°C, from 1981-95 to 2008-22	OECD based on Historical Global-Gridded Degree-Day Database
Goal 14. Life below water	14.5	Protected coastal area as a percentage of total coastal area	OECD based on Natural Earth Database, and World Database on Protected Areas (WDPA)
Goal 15. Life on land	15.1	Change in tree cover (from 2009 to 2022, percentage points)	OECD Database on Regions, Cities and Local Areas (TL2) and Eurostat (FUA))
	15.5	Terrestrial protected areas as a percentage of total area	OECD based on World Database on Protected Areas (WDPA)
Goal 16. Peace and institutions	16.1	Homicides per 100 000 persons	Eurostat
Goal 17. Partnerships and enablers	17.8	Mean Internet download speed for fixed connection (in Mbps)	OECD based on Ookla data

Source: OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

Table A A.2. Sample of cities and countries: SDG index in 2022 or most recent year

SDG (simplified name)	OECD	G7
Goal 1. No poverty	81 cities in 9 countries	16 cities in 1 country
Goal 3. Good health	206 cities in 18 countries	137 cities in 4 countries
Goal 4. Quality education	133 cities in 13 countries	68 cities in 2 countries
Goal 5. Gender equality	223 cities in 20 countries	137 cities in 4 countries
Goal 6. Clean water	666 cities in 35 countries	398 cities in 7 countries
Goal 8. Decent work	403 cities in 28 countries	184 cities in 5 countries
Goal 9. Industry and innovation	506 cities in 28 countries	300 cities in 5 countries
Goal 10. Reduced inequalities	81 cities in 9 countries	16 cities in 1 country
Goal 11. Sustainable cities	666 cities in 35 countries	398 cities in 7 countries
Goal 12. Responsible consumption	220 cities in 18 countries	138 cities in 4 countries
Goal 13. Climate action	652 cities in 35 countries	394 cities in 7 countries
Goal 14. Life below water	255 cities in 27 countries	148 cities in 7 countries
Goal 15. Life on land	643 cities in 35 countries	398 cities in 7 countries
Goal 16. Peace and institutions	202 cities in 21 countries	109 cities in 3 countries
Goal 17. Partnerships and enablers	666 cities in 35 countries	398 cities in 7 countries

Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

Table A A.3. Sample of cities and countries: Change in SDG index from 2017 to 2022

SDG (simplified name)	OECD	G7
Goal 3. Good health	135 cities in 16 countries	82 cities in 3 countries
Goal 5. Gender equality	144 cities in 14 countries	98 cities in 4 countries
Goal 6. Clean water	395 cities in 29 countries	223 cities in 7 countries
Goal 8. Decent work	254 cities in 24 countries	93 cities in 3 countries
Goal 9. Industry and innovation	382 cities in 23 countries	252 cities in 5 countries

Goal 10. Reduced inequalities	16 cities in 3 countries	11 cities in 1 country
Goal 11. Sustainable cities	558 cities in 33 countries	349 cities in 7 countries
Goal 12. Responsible consumption	148 cities in 15 countries	99 cities in 4 countries
Goal 13. Climate action	552 cities in 33 countries	347 cities in 7 countries
Goal 14. Life below water	214 cities in 25 countries	130 cities in 7 countries
Goal 15. Life on land	390 cities in 29 countries	223 cities in 7 countries
Goal 16. Peace and institutions	91 cities in 14 countries	46 cities in 2 countries
Goal 17. Partnerships and enablers	666 cities in 35 countries	398 cities in 7 countries

Note: Cities correspond to FUAs of 250 000 inhabitants or more.
Source: OECD (2025[20]), *Measuring the Distance to the SDGs in Regions and Cities (webtool)*, https://www.oecd-local-sdgs.org/ (accessed on 30 July 2025).

Annex B. List of practices on integrated urban policy received by the OECD

Table A B.1. Best practices on integrated urban policy

Country	Initiatives of policy integration
Canada	Canada Housing Infrastructure Fund and Rapid Housing Initiative
	Housing Accelerator Fund
	Canada Infrastructure Bank and zero emission buses
	Canada's National Adaptation Strategy
	Reaching Home: Canada's Homelessness Strategy
France	Les Mureaux urban renewal programme and the EcoQuartier eco-neighbourhood label
	ANCT observation, spatial analysis and research missions
	City core action plan Action cœur de ville
	Housing Renovation Policy
	The Olympic village urban regeneration
Germany	Dein Park - National Urban Development Policy pilot project
	Pioneer Park in Hanau - Growth and sustainable regeneration programme
	Smart Cities model projects
Italy	Levante Waterfront - Genoa
	PON National Metropolitan Cities Programme
	ReStart Scampia
	Next Generation Rome integrated strategic planning
	Save Our Soul for Life (SOS4LIFE))
Japan	Housing Policy and Private Sector Practice
	Comfortable and Walkable Towns Project
	Project PLATEAU
	Japan's transit-oriented development
	TSUNAG: To Secure Urban Nature and Green Space.
United Kingdom	Digital connectivity tool (digitalisation of cities)
	PropTech Innovation Fund
	Goldsmith Street, Norwich (inclusive cities; net zero and resilient cities)
	National Model Design Code
	Green Infrastructure Framework

Annex C. "Common framework" for integrated urban development proposed by Italy

The Italian G7 Presidency has promoted a "Common Framework" for an integrated approach to urban development and identified "Transversal Drivers" to implement this framework, based on the specific needs of each territory and country.

This "Common Framework" sets out common urban challenges arising from global ecological, digital and social transitions and proposes a matrix to support the development of joint visions and integrated urban policy drivers. It is rooted in the Kagawa Takamatsu principles adopted under the Japanese G7 Presidency in July 2023. This Common Framework is composed of three main pillars reflecting the ecological, social and digital transitions, respectively: (i) Net-zero and resilient cities, (ii) Inclusive cities, and (iii) Digitalisation in cities. For each transition, the framework identifies associated urban challenges and possible urban policy actions to address them (Figure A C.1).

Net-zero and resilient cities constitute a first priority. Building on the Kagawa Takamatsu principles, the framework recognises the significant share of global emissions and energy demand that originates from cities. It calls for climate neutrality and resilience through policies supporting adaptation and mitigation, inclusive governance, and the safeguarding of vulnerable groups. This pillar proposes priority actions that include enhancing green and blue infrastructure, protecting biodiversity, managing land use to curb urban sprawl, and promoting sustainable mobility such as public transport, walking, cycling and transit-oriented development. It considers energy efficiency as vital for development, notably through renewable energy deployment, building renovation, community energy systems, and the reuse of abandoned structures. It also considers that a multi-level governance approach is essential to ensure coherence across national, regional and local levels of government.

The Italian Presidency highlights two critical points: (i) urban regeneration grounded in cultural and natural heritage is a strategic driver for achieving broader social, economic and environmental objectives; and (ii) circular economy principles, such as resource efficiency, regenerative models, and zero pollution, as set out in European environmental frameworks, are essential for sustainable development. To achieve net-zero, the framework identifies climate change adaptation, energy sustainability, circular urban systems, and improved liveability as critical challenges. To face them, it proposes strengthening resilience to natural hazards, reducing energy demand, supporting energy communities, designing circular construction and waste systems, enhancing rural-urban partnerships, and improving air, soil and water quality through urban regeneration and pollution remediation.

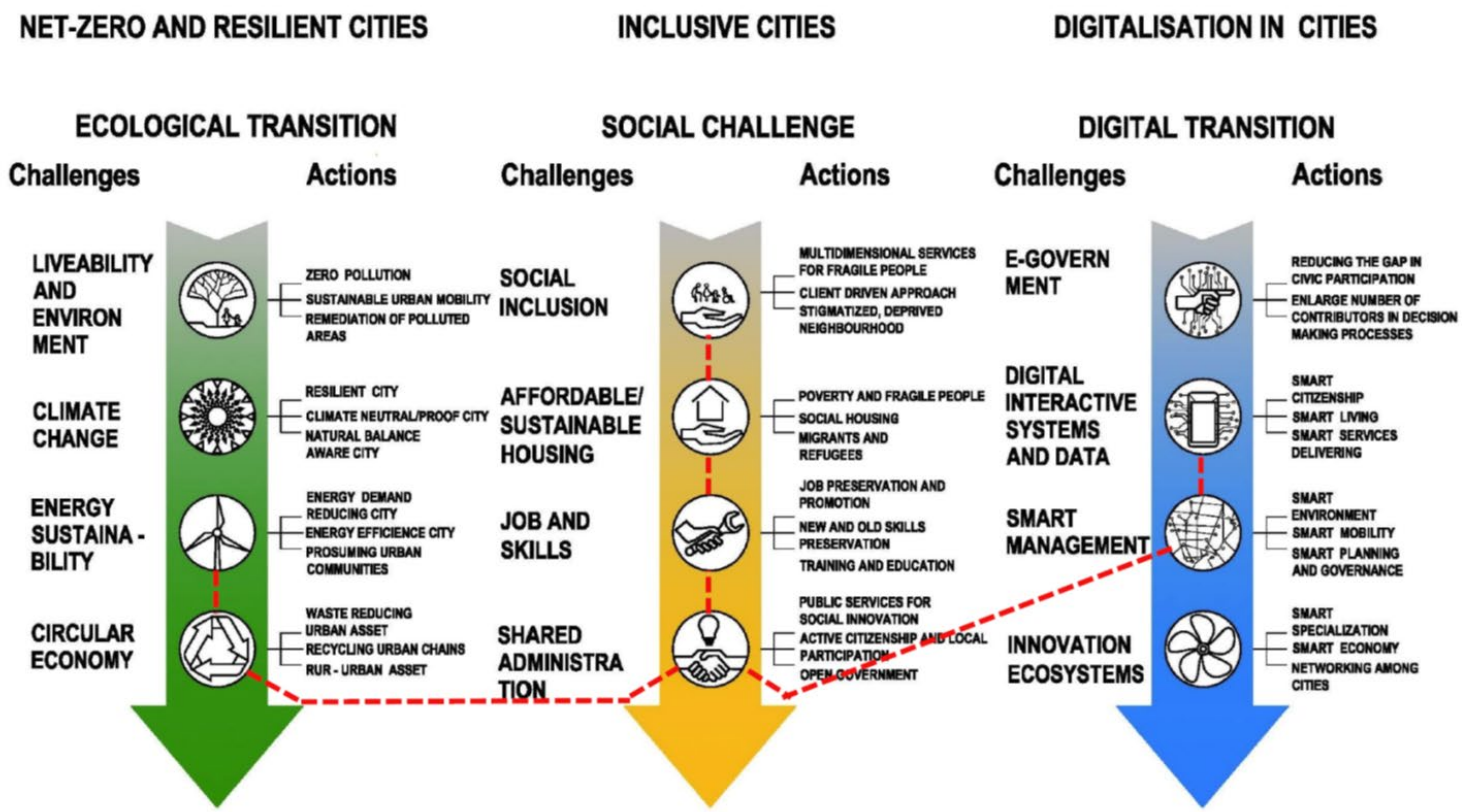
Inclusive cities form a second central pillar. The framework promotes barrier-free, liveable urban areas offering accessible services, affordable housing, safety, and opportunities for cultural and social interaction to respond to demographic change, social fragmentation and unequal access to services. It identifies support for SMEs, social enterprises and local value chains as key factors for economic prosperity. The Italian Presidency emphasises the importance of the social dimension of urban development, including well-being, equity, shared services, and place-based approaches tailored to neighbourhood needs to build inclusive cities. Social innovation, particularly the reuse of abandoned assets for community benefit, is presented as an effective mechanism for delivering responsive services and inclusive regeneration. The Framework also identifies multidimensional social services, person-centred public action, quality

improvements in marginal neighbourhoods, and comprehensive housing strategies combining infrastructural investment with social support as key actions to build inclusive cities.

Finally, digitalisation in cities is framed as a cross-cutting enabler for sustainability, participation and effective governance. The Kagawa Takamatsu principles highlight digital inclusion, open data, resilient digital infrastructure, skills development and responsible data governance. The Italian Presidency underscores a human-centred digital transition, advocating publicly oriented digital markets, interoperable data systems, Artificial Intelligence (AI) applications for resilience and urban management, and strengthened civic participation. Key digital actions include expanding digital citizenship, inclusive decision-making tools, smart services and mobility, predictive planning, and innovation ecosystems linking research, business and public authorities.

Complementing this Common Framework, the Italian G7 Presidency has put forward “Transversal Drivers”, which refer to urban policy levers applying an integrated approach to a specific urban development challenge.

Figure A C.1. Possible urban policy actions to address common urban challenges arising from the global transitions



Source: Presidenza del Consiglio dei Ministri (2024[104]), G7 Sustainable Urban Development Ministers' Meeting. Thematic framework: A reference for joint action.

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