The new role of cities in the G7 and major macroeconomic fora to bridge sustainable and climate finance gaps. Building resilience, derisking investments, and improving the efficiency of partnerships in crises times

Nicolas J.A. Buchoud, Think7, Rainer Kern, Urban7 with special thanks to Debolina Kundu, NIUA India, and Saha Sabyasashi, RIS, India[1]

The present note is the outcome document of the Think7-Urban7 roundtable *Resilient cities: derisking investments and enhancing insurability* held at the Urban7 Summit in Nancy, June 4, 2026. This joint Think7 and Urban7 initiative connects think tanks, cities and the private sector from G7 and G20 to discuss concrete technological, financial, and policy issues and solutions to strengthen a muti-scale approach to resilience. Based upon the present note, the roundtable will further feed in the 2026 United Nations High Level Political Forum (HLPF) and the T20.[2]

Abstract

In the past few years, it has been overly common to assess changes and tensions in multilateralism. In this context, reforming development cooperation in the OECD and beyond has become high on the G7 agenda, including new partnerships with emerging economies. In 2026, the French G7 presidency has acknowledged the role of the civil society to build resilience, and recognized cities and their networks as an official engagement group. Yet, twenty years after the world officially turned more urban than rural in 2006, and a decade after the adoption of the Agenda 2030 and the Habitat III Summit in Quito, urban advocacy focusing on localizing the sustainable development goals and sharing best practices must also change. Fostering resilience to climate or technological shocks shall build on a more systemic review or local/global, urban/rural linkages, or new forms of infrastructure investments through development corridors. The cooperation among think tanks in the G7 and the G20 and which has been reinforced since the Covid-19 pandemic crisis, can be very fruitful to support a new macroeconomic approach of development cooperation amid emerging and developed countries, including with cities. The present paper discusses the outcomes of a first of its kind roundtable of experts and mayors organized jointly by the Think7 and Urban 7 at the occasion of the Urban7 Summit in Nancy in June 2027.

Table of content

---

[1] Nicolas J.A. Buchoud, is a member of the T7 taskforce Towards a more effective and integrated Public Development Bank system and the focal point for Think7-Urban 7. He is a member of the advisory team of the Think20 US, and a fellow of ADBI (Tokyo), RIS (Delhi) and GSI (Berlin). Rainer Kern is the co-chair of the Urban7 Secretariat and the executive director of the Global Parliament of Mayors (GPM). Special thanks to Mayor Eckart Würzner, Chair of the UN Forum of mayors, Arnaud Sorge, Director General and Veïa Schwaller, at France Urbaine, to the city of Nancy and the Urban7 Summit partners for hosting the meeting, to Christian Kastrop, President and CEO of GSI, Shuva Raha at CEEW (Delhi) and CEEW climate team, Sigurd Naess, CIP Foundation (Copenhagen) and Monica Kruglianskas (CEBRI, Brazil) for their review and edits, and to Laurent Naves, head of public affairs and Henri de Grossouvre, director of foresight, SUEZ, for their support. The full list of the contributors to the roundtable is annexed to the note.

[2] HLPF 2026 will focus on *Transformative, equitable, innovative and coordinated actions for the 2030 Agenda for Sustainable* and will notably review the advancement of SDG 11, *Make cities and human settlements inclusive, safe, resilient and sustainable* https://hlpf.un.org/2026

Cities and development cooperation: framing a new agenda?

In June 2026 and for the first time in a G7 presidency, a group of urban networks from G7 countries was acknowledged as an official engagement group and a G7 urban summit took place in the city of Nancy, before a reception of all G7 engagement groups at the palais de l'Élysée a few days later. Nancy is a powerful symbol of enduring urban transformations interwoven with geopolitics. There, the eighteenth-century classical Place Stanislas, a World Heritage and one of France's most iconic squares in the centre, coexists with two half a kilometre long social housing units in the outskirts, a durably controversial embodiment of modern urban development and the planning of new housing districts in post-World-War II France and Europe.

From a wider perspective, the Nancy Urban7 summit echoes the first Habitat Summit of the United Nations half a century ago in Vancouver, Canada and it comes twenty years after the cornerstone World Urban Forum (WUF III), also in Vancouver, and which assessed the historic turn to what has commonly been described since then as 'the urban century.' While the construction of the European Union has long been an issue of national governments, Europe also built a response to the 'urbanization of the world' by issuing the Leipzig Charter on sustainable urban development in 2006-2007, among other efforts to promote long term territorial inclusion and growth. Notably, the Vancouver WUF III and the successful recognition and adoption of the Leipzig Charter came on the eve of the global financial crisis of 2007-8, triggered by unregulated loans' subprimes in the US housing mortgage market and which gave birth to the G20 as we know.[3]

However, the macroeconomic and systemic linkages between local, regional and global aspects of sustainable infrastructure finance, including housing, have only been formally evidenced in the G20, in response to the Covid-19 pandemic. This was largely the result of joint efforts by several G20 engagement groups, supplemented by the acceleration of the exchanges among think-tanks amid the G7 and G20 to strengthen international macroeconomic cooperation.[4] And yet, as the world has become more brutally transactional in the immediate past few years, such forms of cooperation are now eroded. At the same time, needs for resilience are becoming more acute, with cities and urban dwellers on the forefront. Housing affordability crises are commonplace in all regions in the world, now under rising climate stress, rising social demand for climate adaptation, but also enduring debt traps for many lower and even middle-income countries, and visible inequalities within cities across the globe.

The G7 leaders have responded to the risks of steep decline in international cooperation by issuing a joint declaration calling for 'mutually beneficial partnerships', at the Evian Summit on June 16, 2026, which follows the release of a joint communiqué by G7 development ministers earlier in spring[5]. Meanwhile, the Think7 has investigated 'new forms of concerted action', connecting the coordination of industrial policies, economic security measures and innovation and AI, and the future of development cooperation, and which it proposes to bring to the G20 presidency of the UK in 2027.[6]

---

[3] Leipzig, notwithstanding its long history, has been a cradle of the unification of Germany in the late 1990's and it is a city with one of Europe's largest social housing districts, Leipzig Grünau.

[4] Long-term investors, private sector and think tanks contribution on infrastructure investment to build a sustainable economic and social recovery 2022 Joint Statement of the D20 Long-Term Investors Club (D20-LTIC), Business20 (B20) and Think Tank20 (T20) https://www.d20-ltic.org/wp-content/uploads/2022/07/D20-B20-T20-Statement-2022-Bali.pdf and The contribution of long-term investors, private sector and think tanks in infrastructure investment to support the recovery 2021 Joint Statement of the D20 Long-Term Investors Club (D20-LTIC), Business20 (B20) and Think Tank20 (T20), https://www.d20-ltic.org/wp-content/uploads/2022/07/D20_Statements/2021_Joint_Statement_D20LTIC-B20-T20.pdf

[5] G7 France, Leaders' Declaration on *Mutually Beneficial International Partnerships*, June 16, 2026 https://www.elysee.fr/en/G7evian/2026/06/16/leaders-declaration-on-mutually-beneficial-international-partnerships and G7 Development Ministers' communiqué, April 2026, https://g7g20-documents.org/fileadmin/G7G20_documents/2026/G7/France/Ministerial%20Meetings/Development%20Ministers/1%20Ministers'%20Language/Ministerial%20Communiqu%C3%A9_20260430.pdf

[6] T7 France Communiqué, Cooperation in a brutal world, June 2026, https://www.iddri.org/sites/default/files/PDF/Publications/Hors%20catalogue%20Iddri/202606-00-T7_WEB_1juin_EN_1.pdf

This new agenda includes a coordinated approach of the role of public development banks, including the insurance of rising risks levels, the reinforcement of nature and biodiversity finance and valuation, and the promotion of global natural common goods.

Even if they are not explicitly mentioned in the G7 or T7 communiqués, cities are an integral part of the changing approach of the G7, including vis-à-vis emerging countries. Hence, the Nancy urban summit adopted a declaration highlighting the role of cities and local governments in building resilience, a move supported by the cities of Los-Angeles and New-York as the lead of the US Urban20.[7] The whole process confirms the emergence of a new policy stream in the G7, 1) initiated by the formation of an Urban7 Alliance of mayors and urban networks and the organization of a G7 urban ministers meeting under the 2022 G7 Germany presidency, and 2) comforting other initiatives such as the Partnership for Global Infrastructure Investment (PGII) adopted by the G7 UK in 2021, and supplemented by the EU Global Gateways.[8] Pursuing new forms of cooperation in the field of urban and infrastructure finance today is inseparable from the assessment of the limitations of the current framework of the sustainable development goals (SDGs) and the rapidly rising interest of the BRICS, in urban development. This is why we have organized a joint roundtable connecting the Urban7 and Think7 was organized as part of the G7 summit of cities in Nancy, including organisations and think-tanks from Brazil and India, which currently chairs the BRICS forum. Envisioning new ways to address local-global interdependencies is a key to (re)build sustainability frameworks and resilience and navigate the current times of crises and transformations with a better compass.[9]

1. Urban development, resilience and interdependencies

The combination of demographic growth and climate hazards, such as repeated heatwaves, is exposing a rapidly growing number of urban dwellers in the world to unsustainable living conditions, especially households and individuals depending on informal economy and exposed to little or no welfare. In India, the newly created Urban Challenge Fund (UCF) has been set up as a €90 billion Central assistance scheme by the Government to drive market-led urban transformation between 2025-2030.[10] The fund shifts urban development from traditional grant-based financing to a reform-driven approach combining national and local financing with private sector investment. This is especially meant to address systemic issues such as housing or infrastructure development, while also responding to multiple climate threats, such as heatwaves, water shortage. This should be seen in the context of countries increasingly integrating climate policies into overall economic policies in a longer-term perspective to allow central and local governments to improve priority setting and co-ordination of multiple policy levers. The creation and work of the Coalition of Finance Ministers for Climate Action, now with 100 countries participating, is a manifestation of this.

The issue of resilience is also one of efficiency within the economy and the society, and which plays at multiple scales. For example, more uneven water regimes and longer drought periods affect water basins and large rivers, including in Europe. In the past years, the productivity of highly industrialized areas along the Rhine River has suffered from low water levels disrupting shipping, and in return, affecting whole areas such as the Rhein Neckar Metropolregion. Meanwhile In Brazil, the e-Dutra initiative – a multi-stakeholder effort to develop the country's first zero-emission freight corridor along the strategic São Paulo‑Rio de Janeiro logistics route – is teaching us that major transitions happen along real economic corridors, and not in policy documents addressing the local scale only. The challenge is about deploying cleaner technologies, but also about aligning infrastructure, investment, regulation and local development around shared outcomes. That may be one of the most important roles cities can play in the coming decade.

---

[7] Urban7 Summit 2026. Déclaration de Nancy. *Des villes résilientes, fondement de la résilience mondiale*. June 4, 2026 https://franceurbaine.org/app/uploads/2026/06/Declaration_U7_FR.pdf

[8] G7 Germany Ministerial meeting on sustainable urban development. Communiqué. 13 September 2022. Nota : The meeting was chaired by the German Chancellor. https://g7u7.org/fileadmin/user_upload/Materials/Urban_Development_Ministers%E2%80%99_Communiqu%C3%A9.pdf

[9] The present note builds upon the exchanges and conclusions of the roundtable.

[10] Conversion in USD from the original ₹1 Lakh Crore Indian rupiah.

The experience from Brazil and other emerging economies reinforces the idea of current transitions as a pattern, whereas in many developed countries see them as an addition of systemic risks to be addressed by raising barriers. However, the risks associated with that of stranded assets are high in all regions. For instance, the bulk of urban infrastructure that has been provided in the past three or four decades of intense urban growth and urban development in the world is barely fitted to protect people from such shocks as intense heatwaves. Besides, cities are also embedded a new interdependencies, such as for the provision of food, whereas the calls for circular economy to address waste issues also depend on local investment capabilities, not to mention the role of new and future interregional trade negotiations to address carbon emissions.

1. The role of public development banks to support sustainable investments

Traditional forms of urban cooperation, networking, or joint advocacy have long ignored or undervalued their macroeconomic path-dependency. The linkages between urban and industrial production systems is nothing new but they are absent from the new urban agenda adopted by the UN in 2016 whereas the re-organization of global value and supply chains has become a predominant pattern of international relations. Initiated in 2020-21, the international Finance in common initiative (FICS) and which held its last summit in Paris in April 2026 alongside the G7 meeting of development ministers has highlighted the benefits of enhanced cooperation between public development banks in the world, especially multilateral and national public development banks.

The development of country platforms for just energy transition partnerships (JETP), supported by the G20 and the G7 in the past years, has also showcased the importance of strong and accountable local institutions, including local public development banks and other organisations that can help guarantee investments. For example, the city in Heidelberg in the Land of Baden-Württemberg in Germany not only manages its own Landesbank, but also a local energy company, which help drive finance to investments in innovation and new urban development. Other forms of public / private investments such as through the model of 'délégation de service public' in France or public-private partnerships in Brazil are meant to channel investments in sustainable infrastructure systems but a piecemeal 'city by city' approach is becoming less relevant. In practice, climate resilience, resource security and infrastructure adaptation increasingly transcend municipal boundaries.

Many of the defining challenges facing cities—from flood management and water scarcity to regional mobility and energy infrastructure—cannot be solved by a single municipality acting alone. This points to the need for innovative legal and institutional frameworks that allow cities to cooperate at the scale of the problem, including municipal consortia, regional governance mechanisms and new forms of public-private partnership. The experience of long-term PPP contracts in countries such as Brazil demonstrates that governance structures capable of spanning decades can help align investment decisions with long-term societal outcomes. Yet such contracts also create new needs, including for PPPs to be aligned with sustainability goals in the long-run and to be robust and transparent not only locally but to support inter-city cooperation and regional resilience.

3. Reframing and refining urban partnerships amid pressing reforms of development cooperation

Since the adoption of the Agenda 2030 in 2015 by the United-Nations, the independent group of scientists to the Secretary General has produced two flagship Global sustainable development reports (GSDR), with a new one in preparation for 2027. The past editions of this quadrennial report in 2019 and 2023 have both pointed out to urbanisation as a 'meta' transformational issue, interconnecting socio-political and technological-industrial dimensions, yet with very few adequate corresponding governance mechanisms. Meanwhile, hopes in the adoption of a solid New Urban Agenda (NUA) at the Habitat III Summit in Quito, Ecuador in 2016, were contradicted by a confusing preparatory process. An aspirational document was adopted, completely ignoring the complex interplay between urban development and industrialisation, especially in emerging countries, and largely overlooking prevalent forms of contemporary urban growth through country-wide and even regional or trans-regional development corridors. This comes without mentioning the exponentially complex socio-economic interplay between urban development, including various forms of urban networks and promotion of 'local' sustainable development agendas, and technological transformations, epitomised by the combination of 'artificial intelligence' and 'data centers'. We argue that the recognition of the issue of urban resilience in the G7, and the exchanges between engagement groups such as U7 and T7, interconnected with counterparts in G20, BRICS and other formats, is necessary to address rising limitations and shortcomings in sustainable urban development strategies inherited from the past decade. It is also timely for two reasons. At first, because forms of development cooperation are being reviewed everywhere across the globe, ranging from the OECD development assistance committee reform to many recent multilateral initiatives, including the latest South-North Commission on Development launched at the international sustainability conference of Hamburg and chaired by the former mayor of Hamburg and former chancellor of Germany. The second reason calling for a rapid reset and review of inherited forms of urban cooperation is the changes in daily practices in many, concrete, fields of operation.

One good example of this is the question of municipal waste management, amid wider perspectives of circular economy, resources transition, and sustainable production and consumption systems. Now, this equation has become even more complex as agriculture and food production systems are becoming growingly integrated. On a day-by-day basis, the enduring deficit of comprehensive waste management systems in developing or emerging regions cannot be solved simply by social (ex. support to the informal sector of waste pickers) or imported, turnkey technological solutions (implementation of costly new facilities). Besides, case studies, consolidated research and continuous exchanges on such matters in the context of the past G20 presidencies of emerging countries have confirmed that bilateral donors and possible multilateral funders such as multilateral development banks largely remained confined to piecemeal and sectoral approaches. And yet, solutions from developed regions where waste management is often part of long established national and local fiscal policies allowing to provide enough public and private investments cannot be easily replicated in other, very different, fiscal and socio-demographic contexts, notwithstanding the issue of investment costs. The issue of waste management, including investments in various solutions ranging from landfills to municipal waste to energy units stands out at the crossroads of interdependent production and consumption systems and value chains, regional integration, local investment and expertise capabilities and public and private sources of financing.[11] For instance in the context of Jakarta in Indonesia, new investments related to waste management including waste-to-energy units were accelerated in the context of the adoption of a country platform and just energy transition partnership formalized during the G20 Indonesia.

A new approach of urban development in the future, especially in fast demographically and economically growing regions would need to be based upon a more comprehensive and refined assessments of how a given city and metropolitan area can maximize positive externalities and minimize negative ones. This is even more critical as we are entering a world marked by less cooperation, less development finance - and yet only nascent public goods. Hence, cities, local governments, should play an important convening role for the future of the Agenda 2030 across the Global South and developed countries alike. In addition, cities, together with think-tanks, should advocate for a greater sense of responsibility and accountability, which can no longer depend on developed countries alone. As exemplified by the presidencies of the G20 from 2022 to 2025, a new approach to people-centred sustainable norms and standards setting has been emerging from Global South presidencies. In a foreseeable future, those countries will produce more researchers, scholars, thinkers, policy makers, than ever before and this would represent a considerable, if not, unprecedented workforce for the greater good. This dimension should not be underestimated whereas a new generation of trade deals is emerging in the world and protectionist trends are rising.

---

[11] Furthermore, sustainable waste management also depends on factors such as fiscal resources in the long run but also contingency plans in case of emergency. For instance, in 2025, the Greater Paris waste management authority (SYCTOM) had to cope with a fire that burnt down one important sorting unit in the North-West of Paris. Even before mobilizing insurance, waste could be rapidly re-directed to the other sorting centres and disruption of service was avoided.

At a recent side-events of the BRICS Forum in India, experts gathered around the issue of early warning systems while building resilient cities and urban systems. Hence, the development of solid capacities on the ground, at the local level, including in rural contexts, alongside the development of a new generation of planning capabilities, emerge at the junction of national and local initiatives, partnerships and policies.

In many instances, a key challenge remains about how to incentivise private capital resources to develop and run sustainable infrastructure systems. How can revised incentives and organisation of public-private partnership shift some of the financing burdens towards actors benefiting from such investments remains key. Many urban and cities networks have compiled information and cases of successful projects, but they often remained confined to rather similar socio-economic and market conditions. Back in 2022, 'long-term investors, the private sector and think tanks' issued a common statement in the G20 showcasing their common will to 'cooperate with governments in promoting policy actions necessary to mobilise investments for sustainable and quality infrastructure.' Now in 2026, 'investment (and trade) instruments and agreements aimed at securing value chains' are proliferating, and 'foreign direct investment flows' are becoming (again) more concentred in a limited number of regions.[12] In this context, cities can be a bridge between geopolitical and geoeconomic spheres and support efforts amid the G7 and partner countries and beyond in the G20, in support of people oriented infrastructure investments, including housing, waste, mobility and digital infrastructure.

4. Conclusion. Towards an operational contribution to the UN summit on sustainable development

The format of exchanges gathering policy experts and urban leaders or in other words, combining system and local approaches proves valuable to create the conditions for more sustainable investments and address interdependencies. The notion of transition or transformation is a pattern meant to infuse social, political and economic life in all regions. This entails obvious challenges such as climate adaptation and building resilience to many crises in ways that benefit to people. Yet, other factors of transformations are also at play, such as the formation of a new generation of experts, sectoral policy specialists, and leaders, notably in the Global South. Therefore, the example of cooperation amid engagement groups should not be confined to the G7 or G20, but used as a bridge, including with the BRICS, and beyond. This vision may also help contribute to the future of the Agenda 2030 and development cooperation by giving shape to concepts such as common, mid-century development goals, human flourishing, integral human development, and others, in addition to quantitative goals and targets.

Inter-regional exchanges, such as between Europe and India, across the Global South, etc... are necessary to address common challenges and cities, local governments, can play a strong and durable convening role. This role would benefit from steady, consolidated flows of exchanges amid engagement groups, also allowing to build new and more solid capacities and strengthen human capital. In return, this would help integrate of climate policies into wider economic and social goals, including through combined public and private investments. Following the fruitful exchanges held in Nancy, we propose to deepen our analysis and strengthen our recommendations. In the fall of 2026, the Europa Power at the European Parliament in Strasbourg will be the opportunity to echo both the Leipzig Charter from 2007 and the G7 Nancy Declaration from 2026 and propose new perspectives. We also propose to deepen the cooperation possibilities between the Urban20 and Think20 in the US in the fall of 2026, notably at the occasion of the T20 summit in New-York, in close connection with the preparation of the agenda of the G20 UK. Lastly, we will bring the present first note of recommendations to High Level Political Forum and the annual review of the SDGs, including by sharing the present conclusions with the President of the UN Assembly General and through the UN Forum of Mayors.[13]

---

[12] Think7 2026 Communiqué. Part 1. The coordination of industrial policies.

[13] The conclusions would also be deepened and refined in the context of the international editorial project Intersecting as part of its Volume 12 *The future of development goals, bridging foresight, building pathways* to be released in 2027.

Annex 1 – Speakers at the joint Urban-Think7 meeting in Nancy

- **Nicolas J.A. BUCHOUD**, Urban7-Think7 focal point and member, Think7, and Think20 US coordination team**,** Fellow, Asian Development Bank Institute (ADBI, Tokyo), Global Solutions Initiative (GSI, Berlin), and Research and information Systems for Developing Countries (RIS, Delhi) / U7-T7 meeting co-chair and moderator
- **Rainer KERN**, co-chair, Urban7 secretariat and Executive director, Global Parliament of Mayors (GPM) / U7-T7 meeting co-chair, Germany
- **Debolina KUNDU**, Director General, National Institute for Urban Affairs (NIUA) and focal point, BRICS 2026 urban forum, Delhi, India (opening keynote)
- **Eckart WÜRZNER**, Mayor of Heidelberg, Germany, Chair of the UN Forum of mayors, and Head of the German Delegation to the Urban 7 Summit (opening keynote)
- **Arnaud SORGE**, Délégué Général, France Urbaine, Paris
- **Saha SABYASACHI,** Associate professor, Economics, trade and technology, Research and Information Systems for Developing Countries (RIS), Delhi
- **Sigurd NAESS,** Economist, Fellow, CIP Foundation, Copenhagen and Global Solutions Initiative (GSI)
- **Monica KRUGLIANSKAS**, Researcher, T30 resources transition and climate finance project, Brazilian Center for International Relations (CEBRI), Rio / London
- **Henri de GROSSOUVRE**, Head of Foresight, SUEZ group, Paris, France
- **Pushp BAJAJ,** Programme Lead, Climate Resilience team, Centre for Environment, Energy and Water (CEEW), Delhi, India
- **Caroline CHAL**, International relations and public affairs, SYCTOM, and co-founder, French Waste Partnership (PFD), Paris, France
- **Luisa BIANCHET**, International Relations and Energy Transition Analyst, E+ Institute, Sao Paulo, Brazil
- **Guillaume KLOSSA**, Writer and entrepreneur, Co-founder and president, Europa Nova (closing remarks)

The exchanges will also help nurture the future of Europe's vision of urban development, including through the Europa Power conference in Strasbourg in October 2026 and echoing other initiatives such as the Siena Conference for the Future of Europe. Intra-European exchanges will be even more meaningful if they include a consolidated urban approach and trusted channels of discussion and cooperation with the current and upcoming BRICS, G20 and other multilateral initiatives.

Annex 2

Background note - Nancy Think7-Urban7 roundtable on *Resilient cities: derisking investments and enhancing insurability* – June 4, 2026

Urban7 2026 Summit - Joint Urban7 (U7) / Think-tanks 7 (T7) roundtable

Resilient cities: derisking investments and enhancing insurability

Location: Hôtel de Ville, 1, place Stanislas, 54000 Nancy, France

9.00-10.30am CET – Invitation only

'At a time of international uncertainty and climate urgency, Nancy will provide a space for open dialogue between peers and the sharing of practical and innovative solutions for urban resilience.' Urban 7, 2026

1. Background : cities, think tanks and the private sector as resilience catalysts

The increasing frequency of natural disasters is making certain regions—including within G7 countries—partially or entirely "uninsurable". This crisis threatens both the economic stability (particularly fiscal stability) of G7 countries and the resilience of vulnerable nations. Tools to improve international understanding of physical risk profiles must be developed and shared; the conditions for a fair and effective sharing of costs between the public and private sectors must be reviewed; and new opportunities for insurability and investment must be created in vulnerable countries.

The rapidly rising financial needs for climate adaptation risk to be contradicted by a very volatile international geopolitical context and while cities play a pivotal role to build resilience, they also depend on multiple regional and global factors, starting with their exposure to financial risks.

Evidence show insurance protection gaps are currently widening, leaving both advanced and vulnerable countries with significant uncovered risks. If unaddressed, mounting insurance gaps will expose more people to climate hazards, more businesses, especially MSMEs, to economic failure, more infrastructure to critical damage, affecting local finance, territorial cohesion and innovation capabilities. In return, the achievement of sustainable development goals would become even more challenging. Hence it is urgent to build bridges between cities and regional or global policy frameworks to derisk investments in sustainable solutions and resilience.

In 2025, the Sevilla Compromise has put forward a new roadmap for international development cooperation and financing, highlighting the interdependency between the cost of capital and investments risks, and long-term development trajectories. Meanwhile, the OECD has initiated a reform process of its Development Assistance Committee (DAC), with risks evaluation and risks insurance part of the discussions about the very future of development cooperation.

To address these challenges, the T7 has issued several operational recommendations aiming at closing insurance protection gaps and ensuring long-term system sustainability, while recognising that insurance is one of multiple solutions for resilience and preparedness and that other measures are also required. Those recommendations focus on

- scaling the use of financial protection tools against natural disasters,
- promoting fairer burden-sharing between the insurance industry and public authorities,
- highlighting the role of preventive action to reduce risks,
- mobilising financial resources for countries most vulnerable to climate change, particularly those eligible for ODA[14].

Meanwhile, the Urban 7 is promoting a comprehensive understanding of resilience, including socio-economic resilience, environmental resilience, and democratic and institutional resilience.

The roundtable *Resilient cities: derisking investments and enhancing insurability*, is a joint initiative of the T7 and U7 connecting cities, think tanks and the private sector to discuss concrete technological, financial, and policy solutions to strengthen a muti-scale approach to resilience. The roundtable will further feed in the 2026 United Nations High Level Political Forum (HLPF) which will focus on *Transformative, equitable, innovative and coordinated actions for the 2030 Agenda for Sustainable*.[15]

---

[14] "Enhancing insurability against natural disasters", T7 France, 2026 and Towards a more effective and integrated Public Development Bank system, T7 France, 2026

[15] HLPF 2026 will review the advancement of SDG 6. Ensure availability and sustainable management of water and sanitation for all; SDG 7. Ensure access to affordable, reliable, sustainable and modern energy for all; SDG 9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation; SDG 11. Make cities and human settlements inclusive, safe, resilient and sustainable; and SDG 17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. https://hlpf.un.org/2026

2. Expected outcomes

The T7 mid-term summit in March 2026 has illustrated the strategic role of enduring multilateral cooperation to address both systemic and volatile geopolitical challenges:

- new forms of partnerships, including with the private sector, are inseparable from reinforcing economic and climate security
- local governments play an integral role to incubate, implement and scale up responses to repeated shocks / crises and foster people's trust
- the current oil / energy crisis can be an accelerator for green investments, but public spendings are constrained and the fiscal space is narrow, including across the EU and developed countries
- cities and think tanks together with the private sector can bring a relevant contribution to the G7 Leader's summit and beyond, including in the context of the G20 presidency of the US.

The Urban7 Summit Press conference held in May 2026 has highlighted that the official recognition of the group pf cities as an official engagement group in the G7 reflects a now widely shared conviction: today's challenges – climate change, democratic resilience, social cohesion, territorial security – cannot be overcome without the full, coordinated involvement of cities and local authorities.

U7 and T7 assessments converge whereas the slowdown in the delivery of sustainable development goals, including in cities, has been evidenced over the past years, including at the occasion of the adoption of the UN Pact for the Future in 2025.

As the needs for climate adaptation are rising rapidly in all regions around the globe, the G7 has emphasized the interdependence between developed and emerging countries, notwithstanding developing ones. Multilateral development banks (MDBs) and beyond, regional and national public development banks are a pivot or multidimensional, multiscale, local and international cooperation.

In that context, sustaining public and private investments in future-proof infrastructure systems emerges as a recurrent priority for the G7 as illustrated by the creation of the Partnership for Global infrastructure Investment (PGII), also supported by the EU Global gateways program. It needs to be complemented by renewed approaches to investments in sustainable cities and communities.

Hence, the objectives of the U7/T7 side-event are to:

1. exchange on practical experience focusing on water and sanitation, energy, resilient infrastructure systems, and system approach, including the issue of waste and circular economy
2. discuss financial solutions connecting city-level action with the reform of the role of multilateral development banks such as through country platforms, including the outcomes of the G7 France Finance in Common Paris summit[16]
3. demonstrate the added-value for public and private decision makers at global and local level to engage in regular exchanges connecting cities and urban networks, think-tanks and related platforms to create new synergies and creative responses to overlapping crises
4. build bridges with the wider think-tanks community, urban coalitions and the private sector supporting development cooperation and sustainable development in the context of the G20.

[16] https://grn-2026.sciencesconf.org/resource/page/id/1