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Multilevel governance for sustainable urban development: Enhancing the role of cities and local authorities in national and international decision-making

Note by the Geneva Charter Centres for Sustainable Development

Summary

　　This information document has been prepared by the Geneva UN Charters of Excellence at the City Diplomacy Lab (France), the Cattaneo University LIUC (Italy); the University of Geneva (Switzerland); and the Glasgow School of Art (United Kingdom of Great Britain and Northern Ireland).[1]

　　It outlines benefits, challenges and economic aspects of multilevel governance and argues that multilevel governance, through vertical, horizontal, and transnational coordination, is essential for translating global commitments into locally relevant action, to overall enhance resilience, legitimacy and innovation. The authors of the document also put forward recommendations for strengthening governance.

　　The Committee may wish to comment and take note of the document.

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Executive Summary

1.   Multilevel governance is emerging as a critical framework for addressing the converging global transformations of climate change, demographic shifts and technological revolution. Building on the Agenda 2030 for Sustainable Development, and the Paris Agreement under the United Nations Framework Convention on Climate Change (UNFCCC), multilevel governance combines vertical, horizontal and transnational coordination with an intent to link multilateral commitments with multistakeholder participation. This will help to ensure that policies are adapted to local contexts while remaining aligned with national and international priorities.

2.   Within the ECE region, the conceptualization of multilevel governance has evolved from early principles of coordination and participation through to institutional innovations such as the Forum of Mayors. Multilevel governance strengthens the implementation of international commitments, improves policy coherence, enhances legitimacy and trust, and supports crisis response and sustainable urban development. It empowers cities as innovation laboratories, enables mobilization of resources, and promotes foresight and predictive governance, particularly through the wise use of artificial intelligence (AI).

3.   Nevertheless, challenges remain across international, national, local, and civil society boundaries. These include geopolitical polarization, institutional silos, limited local capacity, and insufficient civic engagement. Strengthening multilevel governance requires structured and systematic integration of strong but agile principles that will: enable feedback loops, embed foresight and AI tools, reinforce fiscal autonomy and capacity-building, safeguard city diplomacy, and promote genuine co-creation with civil society. Multilevel governance represents the promise of a coordination process and a transformative governance paradigm essential for sustainable urban development and resilience in an era of accelerating change.

Introduction

4.   As we enter the second quarter of the 21st century (CE), the forces of change influencing humanity are, as they always have been, demographic, climatic, and technological. The interactions of these changes can have benign or toxic consequences for communities and societies. Climate change is measured in centuries, demographic change in generations, and technological change through seminal breakthrough moments followed by explosive growth – demographic and economic – caused by technological dissemination – the wheel, the engine, electricity.

5.   Until the end of the 20th century, these changes had differing momentum in different regions of the world, and it was possible for different societies in different parts of the world to confront these changes within their own orbit. As a consequence, their interactions played out differently in different regions and, although related, seemed independent.

6.   But in our Zeitgeist things have changed. Firstly, we now know that human activity is affecting our climate; secondly, demographic change is creating a compound challenge of longevity and fertility; thirdly, technological change is building AI on top of automation with massive implications for humanity and the way we live; and finally, perhaps for the first time in human history, these changes are being played out globally, in real time, and at an alarming and accelerating rate. These interactions and their consequences now affect all world civilisations concurrently, even if the cocktail of change varies dependent on geography, economy and society in different regions and possibly at different rates. There can no longer be any opting out. Climate change and technological change know no boundaries. Countries might be able to influence demographic change within their boundaries although migration, the third leg of the demographic triangle, equally knows no boundaries.

7.   To date, the most profound attempt to understand these interactions, together with a collective will to intervene positively, came through the Paris Agreement and 2030 Agenda for Sustainable Development (Agenda 2030) that followed on from it. The Paris agreement came about because science has shown that the rate of climate change is being accelerated by human activity. Agenda 2030 came about through recognition that this global challenge required a holistic and systemic response.

8.   The Agenda 2030 was, and remains, a remarkable document and prospective manifesto for humanity to confront the interaction of these three global cycles of change with an aim to understand better the changes and their interactions to deflect a toxic and existential change for humanity to one, that with assertive and collective action, can be made more benign and more sustainable. However, the global COVID-19 pandemic, its aftermath, and a rowing back by some powerful societies on this consensus has provoked an even more pressured case for action. The Agenda 2030 was designed to effect a common and agreed transition. But the rate of change is now such that it is transformation rather than transition that we face. In the uncertainties, complexities, and unknown, downstream, compound and secondary consequential interactions, there is a hope that the analytical power of artificial intelligence (AI) with its capability to process complexities quickly and with clarity can make them clear and understandable to us.

9.   In the face of these threats some challenges in the human habitat remain timeless. The need for safe and affordable and adequate housing remains as pressing today as it did decades ago. Unthinkably daunting without the international leadership, excellence in research, practice and effort by UN-Habitat, the UN Regional Commissions, WHO, the OECD, the European Union and other international and regional organisations, that challenge remains almost as pressing today as it did when the ECE Committee embraced the challenge of housing and land management in the 1950s.

10.   The pace of this change runs the risk of overtaking the solidarity of the Agenda 2030. It must not render it impotent or redundant. We do well to remind ourselves of the Agenda 2030 declaration that, in Articles 2 and 5, clearly states "*the need for comprehensive, far-reaching and people centred transformative goals ... that are integrated and indivisible to balance ... sustainable development*".

11.   This mission from Agenda 2030 in the face of the accelerating cycle of climate, technological and demographic change means we must harness the power of AI[2] to build a systems understanding of the interaction of the matters within each of these three elemental forces. Choices cannot be binary; we need to understand their collective interaction. In these circumstances, there is an urgent need to examine collectively the tools at our disposal to influence positively this transformation, make it less existential and perhaps even benign.

12.   This imperative brings a renewed and sharpened focus to SDG 17 Partnership and "*the need for nonhegemonic and fair cross-sector and cross-country collaborations.*" At the heart of international partnership lies the matter of multilevel governance (MLG) and its coordination. MLG is a topic that the Committee has reviewed regularly in recent years. These renewed imperatives make it timely to review once again together with multi-lateral and multi-stakeholder governance.

13.   Recognition of our Zeitgeist and sharing the host country and host institutional experiences of the Centres of Excellence, and embracing our role to work collectively as a network to assist both the ECE Committee on Urban Development, Housing and Land Management, and the Forum of Mayors in their endeavours, the Geneva UN Charter Centres of Excellence have produced this document as our contribution to reflection from within the ECE member States, their international and local knowledge, and their international academic network to bring to the ECE Committee collective best practice to bear on the challenges and opportunities that we face.

14.   The present document is organized as follows:

(i)   Position the concept of MLG and its differences with other close concepts.
(ii) Trace some evolutionary thinking on the concept by the UNECE Committee on Urban Development, Housing and Land Management.
(iii) Explore the main advantages of MLG for several fields of national and sub-national governance.
(iv) Focus on the economic aspects of MLG, in terms of costs and benefits.

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[2]   Throughout this article "AI" is used as an umbrella term encompassing a disparate array of solutions including machine learning algorithms, large language models, computer vision systems, and other computational technologies that simulate human cognitive functions such as automated reasoning, pattern recognition and natural language processing.

(v)   Map out the main challenges faced by the implementation of MLG; and summarize key recommendations for national governments for successful implementation and delivery.

I.   Understanding multilevel governance

15.   The scale, scope, and rapidly shifting planetary dynamics of change outlined in the introduction necessitate innovative and collective approaches to policy formulation and strategy development. No single governmental or private sector entity can, on its own, circumvent the level of complexity and devise the necessary agility and impactful interventions. This complexity requires collaboration across various domains with as many core stakeholders as possible. Collaborating across policy domains and challenges has often been undertaken through well-known multilateral, multistakeholder, and multilevel governance approaches. These approaches shape how decisions are made, how resources are distributed, and whether global imperatives of strategy and/or change strategies can produce tangible and timely impact on the ground.

Multilateral governance

16.   The first and most embedded approach in Global Governance is *multilateral* governance. This approach refers to the process whereby States collectively devise and negotiate standard rules and shared commitments. The United Nations system, the European Union, and the Paris Agreement on climate change are among the most prominent examples of this decision-making process that aim for greater stability and predictability in face of uncertainty.

17.   But multilateralism can seem slow and cumbersome. It can take time for countries to reach consensus and, therefore the process may struggle to adapt to local needs or respond quickly when circumstances change. This may include action on non-contentious issues held up while awaiting final agreement on the overall principles that may ultimately be overtaken by wider world events. This could, for example, delay bi-lateral action on pressing issues of import locally that do not impinge on the wider principles under discussion (Hedjazi, 2007).

Multistakeholder governance

18.   While multilateral governance is about states working in concert on globally pressing issues and challenges, *multistakeholder* governance is about bringing other actors to the table. Civil society, academia, city leaders, businesses, and community groups can all become involved in governance. An approach that is particularly prominent in climate and urban sustainability projects, where knowledge and resources are widespread.

19.   The strength of *multistakeholder* governance resides in enabling inclusiveness. Diverse voices spark creativity and ensure that solutions reflect more than government priorities (Bäckstrand, 2006). However, without clear frameworks, inclusivity can create challenges as powerful actors can dominate, and accountability and transparency can fail to meet aspirations for and delivery of adopted standards.

20.   There have been examples in international *multilateral* governance where major corporations, non-governmental organizations (NGOs), and municipalities have, by adding a multistakeholder layer (for example to energy governance) generated investment and technical expertise at the local level but, as a consequence, disrupted strategic negotiations at the international level (Hedjazi, 2007).

Multilevel governance (MLG)

21.   Multilevel *Governance* (MLG)[3] examines cooperation from a different perspective. Instead of focusing on international cooperation between states or on stakeholders at the table, it focuses on how responsibilities are shared across levels of society – from neighbourhoods to city halls, from national governments to international institutions (Hooghe & Marks, 2003; OECD, 2024).

22.   Therefore MLG, as connective tissue, brings three pillars together:

- Vertical coordination between local, regional, national, and global institutions.

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[3]   The acronym MLG is used **only** to signify *multilevel governance* – the principal subject matter of this paper. All references to *multilateral* and *multistakeholder* governance are written in full to avoid confusion.

- Horizontal collaboration across sectors and institutions at the same level.
- Transnational links that allow cities and regions to network internationally and speak and act collectively on the world stage on issues that have global significance.

23. MLG takes the broad commitments forged in multilateral arenas and the diverse partnerships fostered in multistakeholder settings, anchoring them in real-world practice. It creates feedback loops where policies are tested locally, adapted, and scaled up. This can be seen at play in some urban biodiversity initiatives: international goals on climate and ecosystems (multilateral) became concrete actions on the ground through city-level coalitions (multistakeholder), tied together by a multilevel framework that connected the local to the global (Grin et al., 2010).

24. In conclusion, each of these models has a role to play. While *multilateralism* sets the "*rules of the game*", and multistakeholderism brings in multiple *voices,* multilevel governance ensures that regulations and voices are connected across scales, preventing gaps and making sure policies are aligned or converging.

25. When *multilevel governance* is missing, international agreements can be partially implemented or ignored, and partnerships can become fragmented. The absence of strong *multilevel* coordination leads to what scholars refer to as "distorted regionalism" (Hedjazi, 2007). However, the three multi-forms of governance can complement one another – when rules, voices, and connective structures work together, global agreements can become tangible, everyday realities. Together, the three approaches form a governance ecosystem where multilateralism is the backbone of global rules, multistakeholderism ensures inclusivity and agency, and multilevel governance can lubricate discussion and ensure coherence in the system. In this context, multilevel governance serves as the circulatory system, providing connections between ideas, resources, and decisions at the global and local levels.

The systemic nature of multilevel governance

26. The metaphor of the circulatory system is useful to illustrate the systemic nature of multilevel governance. Unlike traditional governance models of hierarchical nature, MLG rests upon negotiation cycles that are continuous and ongoing. The outcomes of such cycles therefore emerge from the dynamic interactions between multiple actors across various scales. Thus, MLG must be understood as a complex adaptive system characterized by emergent properties, non-linear dynamics, and feedback mechanisms.

27. The core element of this system is *feedback loops* connecting different governance levels. As the next sections of this paper will outline, such feedback loops, operating through both formal and informal channels, enables a faster responsiveness to local conditions, fosters adaptive capacity within the governance system and drives cross-scale institutional learning. In short, it is precisely this feedback process that traces the circulatory system through which information, resources, and decisions can flow (Piattoni, 2010).

28. This has two key implications. First, MLG systems exhibit non-linear dynamics where small changes at one level can produce disproportionate effects across the entire system, emphasizing the importance of understanding interdependencies and synergistic relationships between different actors and institutions. Second, this systemic nature renders MLG largely incompatible with static hierarchical institutional architectures, which cannot accommodate the adaptivity, flexibility and agility that MLG entails. To thrive, MLG requires architectures able to balance order and flexibility and to enable the various levels to perform self-organization while maintaining coordination mechanisms to prevent fragmentation. Absence of such architectures can result in MLG hindering, rather than facilitating, the collective action toward shared objectives that motivates its adoption in the first place.

II. Framing of multilevel governance by the ECE Committee on Urban Development, Housing and Land Management

29. From the theoretical perspective, the conceptualization of multi-level governance by the ECE Committee on Urban Development, Housing and Land Management can be described in two distinct phases. In the first phase (1999-2020), MLG was not formally expressed, but its principles underpinned much of the Committee's work through subsidiary

bodies such as the Working Party on Land Administration (established 1999) and Real Estate Market Advisory Group (established in 2007). Engaging stakeholders created institutional frameworks that inherently required forms of multilevel coordination. The earliest recognition of multilevel governance principles can be traced to the Committee's foundational document *ECE Strategy for a Sustainable Quality of Life in Human Settlements in the 21st Century* (2000) that established, on its first page, the goal of promoting *"democratic governance [...] by encouraging public participation in the decision-making process, strengthening the capabilities of local authorities and non-governmental organizations, providing a framework for the constructive participation of the private sector, and defining a new role for central government."* The document outlined the need for vertical and horizontal coordination across governance levels, alongside capacity building and participation. A further advancement of the implicit understanding of MLG can be found in the 2006 *Ministerial Declaration on Social and Economic Challenges in Distressed Urban Areas*, which stressed that housing challenges required coordination between different levels of government, highlighting (particularly for informal settlements and disadvantaged areas) the role of systemic coordination failures due to lack of multilevel action.

30.   The second phase (2020-to date) is marked by the acceleration of the explicit conceptualization and operationalization of MLG. The first explicit elaboration of multilevel governance appears in the 2021 publication *#Housing2030: Effective Policies for Affordable Housing in the UNECE Region* (UNECE 2021), which includes a dedicated section on multilevel governance. In this section, "*multilevel governance and partnership*" is defined as the "*coordination and sharing of responsibility as well as jurisdictional authority between different actors in housing policymaking and implementation.* The study established an overall rationale for MLG in housing policy in four steps: (a) Vertical coordination between national, regional, and local levels; (b) Horizontal coordination between different sectors at the same level; (c) Stakeholder engagement, including non-governmental actors; (d) Policy coherence ensuring alignment across governance levels. It also acknowledged that MLG can slow down rapid local decision-making due to increased need for consultation. This research was further advanced in *Place and Life in the ECE – A Regional Action Plan 2030* with MLG as an explicit goal ("A1: Coordinated national, sub-national and local action through multilevel governance and strategic plans and frameworks"), essential for pandemic recovery from the COVID-19 pandemic and building resilient cities. While not explicitly referencing MLG, the 2022 *Evaluation of the Forum of Mayors* contributed to the theoretical work by considering cities creating "*another layer of diplomacy*" with mayors as "*advisors in intergovernmental processes*".

31.   From the operational perspective, the work of the Committee can be seen as developing on two fronts. The first is represented by the establishment of the yearly Forum of Mayors in 2020, which represented a groundbreaking institutional innovation as the first UN body specifically designed to operationalize MLG through involvement of city mayors. The second axis is represented by the work, again started in 2020, on Voluntary Local Reviews (VLRs), which have represented a knowledge exchange and data-sharing mechanism between governance levels, as a key operational mechanism to foster MLG at the granular level.

32.   Steps towards closing the loop between the theoretical and the operational sides of MLG can be seen in recent events like the *VNR-VSR-VLR Studio: Unveiling Best Practices for Multilevel Governance in Localizing SDGs* organized in Paris in 2024, where MLG was discussed as the connective tissue linking Voluntary National Reviews and Voluntary Subnational Reviews with Voluntary Local Reviews.

33.   Overall, across the two phases outlined above, three evolutionary trajectories can be identified:

1)   A shift from viewing MLG as an administrative coordination tool to recognizing it as distinct governance paradigm.
2)   A broadening of primarily vertical State relationships (national-local) to include horizontal coordination between sectors and network governance, including non-State actors.
3)   An expansion from MLG as an instrument for policy implementation within the ECE region to its emergence as a constitutive element of global democratic governance, as exemplified by the Forum of Mayors.

III. Benefits of multilevel governance

34.   The practice of MLG shows significant benefits for both national and local governments, as it transforms how policies are designed, implemented, and sustained across different territorial scales. At its core, MLG has proven a fundamental coordination mechanism to ensure the success of processes of decentralisation and multi-centralisation in fields ranging from forestry (Mwangi & Wardell 2012) to energy (Birsbois 2020).

35.   This section outlines some core advantages of MLG for governance institutions, grouping them into two categories: (a) implementation benefits, which regard the design and execution of national policies; and (b) capacity benefits, which regard potential for action of institutions. Some of these advantages will be further elaborated in the next sections. Both categories share the potential to improve the systemic nature of policymaking, with positive impacts on overall sustainability prospects vis-à-vis highly complex challenges.

A. Implementation benefits

Local engagement in implementation of national policies

36.   The local level is where citizens experience the daily impact of policies (Kunová et al., 2025). The success of national policies and international commitments depend fundamentally on their implementation at the local level. This drives local governments, including city governments, to adopt a primary mediation role by translating broad policy objectives into tangible outcomes; and to act as "first responders" flexibility and speed, to societal challenges (Price & Myers, 2020). Implementation of "one-size-fits-all" solutions across different territorial domains often sees their effectiveness diminished by the cost of negotiating *ex-ante* local needs and conditions in the design phase (Trein, 2020) as well as problems in policy adjustment once the policy is implemented.

37.   In negotiation of local conditions, local government can display unique advantages in policy implementation stemming from their intimate knowledge of local needs, economic conditions, and social dynamics. This ground-level understanding enables the adaptation of national and global frameworks to local realities, ensuring that policies are not only technically sound, but also politically and culturally appropriate for their implementation context (Kunová et al., 2025). One example in this regard is how MLG enables context-sensitive adaptation in the process of localization of the Sustainable Development Goals. While national SDG targets (usually national averages) might mask significant territorial variations, MLG arrangements help translate these broad goals into locally relevant targets and indicators. These local targets and indicators, in turn, reflect specific community priorities and capabilities (UNDP, 2025), better ensuring that national commitments to international frameworks and local capacity and needs are not mismatched.

38.   Policies need to evolve to respond to changes in conditions. However, this is traditionally slow. When performing policy adjustment, typically centralized decision centers must elicit, collect, filter, summate, hierarchize, and interpret feedback loops on policy performance to design adjustments. Unless processes are significantly optimized, each of these steps entails bottlenecks that increase cost and time, impeding appropriate adjustments and jeopardizing local consensus. The engagement of local governments enables their closer relationships with citizens, to leverage and facilitate real-time feedback loops on policy performance thereby enabling continuous adjustment and improvement of implementation strategies.

39.   In another example, by establishing and maintaining information conduits between the local level and all other levels, MLG enables the development of community-based vulnerability assessment to identify vulnerabilities and design action plans for resilience and improved environmental management. Such tools help dress barriers including limited early warning information access, inadequate shelter options and insufficient integration of climate adaptation and social protection.

Coherence and integration across policy domains

40.   As inferred above, contemporary challenges to inhabited spaces–such as housing affordability, risk adaptation, decarbonization and digital transition–require coordinated responses that transcend traditional sector boundaries (EBRD, 2025). MLG provides the institutional framework for achieving this coordination through mechanisms for sharing

competencies and responsibilities across government levels. National governments thus maintain strategic oversight while allowing local governments to adapt policies to their specific circumstances and capabilities (Hooghe et al., 2020).

41.   Housing is an area where fragmented policies generate inefficiencies and high costs for both households and governments. Across OECD countries, housing costs have risen disproportionately compared to incomes and inflation, eroding household budgets and weakening social cohesion (OECD, 2021). Through a multilevel approach, governments can stabilize housing policies, provide regulatory predictability, and thereby strengthen investor confidence.

42.   Initiatives such as "Yes, We Rent!" show how multilevel cooperation, combined with community participation, has enabled rents to be reduced by 30 per cent compared with market prices, thus ensuring more efficient allocation of public resources (OECD-OPSI, 2023). Recent global economic crises have demonstrated that effective coordination across levels of government is essential to channel public investment towards urgent strategic priorities. During the 2008–2011 financial crisis, OECD countries equipped with strong multilevel governance mechanisms were able to implement stimulus packages more effectively, reducing transaction costs and accelerating public spending (Allain-Dupré, D., 2011).

43.   MLG also offers national governments mechanisms to ensure coherence and integration across the spatial, economic, and social dimensions of urban policy. Vertical policy integration (i.e., the coordination and alignment of policies across different levels) helps create synergies and enhanced consistency through mutually reinforcing actions.

44.   This integration shows promise in harnessing the power of information technology (IT) and AI. The establishment of continuous feedback loops between different governance levels facilitates the necessary exchange of data between levels. This exchange has proven critical in areas such as the management of affordable housing. In this urgent field, any transition to data-driven decision-making, with potential benefits in equity, fairness and efficiency, requires the sharing of data from multiple levels of governance. Examples include the use of such data as information on individual and national income, health information, family composition, dwelling blueprints, local and regional infrastructure networks, employment data, and environmental data. MLG can help "breaking the siloes" where this information is often enclosed by establishing *by design* conduits across institutions. This data, in turn, can feed increasingly sophisticated models assigning available social housing help with maximum fairness. The sharing of data across levels can also reduce potential data bias in any single institution.

45.   More generally, AI governance requires substantial public and private investment in infrastructure, research, regulation, and risk mitigation and yet, current AI governance remains fragmented, with national or regional approaches increasing compliance costs and generating inefficiencies (CIGI, 2023). Multilevel approach can harmonize standards, reduce duplication and build economies of scale and enhance regulatory stability and predictability, which is conducive to research and development investment. As Choung et al. (2024) argue, a multilevel framework for AI governance allows for the coordination of diverse stakeholders across institutional layers, balancing global interoperability with local contextual needs. Diyas (2025) further emphasizes that multistakeholderism offers a pathway of equal footing for state and non-state actors to influence AI governance, provided stakeholders are deliberate about designing multi-stakeholder mechanisms throughout the product life cycle. When integrated into financial and regulatory processes, AI – if coordinated through multilevel governance—can enhance risk analysis, optimize capital allocation, lowering monitoring costs and increase transparency.

Legitimacy, accountability, and democratic governance

46.   The erosion of trust in institutions among citizens represents a very serious challenge that compounds all the other challenges to sustainability. Lack of trust makes citizens less likely to adopt changes, build consensus and support, and work towards common goals. MLG can help improve governance systems in terms of accountability, transparency, inclusivity and overall legitimacy. The meaningful involvement of cities and local governments in decision-making processes can create more inclusive and responsive governance structures that better reflect the needs and preferences of citizens, enhancing legitimacy. This, in turn, can benefit the implementation of ambitious policy agendas requiring sustained public

support by national governments. This feedback loop can foster greater public participation and trust in public institutions.

47.   The participatory dimensions of MLG can promote innovation in participation mechanisms, fostering channels beyond traditional electoral mechanisms, e.g., participatory budgeting (through which citizens exercise direct control over resource allocation) or community-based monitoring systems (which improve accountability). These mechanisms have the potential to improve policy outcomes while strengthening civic engagement and public participation habits.

48.   Transparency and accountability mechanisms reduce risks of corruption, increase incentives towards good performance, and continue to strengthen trust between citizens and government (EBRD, 2025). MLG systems that incorporate mechanisms to deliver transparency and accountability are more likely to sustain public support and achieve better sustainable policy outcomes over time.

49.   Multilevel governance can improve the capacity of national governments to address equity and social inclusion by identifying barriers to fair access to public services and social protection systems, particularly for vulnerable and marginalized populations (Dagilienė et al., 2021).

Crisis response and resilience

50.   The COVID-19 pandemic demonstrated the importance of coordinated action across levels of government for effective crisis response and resilience building. During the pandemic, local governments were essential for delivering public health measures, maintaining essential services, and supporting vulnerable populations (UNDP, 2020). In many contexts, the proximity of local officials to residents improved buy-in for unpopular policies, and helped mobilize, manage, and deliver national-level responses and resources on the ground. Contexts equipped with comprehensive approaches to resilience building capable of dealing with all stages of the threat cycle – sense, defend, respond, and recover – enjoyed better resilience outcomes in addressing the socio-economic effects of the pandemic (World Bank, 2021).

51.   Combatting major threats such as the pandemic require coordination between multiple governance levels. Moreover, the ability to adapt quickly to changing circumstances while maintaining essential services and public trust also improve the effectiveness of crisis responses. Synergies between the flexibility and responsiveness of local government and the resource mobilization capacity of national governments create powerful combinations, benefitting the capacity to respond to both immediate crisis needs and long-term resilience building (Saito-Jensen, 2015).

52.   MLG can also benefit from predictive technologies. For example, tools that apply artificial intelligence to multilevel data such as the EUMigraTool can predict asylum seeker arrivals and map attitudes relating to migration and inform multilevel coordinated planning and resource allocation.

Sustainable urban planning

53.   Through sustainable urban planning, local government assumes responsibility for many of the policy decisions that directly impact environmental sustainability, ranging from land use to the design of energy, transportation and waste management systems. MLG can help align policy choices and their interactions with national policies, regulations, and resource allocation systems.

54.   In turn, sustainable urban planning and decision-making are fundamental to promoting and making actionable sustainability and circularity principles in fields such as mobility, building, lifestyles and waste management (OECD, 2023). MLG provides the institutional framework for integrating environmental sustainability considerations across different levels of government and policy sectors (UNEP, 2024).

55.   Sustainable urbanism shows inherent challenges of extreme complexity. Pursuing it is a matter of taking into considerations as many important factors as possible to leave no one behind; but when these important factors and their interactions are too many, analytic and delivery capacity quickly comes under pressure. To address this capacity gridlock, an ethical harnessing of AI power seems particularly urgent. Unlocking the system will require data sharing, that in turn requires the kind of cross-institutional trust and infrastructure that MLG

can promote. We want artificial intelligence to be meaningfully employed to combat "wicked problems" e.g. hedging against natural disaster risk or optimizing transportation flows, particularly in under-provisioned urban areas. To this end, creating some of the necessary pre-conditions by using integrated MLG appears to be a smart strategy.

B. Capacity Benefits

International commitments

56. Multilevel governance strengthens the capacity to implement international commitments such as the Agenda 2030, the Paris Agreements and the Sendai Framework for Disaster Risk Reduction. Specifically, as most SDGs require implementation at the local level has led to increasing engagement by local authorities thereby supporting national achievement and reporting on progress with the targets of the global goals (Kunová et al., 2025). The Paris Agreement acknowledges that 50 to 80 per cent of climate adaptation and mitigation will be implemented at the subnational level (ICLEI, 2025). Similarly, the Sendai Framework for Disaster Risk Reduction recommends economic and regulatory empowerment of local authorities in coordinating and supporting stakeholders in disaster risk management (UNDRR, 2015).

57. Empowering cities and local governments significantly enhances the standing of national governments in global forums while strengthening the implementation of their international commitments. Cities and local governments have become increasingly important actors in international policy processes, from climate negotiations to biodiversity conservation to sustainable development (Global Covenant of Mayors, 2025). This growing international role of cities provides national governments with additional channels for diplomatic engagement, policy influence, and delivery of outcomes. The UNECE Forum of Mayors therefore becomes a farsighted and essential accelerator of policy aspiration supported through the research and practice network of the Geneva UN Charter Centres of Excellence.

58. Multilevel governance enables the potential establishment of many effective feedback loops between the national, international and local levels and international urban forums such as the UNFCCC Conference of the Parties, UN-Habitat Assemblies, and the UN Convention on Biological Diversity meetings, allow national governments opportunities to showcase both commitment to global objectives and innovative local solutions. On one hand, this can strengthen their credibility and influence in international negotiations, and on the other, the showcasing of local level results on the ground supports the feasibility and effectiveness of global policy objectives, in turn supporting the international commitments of national governments (Cities and Regions, 2025).

Innovation and knowledge-sharing from local levels

59. Cities can be effective laboratories to identify and scale up successful solutions (Climate-KIC, 2025), especially when local governments are provided with the autonomy and resources to experiment with new approaches while maintaining connections to broader policy networks that facilitate knowledge-sharing. Cities become the 'urban Petri Dishes' of MLG innovation.

60. Multilevel governance can facilitate the systematic sharing of innovative practices across different territories and levels of government, a process in which crucial roles are played by city networks and transnational municipal networks. Through this process, the experiences and successful practices of local institutions are pooled, and adaptation is fostered through peer learning (Borgström, 2019). National governments can leverage these networks to identify promising innovations and support their replication.

Leveraging investments and resources

61. Cities and local municipalities is essential for aligning resource allocation with national priorities, as well as for mobilizing co-financing for development objectives, particularly for national governments managing fiscal constraints (SEC, 2024). Such mechanisms are particularly important for infrastructure investment, where local projects must align with national and regional development strategies to maximize their impact.

62. Local and regional governments with the authority to generate and manage their revenues, through instruments such as property taxes, service fees, and local levies, are better equipped to align financial resources with their strategic territorial priorities (OECD, 2024).

This autonomy involves not only the power to impose taxes and collect fees, but also the capacity to independently allocate and manage those resources according to local development goals. Moreover, autonomous local entities can diversify their funding sources beyond national transfers, utilizing tools such as public-private partnerships (PPP), municipal bonds or grants.

63. Beyond financial investments, local governments can also tap into significant human and social capital, particularly in the form of technical expertise, community relationships, and implementation capability. National governments can leverage these resources towards their objectives. MLG can formalize these resource-sharing relationships while ensuring that local contributions are recognized and supported (Hooghe et al., 2020).

64. This capacity of MLG is useful in potentially challenging circumstances such as migration management. MLG enables 'venue shifting', that is pursuing labour mobility through preferential trade agreements or regional integration frameworks. Such strategic flexibility can unlock legal migration pathways that might otherwise be blocked by political opposition at the national level. This flexibility allows for targeted investments in areas such as infrastructure, innovation, and public service delivery. Financial autonomy also encourages long-term planning and sustainability by reducing reliance on short-term, centrally defined funding priorities (World Bank, 2023).

Integrating assessment and foresight

65. In an unstable global situation, tools to anticipate future scenarios have become critical in the decision-maker's toolbox. Foresight needs to be shared across governance levels to maximize its impact.

66. Multilevel governance-oriented climate migration governance has shown the capacity to integrate productively AI-powered early-warning systems able to identify vulnerable populations before displacement occurs, facilitating timely interventions in healthcare, education, and legal aid. In Somalia, UNHCR's Project Jetson has demonstrated effective multilevel coordination between international agencies, national governments, and local humanitarian organizations. This system analyzes dozens of variables including climate anomalies, conflict patterns, market prices, and historical migration data to project internal displacement and inform preparedness arrivals up to 90 days in advance.

IV. Economics of multilevel governance

67. One of the defining components of functional MLG is financial empowerment. A multi-level system can only function effectively if local and regional authorities have access to financial resources that are sufficient, flexible, and predictable. Financial autonomy in multilevel governance requires fiscal equalization to prevent regional disparities, ensuring all regions can provide comparable public services regardless of their revenue-generating capacity (OECD, 2024). MLG also fosters institutional learning and innovation by allowing more localized government levels to experiment with granular policy solutions that helps build institutional capacity and an adaptive governance culture (SIGMA, 2025). However, a significant challenge is capacity gaps in local governments, which may lack the technical expertise and resources to fulfil their responsibilities, making capacity building a necessary, though costly, part of successful MLG reform (OECD, 2024; Radzyner et al., 2023). A key challenge is also administrative complexity, where unclear roles lead to inefficiencies, cost duplication, and a lack of accountability. To manage this interdependence, robust coordination mechanisms such as steering committees and joint planning frameworks are essential, as they prevent the much greater inefficiencies caused by fragmentation.

Table 1. Key components of multilevel governance: required resources and relative costs

Aspect	Resources Required	Costs/Challenges
Financial autonomy	Revenue-raising powers, financial equalization	Risk of disproportionate limitations, fiscal risks
Capacity-building	Training, innovation support, knowledge sharing	Need for continuous learning, uneven capacity

Governance coordination	Steering committees, agencies, communication tools	Complexity, administrative overhead
Territorial & institutional reforms	Restructuring, public management modernization	High implementation risk, political resistance
Transparency & accountability	Legal frameworks, supervisory mechanisms	Reduced transparency, accountability challenges
Stakeholder engagement	Consultation platforms, participatory processes	Managing diverse interests, potential conflicts

68.   To ensure a well-functioning MLG system, a balance must be achieved between decentralization and effective coordination to avoid cost duplication and to properly manage available financial resources. The principle of "*centralize where necessary, decentralize where possible*" serves as a strategic guideline. Central governments should retain authority over functions that benefit from economies of scale or involve national standards, such as defence or large infrastructure projects. Conversely, services closely tied to community needs (e.g., education, social care, housing) are best managed at the local level. A useful guiding principle in this regard is *strategic functional allocation*: centralizing functions that benefit from economies of scale and decentralize those that are dependent on proximity to local needs and conditions.

69.   An illustrative example of the economic implications of MLG is represented. In 2006, a study by Nicholas Stern estimates climate damages could amount to at least 5 per cent of global GDP annually while the World Bank projects similar losses by 2050 without effective mitigation and adaptation strategies (World Bank, 2016). As most mitigation and adaptation measures are implemented at the subnational level, effective multilevel governance becomes indispensable to prevent duplication, maximize investment efficiency, and align financial instruments with territorial priorities. This approach offers numerous benefits crucial for climate action. At a political and administrative level, it fosters more efficient management of resources and expertise, enabling local entities to play a leading role, as highlighted by international policies such as the Agenda 2030. Furthermore, fiscal multilevel governance plays a key role, with transparent transfer mechanisms, fiscal capacity rules, and incentives for local environmental policies allowing governments to mobilize resources and attract climate-related investments (Dougherty & Montes Nebreda, 2023).

70.   The defence against climate change is not merely an environmental necessity but a fundamental economic imperative to protect global prosperity and human activities. The costs of inaction far outweigh the investments required for mitigation and adaptation. The Intergovernmental Panel on Climate Change (IPCC) highlights that delays in climate investments can lead to "carbon lock-in" and "stranded assets," generating significant additional costs (IPCC, 2025). In contrast, proactive investments in climate resilience and sustainability generate substantial returns, creating new economic opportunities and preserving long-term value. Similarly, green building investments show a clear financial advantage. While initial construction costs are slightly higher (less than 2 per cent), can yield multiple-fold lifetime benefits are four to six times greater thanks to energy savings and increased market value (USGBC, 2021).

71.   In this sense, the costs of establishing multilevel structures–coordination bodies, reporting frameworks, monitoring systems – must be understood as investments. Their purpose is to prevent far greater inefficiencies caused by regulatory fragmentation, failures in managing systemic crises, or instability in housing and financial markets.

72.   Economies of scale and ethical oversight must be maximized in high-risk systemic sectors such as AI and climate policy, while proximity and adaptability should be maintained in areas closely tied to citizens' needs, such as housing and social services. Multilevel governance should be viewed as a strategy to optimize public and private resources, manage the costs of ongoing transitions, and ensure beneficial outcomes in economic stability, social resilience, and environmental sustainability.

V. Challenges to multilevel governance

73. In recent months, challenges to MLG have become increasingly pronounced, driven by growing geopolitical and geoeconomic exceptionalism that is often translated into a resurgence of national (re)centralization, framed as a strategic and security imperative. While this international trend is significant, it is only one of four interrelated categories of challenge facing MLG and the broader decentralization processes upon which it relies. This trend provokes challenges emerging at national and local levels, as well as those emerging from civil society and individual participation. Though interconnected, each of these categories deserves analysis to consider their unique impact on MLG.

74. While the challenges outlined below address a variety of political, institutional, and societal dimensions, they should be understood as distinct from economic constraints, particularly those related to the costs of implementing MLG frameworks. Here we focus instead on the non-economic dimensions of governance challenges, examining the structural, operational, and participatory factors that shape MLG effectiveness and resilience across international, national, local, and civil society spheres.

International-level challenges

75. Two contrasting international dynamics have, in various contexts, posed substantial challenges to the quality, functionality, and sustainability of MLG. The first relates to the long-standing push for decentralization led by multilateral banks and development agencies. In some cases, this external pressure has incentivized short-sighted or superficial decentralization reforms, primarily aimed at unlocking specific financial flows rather than fostering a deep-rooted political commitment to an inclusive and collaborative process. Such a process, by its very nature, requires time and sustained engagement to ensure the meaningful integration of local priorities and community voices into national strategies. While this externally driven dynamic persists, it has been in decline due to growing awareness–over the past couple of decades—of the distorting effects of top-down development paradigms, as well as the increasing recognition of local authorities in national and international platforms dedicated to multilevel financing.

76. The second and more recent dynamic has been the above-mentioned sharp acceleration in geopolitical and geoeconomic polarisation, particularly since the COVID-19 pandemic. This trend has been accompanied by a renewed emphasis on national sovereignty and security, resulting in the reassertion of central government authority. In this context, even well-advanced decentralization processes and MLG frameworks are being challenged by the belief that only national governments are equipped to address complex and intensifying geopolitical risks.

77. A recent report by the City Diplomacy Lab highlights how cities have increasingly become targets of hostile foreign interference, notably through "proxy foreign policy"—a core component of what the report terms "city diplomacy risk" (Kihlgren Grandi & Sottilotta, 2024). There is now substantial evidence that hitherto productive bilateral relations between politically autonomous cities and those under tight central control can be exploited as a channel for indirect foreign policy objectives by the latter's government. Authoritarian governments have leveraged the openness and effectiveness of decentralized city-to-city cooperation to gain preferential access—often less scrutinized than formal intergovernmental channels—for political interference or the pursuit of illicit economic and strategic interests (Kihlgren Grandi, 2025; Kihlgren Grandi & Sottilotta, 2025).

78. The growing recognition of these risks among subnational authorities has, in some cases, led to a reassessment of the benefits of international engagement by local actors. While concerns about city diplomacy risks may prompt some national governments to restrict or even prohibit international activities by their local authorities, other countries are initiating national-level discussions to establish clear frameworks for dialogue, cooperation, and capacity-building. These efforts aim to preserve the considerable benefits of subnational diplomacy for sustainable and resilient local development (Teles, 2016; Kihlgren Grandi, 2020, 2022) while safeguarding against geopolitical vulnerabilities.

National-level challenges

79. While strong political will for multilevel dialogue is a fundamental requirement, it is by no means the only prerequisite at the national level. Effective MLG demands a coherent

and integrated planning approach that extends beyond the executive leadership of central governments. This is particularly evident in cross-sectoral domains such as urban development, climate action, and migration policies, where responsibilities often span multiple ministries and agencies. In the absence of shared frameworks for planning, budgeting, and monitoring, these institutional silos can lead to duplication of efforts, inefficient resource allocation, and missed opportunities for synergy between national and subnational actors.

80. As noted by Smoke, excessive focus on the political dimension may obscure the equally critical role played by national bureaucracies (Smoke, 2015). The alignment of state administrative structures is vital to ensuring that MLG efforts do not stall, even when politically supported. Addressing this challenge requires systematic investment in coordination and capacity-building among national-level "implementers" to reduce inefficiencies and overcome the siloed tendencies of government departments.

81. To overcome these obstacles, national governments should adopt institutional arrangements that promote vertical and horizontal integration across the public administration. These may include the establishment of permanent inter-ministerial coordination bodies, joint task forces involving national and local actors, and integrated information systems to support evidence-based decision-making. Furthermore, embedding MLG principles in national development plans and regulatory frameworks can help create the enabling conditions for more consistent and inclusive policy implementation.

82. Finally, fostering a culture of mutual respect and trust between political and administrative actors is essential. This includes recognizing the expertise of public officials at all levels of government and ensuring that they are adequately trained and resourced to engage in multilevel cooperation. Only through such comprehensive efforts can national-level systems evolve into genuine facilitators of MLG, capable of supporting ambitious and coherent sustainable development strategies.

Local-level challenges

83. At the local level, the disconnect between political leadership and administrative capacity can similarly obstruct MLG implementation. Promising developments have emerged through the creation of peer-learning and professional exchange platforms for local officials, such as ARRICOD for French "city diplomats" and the international network of City Directors of International Affairs, created and hosted by the German Marshall Fund of the United States. These forums promote both institutional learning and constructive dialogue between political and administrative branches within local governments, with multilevel governance featuring prominently in their discussions.

84. More broadly, capacity constraints are particularly acute at the local level. Developing the skills and competencies necessary for meaningful participation in MLG is rarely immediate or straightforward. In countries where local governments face severe human and financial resource limitations, external support for capacity development is often indispensable. The inability of local governments to effectively fulfil their role within MLG frameworks provides empirical support to sceptics of decentralisation. For this reason, capacity-building is a recurrent priority in the advocacy efforts of national local government associations and international city networks. It also plays a central role in the multilevel efforts to address city diplomacy, as mentioned above.

Civil society and individual-level challenges

85. Considering the constitutive role of local governments as proximity institutions, the realization of their full potential in contributing to MLG depends on the active participation of civil society, local stakeholders, and individual citizens. Top-down processes are necessary but are not sufficient alone to accomplish this goal. Just as national decentralization reforms are not synonymous with successful MLG, neither is the establishment of participatory mechanisms by local authorities a guarantee of meaningful civic engagement.

86. For MLG to be genuinely transformative, civil society actors must be invited to participate and empowered to do so. In other words, the pursuit of MLG must go hand in hand with multi-stakeholder governance. The creation of France's "Delegation for Local Authorities and Civil Society" within the Ministry for Europe and Foreign Affairs offers a promising model, signalling a structural commitment to synergy between territorial and civic

engagement. The shared goals of co-creation and co-responsibility in public policy can serve as a powerful foundation for such cooperation.

A cross-cutting barrier: the capacity gap

87. While each of the four challenge areas outlined above presents distinct features, they are all united by a common obstacle: the issue of capacity. Whether in the realm of international engagement or within national, local, or civil society spheres, MLG effectiveness depends on sustained learning and the development of appropriate competencies. Accordingly, MLG must be recognized not merely as a structural arrangement, but as an ongoing process of capacity-building for dialogue and cooperation. Without such investment, even the most well-intentioned reforms and policies risk falling short of their potential. Academia—particularly universities—has a vital role to play in this process. As evidenced by the present work of Geneva UN Charter Centers of Excellence, the academic sector is increasingly mobilizing its expertise in direct support of the public interest through applied research and training.

88. Greater efforts are needed to ensure that such expertise is accessible to a wider array of actors, particularly those—such as local authorities and civil society organizations—that face the greatest capacity deficits. With the exception of well-resourced global cities and major international NGOs, local and civic actors often lack the tools necessary to engage meaningfully in MLG. Platforms such as the ECE Committee on Urban Development, Housing and Land Management—which brings together the key MLG constituencies, including international organizations, national governments, local authorities (via its Forum of Mayors), civil society, and academia—offer a unique opportunity to align political will and launch sustained capacity-building efforts. These efforts have frequently informed research, are regularly published and, in turn, have become a foundational pillar of robust and resilient MLG (Evans, 2025).

VI. Recommendations: Strengthening multilevel governance in a transformational era

89. As outlined above, the convergence of accelerating climate, technological, and demographic changes demands nothing short of transformative governance approaches. The previous sections have explored how multilevel governance offers the institutional scaffolding necessary to navigate our current Zeitgeist, provided we move decisively beyond fragmented, siloed approaches toward integrated, systems-based coordination. This section aims to trace a roadmap for harnessing MLG's full potential across critical domains to ensure the sustainability of our present and future cities.

Institutionalizing systemic integration

90. System thinking principles and practices must become more central in day-by-day governance. In particular, feedback loops must become carefully curated institutionalized features rather than ad-hoc mechanisms. This transformation requires embedding monitoring, evaluation, and adaptive learning cycles into governance processes from design through implementation. Without curated systematic feedback loops between heterogenous data sources, monitoring schemes and citizen input, even well-funded programs struggle to achieve systemic impact.

91. Systemic complexity should drive the integration of emerging foresight methodologies across governance levels offers critical tools for anticipating and preparing for compound challenges. MLG systems should incorporate AI-powered early warning systems, community-based vulnerability assessments, and participatory scenario planning that connects local knowledge with regional and national strategic planning processes.

92. To foster a systems-driven evolution, national governments must accelerate processes to embed MLG principles in their administrative architectures as core operational frameworks rather than peripheral coordination mechanisms. Examples of these processes include the establishment of permanent inter-ministerial coordination bodies with dedicated budgets and decision-making authority. This is especially urgent for cross-cutting challenges such as climate adaptation, AI governance and housing affordability. Strategic architectures should be guided by the afore mentioned principle *"centralize where necessary, decentralize where possible"*, with clear frameworks distinguishing between economies-of-scale

functions (such as infrastructure, defense) and proximity-sensitive services (such as education, social care, local environmental management). To design and implement such processes, national governments can leverage the wealth of multilevel expertise and good practices that international organizations gather and broker.

93. In turn, international organizations should accelerate the recognition of subnational actors as legitimate governance partners in global policy processes, moving fully beyond traditional state-centric multilateralism. This implies, for instance, incorporating in a more systematic way cities and regions into climate negotiations and disaster risk reduction planning. With 50 to 80 per cent of climate action occurring at subnational levels, international commitments are impossible to attain without their active involvement. International organizations and regional bodies should improve the formal channels for municipal input in policy design and reinforce funding mechanisms that directly support local innovation and experimentation.

Dovetailing digital transformation and governance innovation

94. The integration of AI into MLG systems presents unprecedented opportunities for managing complexity and accelerating evidence-based decision-making. National governments should invest in nation-level data-sharing infrastructures that enable real-time feedback loops between governance levels, particularly in areas requiring rapid adaptation like migration flows, environmental monitoring, and urban planning. However, this digital transformation must be accompanied by robust multilevel governance frameworks that prevent the fragmentation and compliance costs currently plaguing AI regulation. As Friedman has argued the world's AI superpowers need to agree on a trust architecture for AI governance before rogue entities further destabilize its development (Friedman, 2025). At the local level, cities and local governance institutions should position themselves as living laboratories for testing AI-enhanced governance solutions. Such solutions can range from optimized resource allocation systems to predictive climate vulnerability assessments. Appropriate resources and expectations must be invested in this process, incorporating the iterative nature of innovation and the experimental nature of a laboratory. The key is ensuring these experiments are connected to broader policy networks through MLG channels, enabling successful innovations to scale while maintaining local contextual sensitivity.

Building financial and institutional resilience

95. As we have seen, a lynchpin of effective multilevel governance implementation is financial empowerment. Fiscal decentralization should be supported by transparent and predictable equalization mechanisms to enable municipalities with a weaker revenue base to provide comparable public services. This approach involves transitioning from temporary and ad-hoc transfers to systematic fiscal frameworks that decrease reliance on central discretion and promote long-term sustainability. At the same time, clearly defined competences at different levels are necessary, following the principle of *"centralize where necessary, decentralize where possible."* Domains characterised by higher economies of scale should not be decentralised, while responsibilities more closely tied to community needs are better suited to decentralisation.

96. Ultimately, institutional resilience rests upon capacity. And so far, capacity-building has largely remained an afterthought in most attempts to institutionalize MLG. Conversely, as we have outlined, this needs to become a continuous and systematic investment across all governance levels. All evidence indicates that a lack of competencies for dialogue, coordination and implementation leads to the failure of even well-intentioned MLG reforms. These programs must be localized around the features of each context, and local academic institutions and research centres (connected in turn to a global knowledge and practice network) are essential in developing and delivering them.

Navigating geopolitical complexities

97. As outlined above, city diplomacy risks require sophisticated responses that preserve the benefits of subnational international engagement while safeguarding against manipulation and interference. Clear frameworks for subnational international activities demonstrate that guidance and support, rather than blanket restrictions, can be effective. Such frameworks hinge upon the establishment of platform for dialogue, cooperation and capacity development between national foreign policy frameworks and local international affairs units.

98.   At the same time, MLG requires a transformation of civil society engagement from consultation to co-creation, with dedicated institutional mechanisms that entail not just invitation of civil society, but active capacity-building support to enable meaningful participation.

Conclusions: a call for transformative leadership

99.   This paper outlined a possible map of the intersections where Multi-Level Governance can help national governments address some of the critical challenges of our time. The kind of transformations that have been outlined in this paper amount to no small feat for governments large and small through the work of international agencies and this Committee in particular.

100.   These transformations, indeed, demand political leadership willing to embrace complexity and uncertainty rather than retreating into centralized control or fragmented localism. At the same time, as emphasized repeatedly, the stakes are considerable. Without effective MLG, the collective capacity to address existential challenges—including, but not limited to, climate change and technological disruption—will remain inadequate to the scale and urgency of the required responses. The involvement of local actors is equally important. As long ago as 2017, we were warned by many in unequivocal terms that the '*network of digital information technology has become the dominant mode through which we experience the everyday*' (Greenfield, 2017)

101.   The path forward requires, as a precondition, recognition that MLG is not merely a technical or administrative instrument within a policymaker's toolbox. Rather, it should be understood as a *fundamental reimagining of efficient governance* in an interconnected and rapidly changing world. From this perspective, success will hinge upon sustained commitment of nation-states toward inclusive participation, institutional learning, and the courage to experiment with new coordination forms that transcend traditional boundaries while maintaining accountability at all levels.

102.   Governments and other governance institutions, however, are not alone in this. The rich and dense knowledge infrastructure woven throughout the last century, made of international organizations, city networks, regional areas, civil society and academia—represents a vital resource to support, help and accompany these processes.

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