



## Special Session Proposal

### Special Session Title

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### Abstract

Cities cover 3% of the Earth's land area, but are responsible for 60-80% of global energy consumption and account for 70% of carbon dioxide emissions. The economic importance of cities is unquestionable, with 80% of global GDP being generated in cities. With more than half of the world's population and 70% of the EU's population living in cities, the contribution of urban areas to economic development, competitiveness and quality of life is inevitable. However, cities also have the largest ecological footprint due to their size and population density, and their strategic documents should set out the development paths for the coming decades, taking into account the green transition and the circular economy. The way in which resources are exploited and used is becoming a key issue, and environmental sustainability has become a central element of development and investment. Measures contributing to climate neutrality should no longer be considered in isolation, but as an integral part of economic decisions. Ensuring the long-term well-being of society and economic growth can only be guaranteed by mainstreaming sustainability considerations. The economy is dependent on the environment for its supply of natural resources and raw materials, which, if disrupted, could lead to the closure of sectors, job losses, disappearance of goods and services.

The special session focuses on the conditions and possibilities, how cities can compete with the challenge, and what are the requirements for contributing to the net zero emission goal of the EU by 2050. The Green Deal and Climate Law by the EU, the 2021-27 Structural Instruments of the Union identify the main directions for development by assigning the priorities for investments. Although the 2021-27 grants act as a major incentive, alone grants cannot tackle the challenge foreseen. Financing the green

transition can only be achieved through a well thought-out and designed mix of resources, the most important components of which, in addition to the resources of the Operational Programme for the EU 2021-27 cycle, are financial instruments, green capital funds to support the green transition, but available to cities, and green bonds issued by municipalities or regions depending on the evolution of the legal framework conditions. In addition to the resources of the operational programmes, central Brussels funds, such as Horizon Europe contributes to the process with various initiatives, and other non-direct funding instruments such as green budgeting and the introduction of energy master planning are also being considered.

The special session will focus on the strategic and project-level preparedness of cities in the green transition process, and the way forward by examining case studies from different countries, and will focus on the green financing solutions, also examining various cases studies from different regions of Europe.