World Cities Day 31 October 2026
BETTER CITY, BETTER LIFE
— Fuzhou, China —

CONCEPT NOTE

Thematic-Forum 3:

Unlocking Finance for Inclusive Urban Regeneration and Adequate Housing

DATE: 1st November 2026
TIME: 15:30-17:15 Beijing Time
TITLE: Unlocking Finance for Inclusive Urban Regeneration and Adequate Housing

Background

Cities worldwide are facing interconnected challenges of housing affordability, ageing infrastructure, climate vulnerability and socio-spatial inequality. While many cities are confronted with deteriorating housing stock, underserved neighborhoods, informal settlements and underutilized urban areas, continued urbanization is simultaneously generating growing demand for new housing, infrastructure and basic services.

The World Cities Report 2026 estimates that up to 3.4 billion people lack access to secure, safe and adequate housing, and that achieving adequate and affordable housing for all would require an estimated USD 3–4 trillion in financing annually through 2030, in addition to investments required to maintain and upgrade existing housing stock (UN-Habitat, 2026)[1].

Urban regeneration offers an important place-based approach to addressing these interconnected challenges. By integrating housing improvement with infrastructure upgrading, public space enhancement, climate adaptation, economic revitalization and social development, regeneration can unlock the potential of existing urban areas and improve quality of life. Yet the outcomes of regeneration depend significantly on how it is financed. Financing arrangements influence whether infrastructure and public facilities can be delivered alongside or ahead of revenue-generating components; whether affordable housing can be supported through subsidies or cross-financing; how increases in land and property values are captured and reinvested; and how costs, benefits and risks are distributed among governments, investors, developers and communities.

Financing, however, remains a major constraint to scaling up inclusive urban regeneration. Global financing needs for urban infrastructure are estimated at **USD 4.5–5.4 trillion per year, illustrating the enormous scale of capital required to deliver sustainable and resilient urban transformation (UNEP, 2026)**[2]. At the same time, local and subnational governments—often at the forefront of urban regeneration—face significant fiscal constraints. In Asia and the Pacific, subnational governments account for **approximately 38% of total public investment.**

Bridging these financing gaps requires cities to mobilize diverse sources of finance and better align public investment, private capital and community resources with long-term social, environmental and urban development objectives. Against the backdrop of the World Cities Day 2026 theme, "Regenerating the City: Adequate Housing for All," this thematic forum will look beyond spatial and technical solutions to examine the financing mechanisms that enable and shape urban regeneration.

1 UN-Habitat (2026). *World Cities Report 2026: The Global Housing Crisis: Pathways to Action*. Nairobi: United Nations Human Settlements Programme.
2 *Urbanization and infrastructure development: Transforming cities for people and planet*

As the **host country** of World Cities Day 2026, China provides an important example of the global **shift from urban expansion towards urban regeneration**. In recent years, **urban regeneration** has become a national development priority, supporting the transition to high-quality urban development through the renewal of existing urban areas. National policies have increasingly emphasized integrated neighbourhood regeneration by combining the renovation of ageing residential communities and urban villages with infrastructure upgrading, public space improvement, heritage conservation, climate resilience and community services. At the same time, China is promoting institutional and financing innovations—including diversified investment mechanisms, public-private partnerships and central-local fiscal support—to scale up regeneration while improving housing conditions, urban resilience and quality of life.

Against this backdrop, World Cities Day 2026 provides a timely platform to convene governments, development partners, financial institutions, the private sector and urban practitioners to explore how innovative financing, integrated governance and strategic partnerships can unlock the full potential of urban regeneration and accelerate progress towards adequate housing for all.

Session Overview

This thematic forum will place the **financing urban regeneration that includes affordable housing** at the center of discussions. Financing mechanisms such as land value capture, cross-subsidization, public land management, private sector participation, affordable housing requirements and community-based financing can help ensure that the value generated through regeneration is reinvested for public benefit, while mitigating the risks of displacement and gentrification.

Urban regeneration requires substantial and sustained investment to upgrade housing, infrastructure, public spaces, environmental quality and public services while ensuring that existing communities benefit from urban transformation. Financing these investments requires moving beyond conventional public expenditure towards integrated financing strategies that combine public and private capital, land-based financing, development finance and outcome-oriented financing instruments.

Bringing together national and local governments, international organizations, financial institutions, development partners, the private sector, academia and urban practitioners, the forum will examine how cities can mobilize and structure financing for integrated urban regeneration programmes, while ensuring long-term financial sustainability, social inclusion and environmental outcomes.

Discussions will focus on three interconnected dimensions:

Opening Keynote: Setting the global context *(the financing gap, why regeneration requires integrated investment, why housing, infrastructure, environment and public space should be financed together, new trends in urban finance)*

Panel 1: Financing Integrated Urban Regeneration *(Urban regeneration should not finance housing alone - cities need capital investment packages covering housing, infrastructure, public space, utilities, environmental improvements, heritage, local economic development, etc.)*

Panel 2: Financing Long-term Value: Outcomes, Affordability and Climate *(Climate finance rewards outcomes, so how to foster and advance performance-based finance is an unavoidable question)*

Objectives

- **Promote integrated financing approaches** for urban regeneration that support investment in housing, infrastructure, public spaces, environmental improvement and public services as part of comprehensive neighbourhood regeneration.
- **Exchange innovative financing policies and mechanisms** that mobilize public and private capital, improve project bankability and enable cities to scale up inclusive urban regeneration.
- **Explore outcome-oriented financing approaches** that leverage climate finance, green finance and land-based value capture to generate long-term social, economic and environmental value while ensuring affordable housing and preventing displacement.
- **Strengthen international partnerships and knowledge exchange** by showcasing successful financing models and practical experiences that can be adapted and replicated across diverse urban contexts.

Guiding Questions

Panel 1:

(a) How can countries and cities package housing, infrastructure, environmental improvement and public facilities into integrated regeneration investment programmes?

(b) What are the respective roles of national governments, municipalities and communities in financing integrated regeneration?

(c) What financing mechanisms can mobilize capital for urban regeneration?

(d) How can cities combine public investment, municipal revenue, PPPs, etc.?

(e) Which financing mechanisms are most suitable for different regeneration contexts?

Panel 2:

(a) How can financing mechanisms reward long-term environmental, social and economic outcomes rather than only capital expenditure?

(b) How can housing and climate finance be integrated into urban regeneration programmes to improve housing quality, resilience, energy efficiency and public infrastructure?

(c) What institutional arrangements help cities prepare financially viable regeneration programmes?

(d) How can cities capture increases in land and property values and reinvest them into affordable housing and public services?

(e) How can cities measure and monetize the wider public value created through regeneration, including climate resilience, reduced emissions, improved health and social inclusion