

Energy transition toward a sustainable future

Region	Europe and Central Asia
Award Scheme	Shanghai Manual
Themes	Data-Driven Process and Management Environmental Resilience Housing Innovation Social Inclusion
Sustainable Development Goals	Goal 11 - Make cities and human settlements inclusive, safe, resilient and sustainable

Summary

Espoo, Finland, stands out as a model of co-created urban governance, where sustainability, inclusivity and innovation are embedded in every aspect of city management. Guided by “The Espoo Story,” the city’s strategic vision aligns with the SDGs, ensuring that residents, businesses and institutions jointly shape policy and planning. Through initiatives like “My Espoo on the Map,” the city collects citizens’ insights to inform long-term development, while the 3D City Model enables transparent, data-driven planning. Espoo’s housing programmes, biogas reuse, and autonomous transport projects integrate social equity with environmental sustainability, advancing its goal of carbon neutrality by 2030. Partnerships with universities, the private sector and the European Union strengthen Espoo’s role as a hub for innovation and sustainability governance. By institutionalizing co-creation and participatory monitoring through Voluntary Local Reviews and the SDG Sensemaking Tool, Espoo demonstrates how technology, inclusivity and strong governance can converge to create a resilient, equitable and climate-neutral urban future.

Background and Objective

Espoo, Finland’s second-largest city, has transformed from a small municipality into a leading international innovation hub. Recognized for sustainability, intelligence and inclusivity, Espoo’s development is driven by “The Espoo Story,” a strategic framework co-created with citizens and stakeholders. The city prioritizes human-centred development, technological innovation and equitable governance. Its main objectives include achieving carbon neutrality by 2030, embedding the SDGs into all municipal actions, strengthening social well-being, and promoting inclusive participation in decision-making. Through transparent governance, education for sustainable lifestyles and innovative urban systems, Espoo aims to balance prosperity, environmental health and equality for current and future generations.

Actions and Implementation

Espoo implements sustainability through multi-sectoral action. The “My Espoo on the Map” digital survey gathers residents’ feedback for urban planning, while the 3D City Model provides real-time data for transparent decision-making. Housing policies prioritize affordability and inclusivity, including the “right-of-occupancy” model and accessible homes for seniors and people with disabilities. Pilot projects like the autonomous shuttle bus and biogas-powered transportation reduce emissions and promote clean mobility. Espoo integrates the SDGs into municipal planning, staff training and budgeting, fostering co-creation across departments. Partnerships with Aalto University and the European Union enhance technological innovation and strengthen institutional capacity for sustainability governance.

Outcomes and Impacts

Espoo's participatory governance has improved planning efficiency, citizen engagement and institutional transparency. "My Espoo on the Map" informs long-term planning with over 100,000 inputs, while open-access data from the 3D City Model accelerates innovation and cost-effective project delivery. The city's housing programmes provide equitable access to affordable homes, reducing social inequality. Environmentally, carbon-neutral housing, renewable biogas use and sustainable transport have cut emissions by up to 85 per cent in key sectors. Espoo's approach has become a European benchmark for inclusive urban management, proving that co-created governance and technological innovation can jointly enhance sustainability, equality and urban resilience.

Sustainability and Scalability

Espoo integrates sustainability across policy, finance and governance. By aligning municipal budgeting and performance monitoring with the SDGs, the city institutionalizes climate action and equity. It leverages European Union funding and public-private partnerships to finance innovation and green infrastructure. The Voluntary Local Review process ensures accountability, while the SDG Sensemaking Tool, developed in collaboration with UN-Habitat, enables cities worldwide to localize sustainability targets. Espoo's ecosystem-based approach combining research, entrepreneurship and citizen participation—creates economic opportunity while protecting the environment. Its adaptable governance model, rooted in co-creation and transparent monitoring, provides a scalable framework for cities pursuing carbon neutrality and inclusive development.

Gender and Social Inclusivity

Espoo's governance model embeds equality in urban planning and decision-making. The city's Code of Conduct ensures gender parity, fairness and transparency across political and administrative processes. Housing projects address diverse social needs through supported living options for seniors, persons with disabilities and families at risk of homelessness. Participatory mechanisms like "My Espoo on the Map" engage under-represented groups youth, immigrants and residents with disabilities, ensuring equitable access to decision-making. Gender equality initiatives extend to leadership representation and employment, reflecting SDG 5 principles. By mainstreaming inclusivity in governance, Espoo ensures that social diversity becomes a driving force of sustainable urban transformation.

Innovative Initiative

Espoo exemplifies innovation through digital governance, participatory tools and green technologies. The 3D City Model offers open data for real-time planning, while the My Espoo on the Map platform uses citizen-generated data to shape urban development. The city's autonomous shuttle project and biogas-based mobility illustrate how technological innovation meets environmental goals. Policy innovations, such as the SDG-integrated budgeting system and transparent online progress reporting, strengthen accountability. Espoo's collaboration with universities and start-ups fosters experimentation and applied research. As a European pioneer in digital sustainability, Espoo's innovations demonstrate how smart technologies can drive inclusive, low-carbon, and evidence-based urban governance.

Resources devoted to delivery

Espoo's transformation is supported by strong financial, institutional and human resources. The city's budget fully aligns with the Espoo Story, linking funding to SDG performance. European Union funds, national recovery schemes and partnerships with Aalto University and research institutions support innovation projects. The city's workforce receives continuous training on sustainability integration. Financial mechanisms prioritize green infrastructure, carbon-neutral energy and affordable housing, while private-sector partnerships attract investment for circular economy initiatives. Collaborative governance ensures efficient resource allocation, maximizing impact across housing, transport and energy. Espoo's integrated resourcing model ensures long-term stability and sustained progress toward carbon neutrality and inclusivity.

Conclusion

Espoo's co-created urban governance demonstrates how sustainability, innovation and inclusivity can coexist within a cohesive city strategy. Through participatory planning, digital transparency and climate-smart innovation, Espoo has built a governance model that strengthens social trust and ecological resilience. Its open data systems, housing reforms and renewable energy initiatives embody practical pathways to carbon neutrality by 2030. By aligning local priorities with global goals, Espoo not only advances the SDGs but also offers a replicable model for cities worldwide. The Espoo Story illustrates how citizen collaboration and institutional innovation can jointly drive equitable and sustainable urban transformation.