



UN HABITAT Executive Board
of the United Nations
Human Settlements Programme

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**Update by the Executive Director on UN-Habitat Activities to
the Executive Board for the period January to June 2020**

I: Update on Agenda item 3: Financial, budgetary and administrative matters

1.1: Financial Status

Pre-session document: HSP/EB.2020/2: Report of the Executive Director entitled “Implementation of the strategic plan for the period 2020–2023: financial status as at 31 December 2019”.

1. In May 2019, at its first Session, the UN-Habitat Assembly approved the UN-Habitat Strategic Plan 2020–2023, which will be implemented through 4 consecutive work programmes and budgets. The first work programme and budget (WP&B 2020) was approved by the UN-Habitat Executive Board in November 2019. The work programme is organised around 4 new subprogrammes, which are directly aligned with the domains of change of the Strategic Plan 2020–2023. These domains of change link the Strategic Plan to the Sustainable Development Goals and aspires to: (a) Reduce spatial inequality and poverty in communities across the urban-rural continuum; (b) Enhance shared prosperity of cities and regions; (c) Strengthen climate action and improved urban environment; and (d) Effective urban crisis prevention and response. These subprogrammes bring together the normative and operational dimensions of UN-Habitat’s mandate. Apart from setting standards, proposing norms and principles, guiding capacity building and sharing good practices, UN Habitat also carries out operational work and provides specialist technical support to Member States in implementing policies, strategies, best practices, norms and standards.
2. UN-Habitat submitted its financial statements for the year 2019 to the Board of Auditors (BOA) on 31 March 2020. The financial statements present UN-Habitat’s financial position, financial performance, cashflows and net assets. They also show a comparison of the budget and actual expenditures. The status of the finances of UN-Habitat as at 31 December 2019 is summarised as follows:
 - a) **Financial position:**

Assets: At the end of 2019, UN-Habitat total gross assets amounted to \$476.1 million. This includes \$123.4 million of assets for the foundation earmarked fund.

Liabilities: Total liabilities for the year amounted to \$154.7 million. This includes \$29.7 million of liabilities for the foundation earmarked fund.

Net assets: Total net assets amounted to \$321.4 million of which a total of \$93.7 million related to the foundation non-earmarked fund.
 - b) **Financial performance:**

Revenue: Total gross revenue at the end of 2019 amounted to \$186.7 million which included a total of \$5.2 million from the foundation non-earmarked account.

Expenditure: Total gross expenditure at the end of 2019 amounted to \$190.4 million which included a total of \$5.5 million for the foundation non-earmarked fund.

Surplus/Deficit: UN-Habitat financial performance realised a deficit of \$3.7 million in the year 2019 which includes a deficit of \$0.3 million from the foundation non-earmarked account.

3. Preparations for the work programme and budget 2021 are underway. The document will be submitted to the UN-Habitat Executive Board at its next session for approval.

1.2 Update on the ongoing restructuring of UN-Habitat

Pre-session document: HSP/EB.2020/2/Add.1-Update on the ongoing restructuring of UN-Habitat

4. The Executive Director, through her delegated authority, have implemented the restructuring of the organisation to ensure that a more effective and efficient delivery mechanism are put in place. The new structure provides for closer integration, more transparent management and operations practices. On 2 January 2020, the new structure comprising of three divisions and a consolidated Office of the Executive Director (OED) came into effect. Owing to budgetary restrictions, staff members were laterally moved into their new positions. By end of May 2020, a Corporate RACI, a responsibility assignment matrix, was completed. This is the basis to operationalise divisional, branch, section and unit work plans. Specific duties to realise the deliverables of the work plan are then cascaded downwards to all staff and personnel. This is also accompanied by a process of classification of posts and the appointment of focal points to ensure efficiency.
5. As of 1 June 2020, the restructuring of the UN-Habitat headquarters at Nairobi comprising of the OED, the External Relations, Strategy, Knowledge and Innovation Division (ERSKID) and the Global Solutions Division (GSD) have been completed. The Executive Director, in January 2020, established a task team to develop a policy paper to help define the organisation's global presence. This policy paper is expected to be completed and submitted to the Executive Director on 15 July 2020. Taking into account the financial situation of the organisation as well as the challenges associated with the COVID-19 Pandemic, the policy paper recommends strengthening existing offices whilst creating at Nairobi the Regional Programme Division (RPD). To date, the Terms of Reference of the RPD has been completed together with its own RACI (responsibility matrix). In the next six months, the Secretariat will refine the policy paper and develop an action plan including the establishment of new offices through an expression of interest process. Any new offices will be in alignment with the wider UN reforms. The Executive Board will be updated in their next meeting to seek guidance from Member States.

2. Update on Agenda Item 4: Status and Discussion on the draft annual work programme of the United Nations Human Settlements Programme and draft budget of the United Nations Habitat and Human Settlements Foundation for 2021

Pre-session document: HSP/EB.2020/4- Report of the Executive Director on the draft annual work programme of the United Nations Human Settlements Programme and draft budget of the United Nations Habitat and Human Settlements Foundation for 2021

6. The United Nations is in the process of implementing some reforms spearheaded by the Secretary General which include the change from biennial budgets to annual budgets. As part of the wider UN Secretariat institutions, UN-Habitat prepared its first annual work programme and budget for the year 2020 whose implementation is currently in progress. UN-Habitat is currently undergoing processes for the approval of the work programme and budget for the year 2021. The proposed budget for 2021 amounts to \$264.7 million comprising of \$33.9 million from the foundation non-earmarked fund, \$12.5 million from regular budget, \$44.0 million from foundation earmarked account and 164.0 million from technical cooperation account. Also included in the proposed budget is \$10.3 million for programme support activities.

3. Update on Agenda item 5: progress in the implementation of the resolutions and decisions adopted by the UN-Habitat Assembly at its first session

3.1 Resolution 1/2 on UN System-Wide Guidelines on Safer Cities and Human settlements

Pre-session document: HSP/EB.2020/13/Add.2- Concept note on the implementation of a review process for the United Nations system-wide guidelines on safer cities and human settlements

7. The implementation of the UN systemwide Guidelines on Safer Cities and Human Settlements has in 2020 advanced on working arrangements with UN agencies and partners, with particular focus on country implementation frameworks. With UNODC, a joint programming framework document is being finalized with a view to scale up the uptake of safer cities tools at the country level, and with a joint safer cities resource mobilisation roundtable planned in Vienna for October this year. The Global Network on Safer Cities partners presented a review of various tools at the WUF 10 that will contribute to an updated safer cities toolkit, including an urban safety monitor. Partners Consultative Meetings of the Global Network on Safer Cities with the global associations of local authorities have been convened to support the strengthening of safer cities strategies while responding to the COVID 19 pandemic. These meetings are mobilising useful resources and partnerships for the proposed country peer review process in the implementation of the UN systemwide Guidelines on Safer Cities and Human Settlements. However, there is still the need to secure core financial resources from member states to anchor the implementation process in the period 2020-23.

3.2 Resolution 1/3 on enhancing capacity-building for the implementation of the New Urban Agenda and the urban dimension of the 2030 Agenda for Sustainable Development.

Pre-session document: HSP/EB.2020/13/Add.1 - Draft capacity-building strategy for the implementation of the Sustainable Development Goals and the New Urban Agenda

8. Key areas of the Resolution include a) Draft a strategy for Capacity Development to be presented to the Executive Board for deliberation; 2) Develop, in accordance with the strategic plan for the period 2020–2023 and within the scope of available resources, a strengthened and integrated capacity-building approach; and 3) Support Member States in their efforts to mobilize human and financial resources to develop and implement capacity-building programmes.
9. The Draft Capacity Building strategy was finalized and presented to the Ad-Hoc working group on programmatic, budgetary and administrative matters of the Executive Board on the 4th of March 2020.
10. The key components of the Resolution are now being considered in line with the restructuring of UN-Habitat and adaptation to the Covid-19 crisis context. The Capacity Development and Training Unit at UN-Habitat is currently working on a draft action plan for the implementation of the Strategy. The Draft will be submitted together with the Strategy at the session of the Executive Board in September 2020.
11. Aligning with the changes related to the COVID global crisis, the Capacity Development and Training Unit is prioritising digital capacity building, focusing on UN-Habitat digital platforms and exploring best and most efficient approaches for the strengthened development of e-learning within UN-Habitat and with key partners, including universities.

3.3 Resolution 1/4 on achieving gender equality through the work of UN-Habitat to support inclusive, safe, resilient and sustainable cities and human settlements.

Pre-session document: HSP/EB.2020/13- Report of the Executive Director on progress in the implementation of the resolutions and decisions adopted by the UN-Habitat Assembly at its first session

12. In keeping with the requirement to mainstream gender equality and set up policies for mainstreaming, continuous project reviews were undertaken through Project Review Committees to ensure that gender and other social inclusion issues are addressed in all UN-Habitat projects and programmes using the markers. Between January and May 2020, over 25 project documents and eight concept notes were reviewed with notable improvements in inclusion. A series Expert Group Meetings was developed on Inclusive cities with a focus on Human Rights, people with disabilities and gender equality and women's empowerment to define the gaps and solutions that will guide future programming.
13. At WUF10 in 2020, two major events focused on gender equality and women's empowerment which were held in collaboration with new partners including mayors, other local authority leaders, CSO's and members

of the Advisory Group on Gender Issues (AGGI) who participated in these events and monitored progress of gender mainstreaming within UN-Habitat.

14. Review and update of the Gender Policy and Plan (GPP) together with the Gender Equality Action Plan is ongoing. The revised GPP will guide UN-Habitat's engagement on gender issues in line with the new SP 2020-2023 and ensure that all its activities reflect and advance the global consensus on inclusion, non-discrimination and equality. In addition, the evaluation of gender equality and women's empowerment in UN-Habitat has been commissioned.
15. The ED who is an International Gender Champion Board member, will launch the Nairobi Hub in June having recruited 20 members stated representatives delegate and heads of international agencies as members.

3.4 Resolution 1/5 on enhancing urban-rural linkages for sustainable urbanization and human settlements.

Pre-session document: HSP/EB.2020/13- Report of the Executive Director on progress in the implementation of the resolutions and decisions adopted by the UN-Habitat Assembly at its first session

16. In the light of the Covid-19 pandemic, various Urban-Rural Linkages (URL) activities are being implemented (<https://urbanpolicyplatform.org/2020/05/12/un-habitat-plg-covid-19-response-activities/#1590068031747-2e7783e1-1416>). A webinar series on URL in times of covid-19 was initiated in April 2020, attracting attention from different stakeholders in different geographical contexts. The weekly webinar series is a platform to share response and recovery measure by different countries and stakeholders in the context of URL linkages. A position paper on 'Urban-Rural Linkages: Guiding Principles and Covid-19' with related stakeholders/country experiences have also been released. Further, UN-Habitat launched the second URL newsletter which outlines the URL outcomes from the WUF10 and a special feature on Covid-19. Other outcome reports from the WUF10 and First International Forum on Urban Rural Linkages (IFURL) have been completed and disseminated to stakeholders including "Songyang Consensus" which outlines actions and conclusions from the IFURL. More information on URL is available here: <https://urbanpolicyplatform.org/urban-rural-linkages>