

Summary of the thirty-sixth meeting of the ad-hoc working group on programmatic, budgetary, and administrative matters of the Executive Board

Wednesday, 01 March 2023 – 10:00 – 12:00 East Africa Time

Chair: H.E. Ms. Saqlain Syedah

Permanent Representative of the Islamic Republic of Pakistan to UN-Habitat

Agenda item 1 - Adoption of the Agenda

The meeting of the ad hoc working group on programmatic, budgetary, and administrative matters of the Executive Board was called to order at 10:05 EAT. The working group adopted the provisional agenda for its thirty-sixth meeting without any change, as follows:

1. Adoption of the provisional Agenda.
2. Normative and operational activities of UN-Habitat
3. Any other matters.

After the adoption of the agenda, the meeting considered Agenda item 2, namely normative and operational activities of UN-Habitat.

Agenda item 2 - Normative and operational activities of UN-Habitat

Under this item, the Chair gave the following background:

- i. The Chair recalled that during the 2022 second session of the Executive Board, the Board, in its Decision 2022/6, requested the Executive Director to report to the Executive Board on the need and the possible benefits of the development of the model of Sustainable Development Goals-related to cities Certification at the first session of 2023 of the Executive Board.
- ii. The Chair noted that the Secretariat shared with the ad hoc working group, a report on the need for, and possible benefits of the development of the Sustainable Development Goals Cities Certification, which is expected to be edited and translated by the Department of Conference Services and then considered by the Executive Board. The advanced version of the document in English, can be accessed [here](#).

Following the above background information, the Secretariat provided a briefing on the need for, and possible benefits of the development of the Sustainable Development Goals Cities Certification. The full presentation can be accessed [here](#).

The briefing by the Secretariat highlighted the following:

- i. The Secretariat noted that not all cities are aware of the Sustainable Development Goals (SDGs), and not all cities are incentivized to engage with global agendas. The Secretariat further noted that not all cities are aware of frameworks such as the New Urban Agenda (NUA) to guide them in the local implementation of the SDGs.
- ii. The Secretariat outlined that, to address the critical role of cities in promoting sustainable development, the Executive Director announced the SDG Cities Flagship Initiative which is a global initiative that encourages cities to catalyze upon their own potential and accelerate their achievement of the SDGs. In doing so, cities are given tools and digital resources to assess their baseline data, formulate a strategic plan, build capacity of key local institutions, and identify priority projects for financing that actively localize the SDGs and improve the quality of life with measurable impact.

- iii. The Secretariat outlined that the SDG Cities theory of change revolves around the need for spatial data to understand how different parts of the city are performing against the SDGs. The data is then used to inform the strategic planning process which encompasses all relevant stakeholders of a city. Furthermore, cities need to have good enablers around spatial planning and local regulations that help drive sustainable development which may shed light on the types of projects to be developed and how to finance those projects. The achievement of which will simultaneously require strengthened institutional capacity such as inclusive governance and municipal financing leading to sustainable impact.
- iv. The Secretariat highlighted that SDG Cities Flagship Initiative aims to be systematic in its support to cities and is implemented in four tracks covering elements namely: (i) data, (ii) strategic planning, (iii) plans, regulations, and institutions, and (iv) investment in impact. The SDG Cities Certification was incorporated into the flagship initiative to enable the Organization to review progress of participating cities and ensure quality control at key stages, particularly as the flagship initiative is implemented at greater scale through partnerships with United Nations (UN) country teams, partners, and city networks. During the pilot stage of SDG Cities Flagship Initiative, it became evident that cities found the Certification to be a motivating factor.
- v. The Secretariat further indicated that the SDG Cities Certification being backed by the entire United Nations System would recognize the commitment and efforts of cities to advance the SDGs and validate their sustainable achievements. The purpose of the Certification is to guide cities on effective local urban development processes in line with the NUA and to recognize the achievements of key milestones.
- vi. The Secretariat indicated that the Certification is envisioned to be issued iteratively based on the following milestones:
 - a. Cities have effective data that takes account of the social, economic, and environmental dimensions of sustainable development and disparities that may exist from one urban location to another, and have evidence-based, inclusive, participatory, and strategic development frameworks for 2030 that are :
 - i. Aligned with the 2030 Agenda;
 - ii. Aligned with local development priorities;
 - iii. Coherent with relevant national, subnational, cross-border and sectoral policies and priorities;
 - b. Cities are effective “drivers of change” because they have taken stock of their governance, and revenue systems, plans and regulations and assessed the performance of key basic urban services providers and, as relevant, demonstrate progress in strengthening them;
 - c. Cities are generating SDG impact because they demonstrate measurable progress in achieving their strategic development frameworks.
- vii. The Secretariat continued to outline that, the model implementation process will be developed through detailed consultation with credible group of partners that includes Member States, local and regional governments, the UN system, academia, civil-society organizations, and private-sector actors. An SDG Cities Certification digital platform will be established, providing templates and diagnostic tools, and enabling a self-assessment process where cities enter data and upload relevant supporting evidence. An independent technical team will review and validate inputs and supporting evidence; their work will be assisted through the technical capacity of the platform. Reports for each stage will be generated to indicate whether criteria have been met and which gaps should be addressed. A Certification committee will decide on the issuing of Certification based on these reports, undertaking spot checking as necessary. When not eligible, cities and local institutions will have the option to consult with UN-Habitat and UN partners involved in SDG Cities Certification on actions to meet Certification

requirements. As far as possible, they will be guided to available open-source technical and capacity development tools to help the bridge gaps. To that end, the platform will include a search engine that supports identifying the most relevant tools and case studies, drawing on the Urban Agenda Platform and open-source materials of other UN and academic partners. Cities may additionally solicit technical assistance, including from consultancies, UN-Habitat's catalogue of services, UN country teams and UN specialist entities. The platform will also help connect cities and institutions facing similar challenges.

- viii. The Secretariat also noted that the Certification will have a global role of bringing together a multisectoral approach of academia, civil society, and national governments to provide oversight of the Certification process and criteria. Additionally, the Certification may consider having a national Certification process which integrates national policies and frameworks to ensure that the Certification is not only recognizing the achievement of the global goals and agendas but rather is aligned to the national priorities.
- ix. The Secretariat provided that the possible benefits of the Certification may differ depending on the stakeholders involved such as:
 - a. For cities, the Certification process will incentivize the acceleration of the SDGs, provide direction, enable knowledge-sharing and capacity development at scale, attract SDG aligned investment and create coherence with other city-based initiatives that support global agendas;
 - b. For residents, Certification promotes greater responsiveness of cities to the needs of residents in cities;
 - c. For the UN system, Certification promotes local implementation of the United Nations Cooperation Framework (UNCF) and the integration of UN system support at the local level;
 - d. For national and subnational governments, Certification promotes policy coherence;
 - e. For all of society coherence, Certification fosters multi-stakeholder coherence around implementing the SDGs in cities and aggregates SDG investment for greater efficiency;
- x. The Secretariat indicated that the next steps in realizing the SDG Cities Certification initiative include the following:
 - a. Identify a credible community of UN entities, academics, national and local governments, academia, civil-society organizations and private-sector actors to further develop the model and implementation modalities;
 - b. Identify a credible community of such entities to jointly deliver the Sustainable Development Goals Cities Certification model;
 - c. Reach out to UN system partners, Member States (including the UN-Habitat Executive Board) and other stakeholders for feedback and review;
 - d. Engage the Local2030 Coalition in the process of further developing the Sustainable Development Goals Cities Certification concept and consider the possibility of integrating Sustainable Development Goals Cities Certification into the work of the coalition;
 - e. Further develop the business model and funding strategy and identify funding sources.

Following the presentation by the Secretariat, the discussions highlighted the following:

- xi. One Member State enquired on the modality of UN-Habitat's engagement with cities in the implementation of the initiative. Specifically, the Member State sought clarification on what would be the procedure a city would need to follow to engage with UN-Habitat to get certified particularly as a new initiative that not many cities know of. This includes whether there is a criterion for the selection of cities such as population or city size.

- xii. Another Member State expressed some reservations regarding the Certification of cities stating that some countries – such as Germany - have already advanced in developing national urban indicators and in tracking the implementation of the SDGs. Similarly, the voluntary local reviews are a popular source of gathering local data on the implementation of SDGs to which many cities have already adopted. The question is, why cities would choose to get certified if they have not actively been positioned in the localization of SDGs. Additionally, the Member State sought clarification of the linkages between the voluntary local reviews and the SDG Cities Certification, in terms of merit and added value.
- xiii. One Member State indicated that there are still many cities that are not aware of the SDGs and emphasized that hence there would be need for UN-Habitat to assess a city’s understanding of sustainability before engaging in the Certification process. Similarly, the Member State enquired whether the Certification process proposed had been vetted against other Certification procedures of other entities to avoid the adoption of rigours and complex Certification processes. In addition, which funding model has been explored by UN-Habitat to support the SDG Cities initiative and whether the initiative had been discussed with other bodies within the UNCF.
- xiv. A Member State noted that the European Union recently launched the ‘Reference Framework for Sustainable Cities’ (RFSC) tool which helps key actors to develop and implement plans and strategy for attractive and sustainable cities. It is an online tool that offers different frameworks to support the vision of integrated sustainable urban development in Europe. The RFSC tool is similar to the SDG Cities Certification process. The Member State enquired whether UN-Habitat was in consultation with the European Commission in the development of the SDG Cities Certification Initiative. Moreover, the Member States sought clarification on whether there would be need for the approval by Member States for the UN-Habitat to proceed with the Certification model.
- xv. One Member State wanted to know how UN-Habitat would work with cities when the SDG Cities initiative cannot have overarching principles for developed countries and developing countries due to their developmental differences.
- xvi. Another Member State sought clarification on the relations between the SDG Cities Certification and other UN-Habitat platforms and forums. For instance, the UN-Habitat Scroll of Honour and the Urban Monitoring Framework. In addition, the Member State raised concerns regarding the security of data and the financial implications of the initiative for the foreseeable future.
- xvii. One Member State also enquired whether the UN-Habitat headquarters would facilitate the implementation and coordination of the SDG Cities throughout the four-year stages or would another body such as the local 2030 Coalition secretariat or a new division within UN-Habitat take up the responsibilities.

In light of the views expressed by Member States, the Secretariat responded as follows:

- i. The Secretariat informed Member States that there would be outreach and communication activities to raise awareness of SDG Cities Certification Initiative, in the hope that cities indicate interest. Web-based materials would also be provided to further the understanding of the SDG Cities Initiative and contacts of relevant personnel in the country or region that can respond to queries. Cities will apply online through an SDG Cities Certification portal. Each Certification level will have a set of associated criteria to which cities would respond; evidence documentation would be uploaded through the web-based portal. The UN system at country level would be leveraged to help reach and support the application process, particularly where digital connectivity is limited. Where possible, technical assistance to reach Certification stages would be provided by the SDG Cities Flagship Initiative. As cities start seeing the benefit of SDG Cities Certification, it is expected that others will follow. Moreover, there would be no

threshold size for the selection of cities to participate in the programme. It is, however, important that smaller cities are given more attention, as the world continues to rapidly urbanise, it is key that urban growth takes place in several small and intermediary cities, not just the fewer larger cities. The SDG Cities Certification may help guide the sustainable development process of small cities, making them better able to accommodate urban growth. SDG Cities Certification may also make cities better able to attract investment. Firstly, since financiers are increasingly focussed on sustainability, SDG Cities Certification would help investors identify cities that are committed to sustainable development. Secondly SDG Cities Certification may also serve to create common ground between the way that cities and investors report on sustainability. SDG Cities Certification, which includes reporting on measurable impact, may motivate cities to ensure that their priority investment initiatives include SDG impact indicators. These in turn could also be used by investment partners to report on the sustainability of their investments in such initiatives.

- ii. The Secretariat indicated that the Certification process would include a global mechanism and an optional national Certification process. The national process would allow national urban development priorities aligned to the 2030 Agenda and New Urban Agenda to be reflected in the SDG Cities Certification criteria. For example, the New Leipzig Charter promoted in Europe is well aligned with the New Urban Agenda could be integrated in SDG Cities Certification criteria enabling efforts made by cities to fulfil the Leipzig Charter to be recognized in SDG Cities Certification. Regarding alignment with Voluntary Local Review (VLR), the initial stage of the SDG Cities Certification on data collection and reviewing progress against the SDGs is essentially the same as the work as VLR. Cities could thus make use of their VLR processes to achieve the initial stage of Certification. Regarding cities that are not actively positioned in the localization of SDGs, the Secretariat shared a recent experience in the SDG Cities Flagship Initiative, whereby the municipality of Mafra in Portugal joined the initiative in September 2022 and started reaching out to other municipalities. Mafra municipality later informed UN-Habitat that during the annual meeting of the National Association of Portuguese municipalities in January 2023, 77 member municipalities agreed to engage in the SDG Cities Initiative. This experience demonstrated the possibility that SDG Cities Certification may have the effect of increasing awareness and bringing cities not already engaged in SDG localization, into a “movement” of cities are engaged.
- iii. The Secretariat noted that as cities onboard into the Certification process they will be asked a series of questions that help gauge the commitment and willingness of the city to adhere to the principles of sustainability, including principles of inclusiveness and leaving no one behind. Moreover, the first stage of Certification which focuses on data for decision making, will further assess the extent to which their development priorities reflect economic, social, and environmental dimensions.
- iv. The Secretariat noted that there is currently no global Certification system on SDG localization processes in cities. It has begun to review existing Certification processes across the UN system including comprehensive models such of that of United Nations Educational, Scientific and Cultural Organization (UNESCO) and lighter Certification models such of those of United Nations Children’s Fund (UNICEF). Inputs received confirmed that UN Certification processes does create demand. On one hand, ‘light’ Certification processes relying mainly on country level mechanisms, risks inconsistencies from one country to the next. On the other hand, very detailed process at country and global levels required significant funding. It is such input that has informed UN-Habitat’s perspective for the need to have a global mechanism for SDG Cities Certification that sets the criteria, and an optional national mechanism to integrate national priorities with global criteria. However, cost efficiencies afforded by digitization and self-assessment should be explored.
- v. In terms of partnership with other UN entities, the Secretariat outlined that the SDG Cities Flagship Initiative has a strong partnership with the United Nations Capital Development Fund (UNCDF) particularly on financing SDG impact. Furthermore, initial discussions with UNICEF and the United Nations Environment Programme (UNEP) on the Certification process

have been well received Should the Executive Board decide that there is merit to further investigate the Certification process, then UN-Habitat will reach out to several UN partners, particularly those who have been involved in the UN Strategic Framework for Sustainable Urban Developments, partners in the 2030 Coalition and partners within the Urban Monitoring Framework. UN-Habitat will also further explore with UN Resident Coordinators mechanisms to leverage SDG Cities Certification to support the local implementation of UN Cooperation Frameworks with Member States.

- vi. The Secretariat indicated that as a roadmap in the development of the SDG Cities Certification, they wish to integrate and tailor the use of regional frameworks such as the RFSC tool in the same manner as how the SDG Cities Certification is tailored to national contexts. Therefore, working with regional blocs presents a good opportunity to engage with the technical expertise of other regions. Although the SDG Cities Certification process begun as an agenda item in the discussion on normative and operational activities of UN-Habitat, in particular under the SDG City Flagship Programme, the Executive Board has the mandate to request the Secretariat to review the potential of Certification before it is eventually presented for consideration at the UN-Habitat Assembly, as the primary policy setting mechanism for sustainable urban development. If the Certification is recognized and approved by the UN-Habitat Assembly, it then proceeds to be endorsed by the UN General Assembly.
- vii. The Secretariat provided that regardless of whether cities are in developed or developing countries, UN-Habitat entails to focus on the common ground between all cities which is data. That is, Certification will focus on the following needs: (i) all cities need data to inform their actions; (ii) all cities also need to engage their communities and their stakeholders strategic planning; (iii) all cities need institutions that are inclusive, accountable and deliver services effectively and equitably (iv) all cities need to generate impact in line with the SDGs. Therefore, the SDG Cities Certification is focused on these common processes and whereby impact is recognised based on the specific strategic plans of cities as they work towards sustainability. As a result of this, the Certification can apply to cities of all sizes and thresholds.
- viii. The Secretariat indicated that the SDG Cities Certification will be aligned with the Global Urban Monitoring Framework which guides cities on critical indicators around the SDGs, the NUA, the Paris Climate Agreement and other global agendas. UN-Habitat provides the necessary tools, metadata, and methodologies to implement the Global Urban Monitoring Framework. On the linkage with other platform within UN-Habitat, such as the Scroll of Honour – an award aimed at acknowledging initiatives which have made outstanding contributions in the field of urban planning, affordable housing, innovation, and improved quality of urban life - the Certification process will bring to further light the stories and the emerging practices of cities that could be eligible for the Scroll of Honour, and similar best practice awards. Whereas in terms of data security, the Secretariat emphasized that data provided by cities is not intended to be shared. Rather, cities are requested to share which indicators they are using to measure performance and inform strategic planning, so that the Certification process can help identify gaps. Moreover, in terms of budget, UN-Habitat has begun to develop different budget scenarios for the SDG Cities initiative. However, the financial implication of the Certification process will be highly dependent on the modality of engagement that will be determined.
- ix. The Secretariat reiterated that if the SDG Cities were to come to fruition, Member States would have the opportunity to advise how the SDG Cities Certification process would be governed. UN-Habitat sees the need for the process to involve some key Member States, academia, civil society organizations and city networks. This would potentially create a multisectoral global body that will ensure relevance and uphold criteria. Furthermore, the potential to integrate the Certification process into the work of the Local 2030 Coalition should be explored. UN-Habitat would like the SDG Cities Certification process to be a useful instrument across the UN system.

Agenda item 3 - Any other matters

Under this item, the discussions highlighted the following:

- x. One Member State suggested that the Secretariat strive to ensure that meetings in the future do not overlap with UNEP meetings. Additionally, the Member State provided that it is not appropriate to convene fully online meetings in an effort to return to normal as countries are recovering from COVID-19.

In light of the views expressed by Member States, the Secretariat responded as follows:

- xi. The Secretariat noted that it was informed by UNON Division of Conference Services that during the week of 27 February 2023 to 3 March 2023 the UNON facilities were fully booked due to the intersessional process considering the Strategic Approach and sound management of chemicals and waste beyond 2020. The Secretariat noted however that it liaised with UNON and UNEP which confirmed this would not involve a clash with UN-Habitat meetings.

Under this item, the ad hoc working group recalled that the next meeting is scheduled for Tuesday, 7 March 2023.

The Chair adjourned the meeting at 11:20 East Africa Time.
