



UN-HABITAT

# Regular budget liquidity crisis



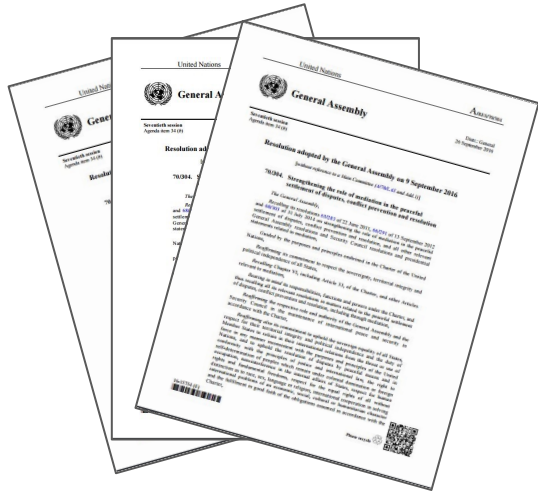
Bureau of the Executive Board  
15 March 2024





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# Regular budget vs Cash



**Regular  
budget**  

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**100%**



**Programme  
delivery**  

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**85%**



**Cash**  

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**85%**



# Why is this happening?

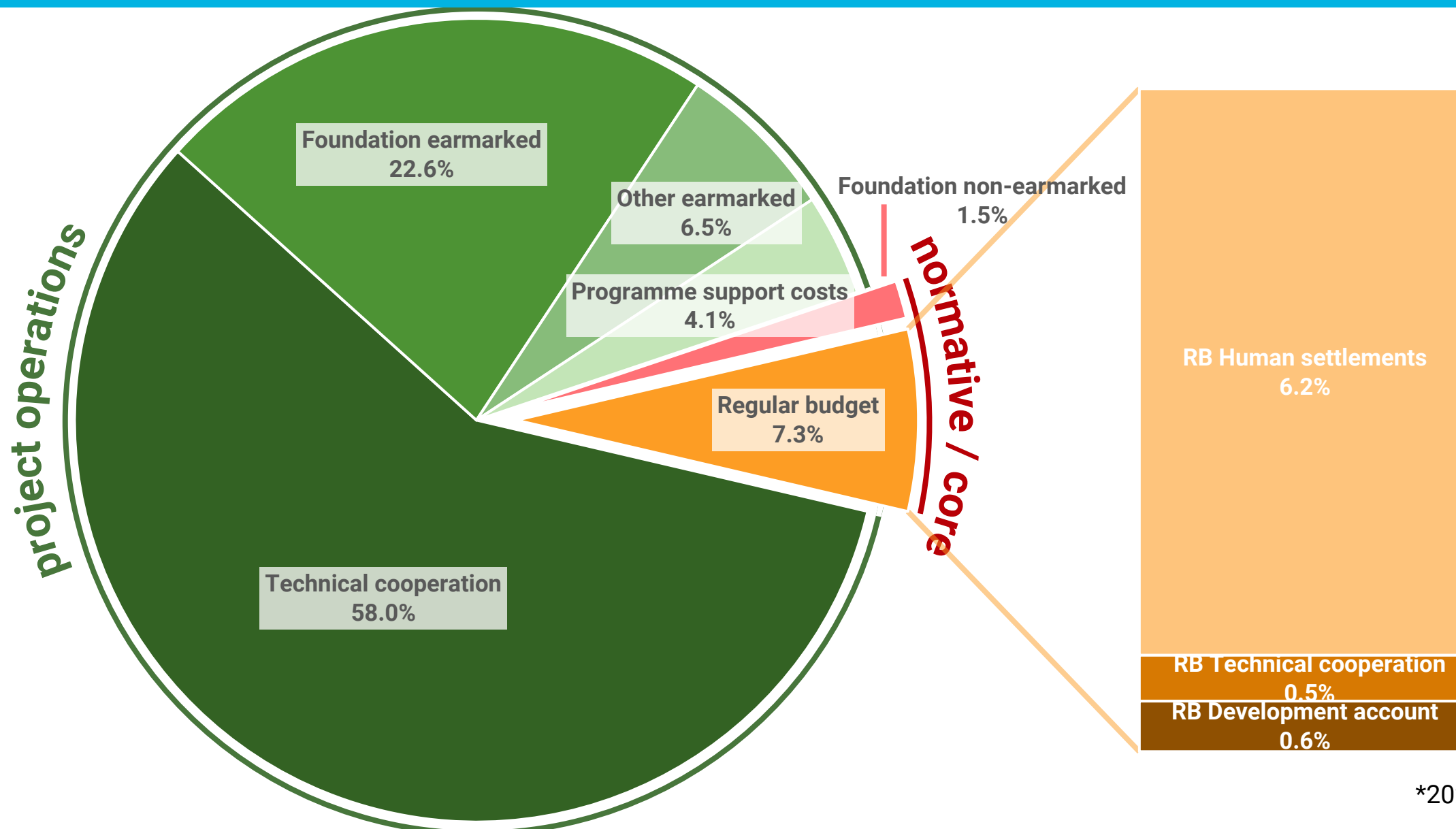
- ✓ **Member states are **not paying in full****
  - ❖ Only 142 paid in full, 82.3% collected, lowest in last 5 years
  - ❖ Arrears climbed to \$859M, a record high
- ✓ **Cash reserves are **nearly depleted****
  - ❖ 2024 opened with only \$60M, compared to 2023 opening with \$700M
  - ❖ Without austerity measures, cash could be fully depleted by August
- ✓ **The crisis is **chronic****
  - ❖ Hiring restrictions started 19 July 2023
  - ❖ The 'way out' is only with settlement of arrears





- ✓ **Cuts in spending**
  - ❖ 10-15% across all Secretariat entities
- ✓ **Reduced operational footprint**
  - ❖ Official travel limited to the most essential
  - ❖ Postponement of purchases
  - ❖ Suspension of construction and maintenance, closures of premises
  - ❖ Curtailment of non-essential security measures
- ✓ **Non-delivery of programmes**
  - ❖ Reporting on reduced or sacrificed deliverables

# Regular budget: a critical source of funds



# Our financial impact in 2024

## Budget frame

## Appropriation

## Allotment

## Impact

**Non-post**

\$1.5M

\$1.5M

75% cut in non-post  
\$.375M

100% committed to UNON for non-discretionary core and common services

**Posts**

82 Posts

12% vacancy rate  
72 posts

72 posts

95% committed to existing incumbents, inclusive of salary increases, and without the incoming ED

## Consultants and temporary assistance

- ↘ Development of Quadrennial report on NUA implementation
- ↘ Training packages & case studies on SDG localization & multi-level governance
- ↘ National capacity assessments on gaps to accelerate SDG implementation
- ↘ Policy toolkit for Smart City governance
- ↘ Technical inputs for the World Cities Report
- ↘ Technical study and best practices on solutions to urban displacement

## Travel

- ↘ General Assembly
- ↘ High-level Political Forum
- ↘ Cities Alliance Management Board
- ↘ COP 29
- ↘ UN World Data Forum



## ✓ Executive Committee

- ❖ Decisions on RB recruitments
- ❖ Enforcement of austerity measures

## ✓ Budget Committee

- ❖ Recruitment planning
- ❖ Distribution of core allotments
- ❖ Reporting on non-delivery

## ✓ Programme Managers

- ❖ Close monitoring of all core spending
- ❖ Continue to advertise job openings in good faith







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