

Summary of the Continuation of the seventh meeting of the Ad-Hoc Working Group on programmatic, budgetary, and administrative matters of the Executive Board held virtually on Thursday 30 July 2020 from 11:00 am to 13:00 East Africa Time (EAT)

Chair: H.E Ms. Julia Pataki, Permanent Representative of Romania to UN-Habitat

Co-Chair: H.E Ms. Saqlain Syedah, Permanent Representative of Pakistan to UN-Habitat

The Ad-Hoc working group continued its discussions and considered the following items:

1. Continuation of the discussions on the draft work programme and budget of UN-Habitat for 2021

In light of the various views expressed by Member States on the draft work programme and budget for the year 2021 during the seventh meeting of the Ad-Hoc Working Group held on Friday 24 July 2020, the Ad-Hoc working group agreed to continue the discussions during a meeting to be held on Thursday 30 July 2020, to hopefully agree on a recommendation regarding the draft work programme and budget of UN-Habitat for 2021. At that meeting held on 24 July, the Secretariat provided a briefing on two different drafts work programme and budget for the year 2021 developing two scenarios:

- i. A draft work programme and budget of UN-Habitat for the year 2021 with the Foundation Non-Earmarked Budget at USD 10 million;
- ii. A draft work programme and budget of UN-Habitat for the year 2021 with the Foundation Non-Earmarked Budget at USD 5.5 million.

For reference, the full presentation of the Secretariat can be accessed [here](#).

When opening the meeting, the Chair recalled previous discussions and the concerns expressed by some Member States on the need to develop a more realistic budget. In addition, the Chair highlighted difficulties expressed by the Secretariat to manage UN-Habitat programme of work with a \$5.5 million budget for the on-earmarked foundation.

The Secretariat took note of Members States call to develop a more realistic budget, enhance efficiency and diversify sources of revenues. At the same time, the Secretariat highlighted the need to continue the on-going restructuring of UN-Habitat and emphasized that the \$10 million Scenario is the minimum to operate properly and continue this governance work. Therefore, the Secretariat invited Member States to be flexible on the Foundation Non-Earmarked budget to achieve impacts on cities and communities.

The Chair invited Member States to clearly express their position on the two different scenarios and reminded the necessity to find a consensus and formulate a clear recommendation that will enable UN-Habitat to propose a draft work programme and budget for 2021 to the next session of the Executive Board.

The discussions highlighted the following:

- i. Some Member States congratulated the Secretariat for its efforts and invited the organisation to continue on the same way. Also, Member States took this opportunity to congratulate the newly elected Bureau of the Executive Board for the term 2020-2021.
- ii. Mexico supported the \$10 million scenario and urged other Member States to support UN-Habitat's mandate.
- iii. On the same path, Malawi and Canada recalled the consensus reached by Member States to support the new governance structure of UN-Habitat and the new 2020-2023 strategic plan of the organisation, and therefore urged all Member States to financially support UN-Habitat, especially

in light of the current Covid-19 pandemic and urban challenges. In this regard, both countries stood with Mexico to support the \$10 million scenario and encouraged Member States of the developing world to support the organization.

- iv. In line with previous statements, D.R. Congo, Kenya, Egypt, Senegal and the African group supported the \$10 million scenario and informed that most of Member States were working to make voluntary contributions. These countries further appreciated the strategic mobilization of UN-Habitat to find other sources of funding, in particular towards private sector engagements.
- v. Spain and Germany encouraged Member States to be flexible as per the Executive Director's request and in the same vein supported the \$10 million scenario. On the same line, Norway recalled the crucial role of UN-Habitat and reassured the Organisation of its support and co-funding and stood with other Member States for the \$10 million proposal.
- vi. Indonesia agreed with previous statements and emphasized that reducing UN-Habitat's budget for 2021 will be counterproductive and will impact the agency effectiveness to implement projects and develop normative works. China and India also supported the \$10 million scenario and invited UN-Habitat to develop joint programmes with other UN agencies to contribute in the diversification of funding.
- vii. South Africa congratulated UN-Habitat for its efforts in working responsively with capitals and invited the Secretariat to engage with the same spirit with missions in Nairobi. South Africa supported the \$10 million scenario and further strongly encouraged Member States to contribute to the funding of UN-Habitat. South Africa also informed the meeting of its intention to contribute to the Non-Earmarked budget.
- viii. The United States of America reiterated their concerns on the reality of the budget for 2021 accordingly with the status of current contributions. However, the United States of America agreed on being flexible with regard to the \$10 million Foundation Non-Earmarked scenario, and called for adjustment of the budget in case of reduction or increase of contributions.

Full statements of the following Member States are also available online as follow:

- Malawi: https://unhabitat.org/sites/default/files/2020/08/statement_made_by_h.e._agrina_mussa_during_meeting_of_ahwgpba_m.pdf
- Senegal: https://unhabitat.org/sites/default/files/2020/08/statement_by_the_ambassador_of_senegal_-_ad-hoc_working_group_meeting_held_on_30_july_2020.pdf

In light of the views expressed by Member States, the Chair thanked all Member States and the Secretariat for their flexibility, their engagement and their efforts to reach a consensus and further concluded that the Ad-Hoc working group recommends the Executive Board to consider at its second session of 2020 the \$10 million scenario for the draft work programme and budget of UN-Habitat for 2021.

The Deputy Executive Director thanked Member States for the fruitful discussions and noted the concerns expressed by the United States of America. In this respect, the Secretariat highlighted that priorities of work should be established by Member States for UN-Habitat to work more efficiently, especially with regard to a potential de-prioritization of outcomes. The Secretariat also took this opportunity to alert Member States on the timing cycle of preparations of the draft work programme and budget for the year 2022. The Secretariat informed that it will start early preparations and discussions on the draft work programme and budget for the year 2022 and that a clear timeline will be transmitted to Member States in the upcoming weeks.

The Executive Director thanked Member States for their support and took note of all recommendations to continue the restructuring of the agency and achieve the mandate of UN-Habitat.