



Committee of Permanent Representatives
to the United Nations Human Settlements
Programme
Sixty-first meeting
Nairobi, 15 June 2016

Draft minutes of the sixtieth meeting of the Committee of Permanent Representatives to the United Nations Human Settlements Programme, held on 23 March 2016

Opening of the meeting

1. The meeting was opened at 9.12 am on Wednesday, 23 March 2016, by Mr. James Kimonyo, Permanent Representative of Rwanda and Chair of the Committee of Permanent Representatives to the United Nations Human Settlements Programme (UN-Habitat).
2. The meeting was attended by 80 participants from 59 countries and 2 observer missions.
3. At the invitation of the Chair, the Committee observed a minute of silence in honour of Mr. Tadumi On'okoko, Permanent Representative of the Democratic Republic of the Congo, who had recently passed away, and of the victims of the recent terrorist attacks that had taken place in Europe, the Middle East and Africa.
4. The Chair welcomed the following new permanent representatives to the Committee: Mr. Kwame Asamoah Tenkorang (Ghana); Mr. Hadi Farajvand (Iran, Islamic Republic of); Mr. Francisco Xavier Graça Moura (Portugal); and Mr. František Dlhopolcek (Slovak Republic).
5. He bade farewell to the following departing members, thanking them for their contribution to the work of the Committee: Mr. Saad Maandi (Algeria); Mr. Sunu M. Soemarno (Indonesia); Mr. Marek Ziolkowski (Poland); and Mr. Michal Mlynar (Slovak Republic).

Agenda item 1

Adoption of the agenda

6. The agenda was adopted, as amended, on the basis of the provisional agenda (HSP/CPR/60/1/Rev.1).

Agenda item 2

Election to fill the position of rapporteur

7. The Committee elected by acclamation Mr. Li Zhe, Deputy Permanent Representative of China to UN-Habitat, as Rapporteur of the Bureau for the biennium 2016–2017.

Agenda item 3

Adoption of the draft minutes of the fifty-ninth regular meeting of the Committee of Permanent Representatives

8. The Committee adopted the minutes of its fifty-ninth meeting on the basis of the draft minutes (HSP/CPR/60/L.1).

Agenda item 4

Executive Director's briefing to the Committee of Permanent Representatives

9. Introducing the item, the Chair drew attention to his written report, entitled "Executive Director's briefing to the Committee of Permanent Representatives" (HSP/CPR/60/4), and highlighted a number of key activities undertaken in the previous three months.

10. The Executive Director highlighted some of the events and activities described in the report, which included recent efforts by UN-Habitat to ensure the most rapid and efficient implementation of the enterprise resource planning system, Umoja, which continued to present challenges; visits that he had made to Dakar, Havana and Yaoundé, where he had discussed urbanization issues and the role of urbanization as a tool for sustainable development with national and local government officials; a session of the working group on programme and budget of the Committee of Permanent Representatives, during which the secretariat had provided member States with a clear picture of the strengths and weaknesses of UN-Habitat with respect to the ability of the organization to fully deliver on the increasing demand for technical cooperation in the field.

11. During that session, the secretariat had suggested transformative reforms that they could undertake in the near future to make the Programme much more efficient in the field and in the provision of services with the objective of being able to more effectively administer the expanding field portfolio of UN-Habitat, which is targeted to grow to \$1 billion in global investments in sustainable urban development, which he said was a reasonable projection should the proposed reforms be undertaken. He also announced the appointment of Ms. Christine Musisi as Director of the External Relations Division of UN-Habitat.

12. With regard to the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), recent events included thematic meetings in Abu Dhabi, on sustainable energy and cities, and Mexico City, on financing sustainable urban development, and regional meetings in Abuja and Prague for the member States of the Economic Commission for Africa and the Economic Commission for Europe, respectively; the finalization of ten policy papers, which had been presented at the regional meeting in Prague and posted on the Habitat III website; and the near completion of regional reports by the five United Nations regional economic commissions. With the assistance of the Deputy Secretary-General of Habitat III, who was based in Nairobi, efforts were being made to keep Nairobi-based representatives systematically informed of the preparations for Habitat III, and information flows were expected to increase, including through the introduction of weekly breakfast meetings.

13. In the ensuing discussion, all the representatives who spoke expressed appreciation to the Executive Director for his written report and oral briefing.

14. With regard to the recent meeting of the working group on programme and budget, several representatives, including four speaking on behalf of groups of countries, commended the active participation of member States and the secretariat in the meetings, saying that the discussions of the working group had served to advance the transparency, inclusiveness and accountability of UN-Habitat and to strengthen its governing bodies. One representative, speaking on behalf of a group of countries, expressed concern about proposals presented by the secretariat that she said would change the structure, financing and functioning of UN-Habitat and would require changes to the essence of the Programme, saying that due to their significance such proposals should be discussed by the Committee.

15. One representative, speaking on behalf of a group of countries, expressed appreciation to the Executive Director for the implementation of some of the recommendations made by the working group on programme and budget and encouraged the full and timely implementation of all the group's recommendations, saying that the efforts of the working group had a direct bearing on improving the delivery of services of UN-Habitat and were linked to the Habitat III preparatory process.

16. Another representative said that one of the transformative reforms suggested by the Executive Director at the last meeting of the working group, which were contained in a report entitled "The transformation of UN-Habitat", must be seen in conjunction with past efforts to address a deficit in political oversight of the UN-Habitat programme of work and budget, including a very limited number of mechanisms through which the UN-Habitat governing bodies could ensure management compliance with agreed standards and benchmarks. She further said that the proposed reforms were inadequate for solving the huge imbalance that existed in the UN-Habitat budget between non-earmarked contributions on the one hand and earmarked technical cooperation contributions on the other, saying that the latter made up three-quarters of the budget and that this imbalance negatively affected the normative work of UN-Habitat and the alignment of its technical cooperation activities with the

mandate and priorities approved by its governing bodies. For instance, the largest proportion of the budget funded activities related to risk reduction and rehabilitation, which was not one of the four programme areas identified as priority areas in the strategic plan for 2014–2019. A key objective should therefore be to increase the United Nations regular budget allocation and non-earmarked voluntary contributions to the UN-Habitat budget. She further noted that the time left until Habitat III was not adequate to exhaustively discuss the transformation of UN-Habitat.

17. With regard to the preparations for Habitat III, three representatives, including two speaking on behalf of groups of countries, said that there was a need to provide financial support to participants from developing countries to enable their participation in the preparatory meetings for Habitat III and in the Conference itself with a view to ensuring the equal participation of representatives of all the regions in such meetings and enabling the resolution of all the outstanding issues, with one representative saying that Nairobi-based representatives should be given utmost priority in that regard.

18. One representative, speaking on behalf of another group of countries, commended efforts being undertaken by the Secretary-General of Habitat III to mobilize resources to secure the ample participation of developing countries in the Habitat III preparatory expert, thematic and regional meetings and in the conference itself and said that the analysis of all thematic areas should take into account the current political and economic context and give universal character to the new urban agenda, while considering the capacities and priorities of each country, especially developing countries. While it was important that Habitat III emulate the open and participatory approach followed at the second United Nations Conference on Human Settlements (Habitat II), it was crucial that the intergovernmental nature of the preparatory process be maintained in order to ensure that the new urban agenda was the result of the leadership of Governments and to secure Government ownership of and commitment to the agenda.

19. One representative, speaking on behalf of another group of countries, said that the Committee must continue to play a role in the intergovernmental deliberations in preparation for Habitat III, including the drawing up of the zero draft of the Habitat III outcome document. Another representative urged the Habitat III secretariat to present the zero draft to member States as soon as possible, saying that the document would require in-depth consideration by Governments.

20. Two representatives, each speaking on behalf of a group of countries, said that the objectives of Habitat III were to secure renewed political commitment for the sustainable development both of urban and rural areas, assess progress achieved to date, address poverty, and identify and address new and emerging challenges. Together with other representatives, including one speaking on behalf of a group of countries, they suggested that Habitat III would also provide an opportunity to renew and strengthen the mandate of UN-Habitat, which should be guided by the new urban agenda and by the recently adopted 2030 Agenda for Sustainable Development, the Sendai Framework for Disaster Risk Reduction 2015–2030, the Paris Agreement on climate change and the Addis Ababa Action Agenda of the third International Conference on Financing for Development. One representative suggested that the above-mentioned instruments should be used to craft the new urban agenda, with poverty eradication as an overarching goal.

21. One representative said that while her Government understood that the expanded mandate of UN-Habitat following the adoption of the 2030 Agenda and the new urban agenda would require that the Committee or the working group on programme and budget reflect on governance and administration reforms that might be needed, it was necessary to evaluate whether it was opportune to do so in the context of the preparations for Habitat III given that the zero draft outcome document was yet to be prepared and was likely to require considerable work to be ready in time for the Conference.

22. The representative speaking on behalf of African States drew attention to the Abuja Declaration for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), adopted during the Habitat III Africa regional meeting, held in Abuja from 24 to 26 February 2016. In the declaration, African ministers had recommended, among other things, the establishment of universal membership of the Governing Council of UN-Habitat, the securing of adequate and predictable funding for the Programme and the empowerment of the Programme as the body that would mobilize all actors in the implementation of the new human settlements agenda.

23. With regard to the Habitat III outcome document, two representatives, each speaking on behalf of a group of countries, said that the document should address development challenges associated with the sustainable management of cities and human settlements; explore innovative methods for coping with the demographic trends and rapid urbanization rates that were placing tremendous pressure on cities, especially in developing countries; and lay the foundation for an ambitious and inclusive urban development agenda that provided a framework for making cities and human settlements inclusive, safe, resilient and sustainable. One of the two suggested that the outcome must take into account the

development trajectories and peculiarities of each region and reflect the fact that the global South was the most rapidly urbanizing part of the world and contained almost two-thirds of the world population. Both representatives suggested that the active participation of all Governments in the different stages of the drafting process of the outcome document was of vital importance. Two representatives, each speaking on behalf of a group of countries, suggested that regional experiences would enrich the process of drafting the outcome document and help advance the view of cities as engines of sustainable development for poverty eradication.

24. A number of representatives drew attention to preparations for Habitat III at the national level with several noting that they had submitted their Habitat III national reports to the Habitat III secretariat.

25. Several representatives highlighted recent visits to their countries by the Executive Director or regional meetings of relevance to UN-Habitat. The representative of Malaysia said that his country would host the ninth session of the World Urban Forum in Kuala Lumpur in 2018. He called on member States to support the Forum session – the first such session after the adoption of the new urban agenda – to ensure its success.

26. In respect of climate-related activities, two representatives, including one speaking on behalf of a group of countries, welcomed the active involvement of UN-Habitat in the preparations for and during the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. One said that the transformative potential of positive urbanization for climate change mitigation and adaptation was clearer than ever before, while the other expressed support for the role that UN-Habitat could play in helping cities to reduce greenhouse gas emissions and build resilience to climate change, which should be in line with national implementation plans developed under the Paris Agreement, he said. The representative speaking on behalf of a group of countries expressed appreciation for the mainstreaming of climate change in the UN-Habitat subprogrammes, the development and use of climate-related indicators to monitor climate-related issues in project development, and the growing number of partner cities and regional and national authorities that had adopted climate change adaptation and mitigation policies, plans and strategies, as documented in the “Annual progress report 2015: implementation of the strategic plan (2014–2019)”. He encouraged UN-Habitat to engage in further efforts to integrate climate matters, as well as other cross-cutting issues, such as gender, young people and human rights, in its work and deliverables.

27. One representative said that, as one of several key actors that aimed to play a leading role in supporting member State implementation of the 2030 Agenda, it was important that UN-Habitat clearly demonstrate its ability to achieve results in its areas of competence.

28. With regard to the financial status of UN-Habitat, several representatives, including one speaking on behalf of a group of countries, voiced concern at the continuous trend of decreasing non-earmarked contributions to UN-Habitat. One said that this decrease would hamper the implementation of the programme of work and in particular normative work, and another expressed the hope that the working group on programme and budget would address the issue of decreasing non-earmarked contributions and increasing earmarked contributions, which reduced flexibility in the implementation of the strategic plan. The representative speaking on behalf of a group of countries said that UN-Habitat should prepare a realistic budget for the programme of work for the period 2018–2019 and do more to explain to member States the need for non-earmarked contributions.

29. Another representative, also speaking on behalf of a group of countries, said that more predictable, efficient and effective funding would benefit all countries and that developing countries, which were subject to particular vulnerabilities and development challenges, shared the concern of others regarding financing and resource mobilization and the need for UN-Habitat to ensure the efficient allocation of resources.

30. One representative expressed satisfaction at progress made by UN-Habitat in addressing strategic and communication issues that might inhibit the further broadening and deepening of its donor base, including through the appointment of Ms. Musisi as Director of the External Relations Division. He also expressed satisfaction that the core budget deficit had been reduced over the previous several years from roughly \$7 million to around \$1 million, excluding staff reductions and extraordinary costs incurred as a result of the implementation of major modernizing administrative reforms, namely the International Public Sector Accounting Standards and Umoja. He expressed the hope that with continued reforms and the further stabilization of the Programme’s balance sheet, as well as a greater focus on urbanization and human settlement issues at Habitat III, UN-Habitat could attract new voluntary contributions and revitalize the commitment of long-standing donors. He also commended UN-Habitat for its efforts to implement audit recommendations, while stressing that further work was needed in that area.

31. The representative of Norway said that a very limited number of member States were contributing to UN-Habitat core, non-earmarked funding, for which her country had been the largest donor in 2015. She called on other member States to fulfil their responsibility to make non-earmarked contributions to enable UN-Habitat to implement the strategic plan, saying that a decrease in such contributions was affecting the implementation of activities on cross-cutting issues such as young people, gender, human rights and climate change. She welcomed cuts in expenditures in 2015 in response to declining core funding, which were a signal of good financial management at UN-Habitat, but queried whether the decrease in non-earmarked funding would affect the strategic framework for 2018–2019 being developed and the Programme’s work on Habitat III. Last, she expressed concern that no meeting of the subcommittee on finance and administration had been scheduled for the first half of 2016, which she said would prevent the UN-Habitat governing bodies, in particular the subcommittee and the working group on programme and budget, from providing input and guidance on budgetary, financial and administrative matters.

32. The Executive Director thanked the representatives for their comments, expressing regret that he had omitted to mention the first Arab Ministerial Forum on Housing and Urban Development in his oral briefing. He expressed his deep appreciation to the Government of Norway for the significant non-earmarked contributions it had made to UN-Habitat despite the financial difficulties it faced. He thanked the Government of Japan for co-hosting the sixth Tokyo International Conference on African Development, saying that UN-Habitat would attend and endeavour to contribute to the success of the meeting, and the Government of Malaysia for hosting and contributing financially to the eighth session of the World Urban Forum.

33. With regard to requests for support for Nairobi-based representatives to attend Habitat III meetings in New York, he said that the Habitat III Secretariat was examining the financial rules of the United Nations before responding to that request. As for the comments made regarding his report entitled “The Transformation of UN-Habitat”, he said that he had prepared the report at the request of the working group on programme and budget in order to explain to the group the difficulties that UN-Habitat was facing in the implementation of its programme of work and to identify issues in the rules and regulations that governed UN-Habitat that diminished the productivity of the Programme and that member States could easily address. Last, with regard to the preparation of the zero draft of the Habitat III outcome document, he said that the schedule and process for the preparation and negotiation of the document had been decided by the United Nations General Assembly in its resolution 70/473 of 22 December 2015.

Agenda item 5

Quarterly report on the financial status of UN-Habitat

34. Introducing the item, the Chair drew attention to the quarterly report on the financial status of UN-Habitat (HSP/CPR/60/5).

35. The Executive Director presented a table on the financial situation of UN-Habitat as at 31 December 2015, which he described as an interim report with a margin of error of 10 per cent due to uncertainties associated with delays in the implementation of Umoja. He said that UN-Habitat had experienced a severe decrease in non-earmarked contributions to its budget of over \$3.7 million, but the Programme had been able to contain the operating deficit to roughly \$1.2 million thanks to cost recovery efforts, additional cost reductions and efforts to increase its core income from other sources, including earmarked contributions from member States and technical cooperation overheads.

36. UN-Habitat was reaching a point, he said, where its fixed costs were around 18 per cent of its budget, which was a positive figure, and despite a sharp decrease in non-earmarked contributions it continued to carry out considerable normative work that took into account lessons learned in technical cooperation projects. Additional non-earmarked contributions were needed, however, to enable the Programme to invest more of its resources in normative work. Lastly, in response to a comment made by a representative under item 4 that the largest proportion of the UN-Habitat budget funded activities related to risk reduction and rehabilitation, which was not one of the four programme areas identified as priorities in the strategic plan for 2014–2019, he said that risk reduction and rehabilitation were one of the focus areas included in the strategic plan and had not been identified as a priority because the focus area was already large and did not need to be prioritized.

Agenda item 6

Annual progress report on the implementation of the strategic plan for 2014–2019 for the year 2015

37. Introducing the item, the Executive Director drew attention to the detailed report entitled “Annual progress report 2015: implementation of the strategic plan (2014–2019)” and to his summary of the main points (HSP/CPR/60/6), noting that the report had already been discussed in subcommittee meetings.

38. One representative requested further information on how the implementation of the strategic plan was being affected by the current funding situation, notably the decline in non-earmarked funding.

39. In his response, the Executive Director said that UN-Habitat was continuing to pursue its goals and objectives and was compensating for the lack of non-earmarked funding through cost recovery and overheads. None of the core programmes in the normative work of UN-Habitat were being neglected, although there were delays in some areas. Progress had been made using available resources in developing guidelines for urban planning, climate change and basic services.

Agenda item 7

Country activities report and thematic/country presentation

40. The Chair drew attention to a briefing note prepared by the secretariat entitled “UN-Habitat in Haiti – strategy, presence, interventions” (HSP/CPR/60/7).

41. Introducing the item, a representative of the secretariat noted that the full country activities report had been delayed owing to the implementation of Umoja and further work being undertaken to make the report more result-oriented. The full report would be made available in due course. That notwithstanding, there had been a positive evolution and good impacts from country activities, and future result-oriented reports would help to assess the evolution of the strategy.

42. In his presentation he outlined the significance of the work of UN-Habitat in Haiti. The country was grappling with both poverty and disaster and was the only country in Latin America and the Caribbean to be categorized among the least developed countries. Official development assistance to the middle-income region had sharply decreased over recent years, necessitating particular attention to Haiti in the development of a new business model for the region. He called upon donors and partners to provide financial support to UN-Habitat to continue strengthening Haitian institutions and improving human settlements and cities in the increasingly urbanized country.

43. UN-Habitat had been working in Haiti for over 25 years in support of the Government and local authorities on issues of urban development, municipal strengthening and housing, and was thus well-placed to achieve more. Following the earthquake in 2010, UN-Habitat had been able to provide a quick analysis of the urban impact of the earthquake and to provide the first element of reconstruction strategy. Strengthened technical cooperation by UN-Habitat in support of the recovery had brought together national and international expertise on reconstruction and had been made possible by earmarked funding from a number of donors.

44. Currently, the demand for cooperation was oriented towards development rather than humanitarian assistance and UN-Habitat was working to that end with Haitian national and local institutions and government ministries. There was an opportunity for investment and support for Haiti in high value-added sectors, and urbanization was increasingly recognized as an indigenous source of wealth creation. Haiti was therefore one of the key countries in the UN-Habitat regional strategic plan for Latin America and the Caribbean, and with support from the United States Agency for International Development, the organization was developing a new generation of programmes in line with the new urban agenda and with equitable and sustainable urbanization in Haiti as the cornerstone for development strategies in the country. New avenues for South-South cooperation were also being explored with countries in the region, notably Brazil and Mexico. UN-Habitat was increasingly assuming a coordination role within the United Nations on urban issues, and member States were called on to continue providing support to Haiti.

45. A representative of the secretariat, on behalf of the Regional Director for Latin America and the Caribbean, presented examples of UN-Habitat work in Haiti and highlighted some of the challenges and cooperation opportunities in the country. Haiti was characterized by informal development in the economy and its settlements, with about 70 per cent of the population still living in slum areas. Challenges included political instability, weak governance, poor capacity to enforce

existing regulations, lack of coordination of policies and strategy, youth unemployment and high dependency on development aid. UN-Habitat was working to develop urban planning and tackle land issues; mitigate disaster risks; strengthen the capacity of local authorities; and tackle the urban sprawl resulting from high migration to urban areas. Despite the challenges, there were many opportunities in Haiti to link humanitarian and development work and use settlements to promote development, for example by developing tourism and the local economy and promoting youth employment. The Government was generally open to new practices and some traditional development partners were still present, contributing to the UN-Habitat Participatory Slum Upgrading Programme and Global Public Space Programme, housing construction and neighbourhood improvement, urban planning and the design of urban systems. Other achievements in the development work of UN-Habitat in Haiti included the piloting of community planning, ensuring the mainstreaming of planning in disaster work, drafting policy documents at the request of the Government, and the new planning approach being used in several cities and slum areas. Key aspects of the way forward were the development of a national urban policy to ensure that planning, financing and legal frameworks were in place; the issue of land and urban regulations; better urban design; municipal finance; planned city extension programmes; public space initiatives; regeneration in neighbourhoods; land management systems and a new approach to urbanization as a tool for development, among others. It was important to ensure more equitable and sustainable development in Haiti, in line with the Sustainable Development Goals and the new urban agenda.

Agenda item 8

Progress report on the preparations for Habitat III and third session of the Preparatory Committee for Habitat III

46. Introducing the item, a representative of the secretariat drew attention to the background information document entitled “Update on Habitat III preparatory process”.

47. In his presentation he outlined the main elements of the preparations to date. Policy papers had been submitted by the ten policy units and had been presented at the European regional conference held in Prague from 16 to 18 March 2016. The papers would be translated and made available in the six official languages of the United Nations, which, it was to be hoped, would be ready in April. Efforts were being made to engage with as many partners as possible in developing the policy papers and supporting activities for Habitat III. Various activities had been undertaken as part of national and regional preparations, including thematic meetings which had been held in Tel Aviv; Cuenca, in Ecuador; Mexico City, and others to be held in Barcelona and Pretoria. Three regional meetings had already taken place and a fourth would be held from 18 to 20 April 2016 in Toluca, Mexico. Detailed recommendations from the regional meetings were available on the Habitat III website. According to the timeline for the period April–July 2016, the third session of the Preparatory Committee would be held in Surabaya, Indonesia, in July 2016. According to the same timeline, the Bureau of the Preparatory Committee would convene informal intergovernmental negotiations in New York for the preparation of the zero draft of the Habitat III outcome document, in which non-governmental and civil society organizations would also be involved. Stakeholders were invited to apply for accreditation to the Preparatory Committee meeting by 1 April 2016 and to Habitat III by 2 May 2016. A number of activities had been earmarked for the stakeholders’ forum with the aim of making the process as inclusive as possible. An informal “urban Thursday breakfast” meeting was being planned in Nairobi to enable member States to share issues and challenges with other participants.

48. A number of representatives thanked the secretariat for the briefing. One representative looked forward to receiving the draft outcome document and called on all Committee members to cooperate constructively and make a contribution thereto. He also stressed the importance of providing financial support for delegations from developing countries to facilitate their participation in the Preparatory Committee session and ensure the comprehensive and inclusive participation and engagement of all member States.

49. The representative of South Africa encouraged member States to register for the Habitat III thematic meeting on informal settlements that his Government was hosting, which would focus on strategies for security of tenure and housing, livelihoods, safety and governance.

Agenda item 9

Progress report on the preparation of the strategic framework for 2018-2019

50. Introducing the item, the Executive Director noted that three consultative meetings of the subcommittee on policy and programme of work had been held in January 2016, as referred to in his written statement (HSP/CPR/60/9). The subcommittee had considered the draft strategic framework for 2018–2019 and provided comments thereon. The draft strategic framework would be reviewed and would take account of the conclusions of Habitat III following the Conference. He appealed to member States to contribute to non-earmarked funding to enable UN-Habitat to deliver the aims of the framework.

Agenda item 10

Report on the work of the subcommittees

51. The Committee took note of the report on the work of the subcommittees (HSP/CPR/60/10 and HSP/CPR/60/10/Add.1).

Agenda item 11

Report on the work of the working group on programme and budget

52. Introducing the item, the Chair of the working group said that the report on the work of the working group on programme and budget had not yet been finalized and would be sent to members of the Committee in due course.

53. In his oral briefing, the Chair of the working group provided highlights of the group's meeting, held on 14 and 15 March 2016, which had addressed three main agenda items, namely review and updates on actions taken on previous recommendations by the working group; a presentation on the Nigeria country programme; and how to make UN-Habitat fit for purpose in the post-Habitat III period. There had been a free and candid exchange of views on the agenda items, culminating in productive and forward-looking recommendations. The secretariat had reported on the continuing decline in core spending and said that UN-Habitat was responding to the challenge by seeking innovative sources of funding and improving donor relations, interagency collaboration and potential business transformation, and was putting in place a revitalized resource mobilization plan, as stated in the Executive Director's briefing. Good progress was being made in enhancing the level of contributions. As mentioned previously, a new Director of the External Relations Division and Head of Communications had been recruited, and a new communications strategy was being developed to keep donors better informed and promote international communication.

54. Overall, the working group had noted with satisfaction that the secretariat was on course with the implementation of previous recommendations. The agenda item on whether UN-Habitat was fit for purpose in the post-Habitat III period had generated considerable interest and some regions, for example Africa, had made specific proposals on how the Programme should be strengthened for effective service delivery, as recommended in the Abuja Declaration for the United Nations Conference on Housing and Sustainable Urban Development. Other member States had said that their regions were still in the process of formulating common positions on Habitat III. Individual views had indicated acknowledgement that UN-Habitat in its present form was not fit for purpose to implement Sustainable Development Goal 11, the Paris Agreement on climate change and the new urban agenda. The two-day meeting of the working group had not been sufficient to consider all the issues, but the need for strengthening UN-Habitat was recognized and the platform for doing so was considered to be Habitat III. Specific elements should be discussed in the preparatory process and agreed upon at the Conference in October 2016. The working group would convene further informal sessions to discuss the matter and would brief the Committee accordingly so that it could play a central role in guiding intergovernmental discussions on Habitat III.

55. In the ensuing discussion, a number of representatives noted that consensus had not yet been reached among the group on the outcome of the working group meeting and some differences of opinion remained. One representative said that some members of the working group had not yet received and considered the report of the working group and that further discussions were needed on the recommendations of the working group. Another representative said that consultations were ongoing among members of the working group and expressed the hope that consensus would be achieved in an open and transparent manner.

56. The Chair noted that the oral briefing on the work of the working group on programme and budget should be considered as its Chair's report until the report on the group's work was finalized.

Agenda item 12

Any other matters

57. No other matters were discussed.

Closure of the meeting

58. The meeting was declared closed at 12.20 p.m. on Wednesday, 23 March 2016.
