

UN HABITAT FOR A BETTER URBAN FUTURE

**67th MEETING OF THE COMMITTEE OF PERMANENT REPRESENTATIVES TO
THE UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME**

14th December 2017

Executive Director's Statement

Mr. Chair, Excellencies and Distinguished Delegates,

Thank you for giving me yet another opportunity to provide you, at this 67th meeting of the CPR, with an update on UN-Habitat's financial situation for the quarter ended 30th September 2017. The detailed quarterly financial performance report for the period then ended has been transmitted to you.

The Statement of Financial Performance provides an outline of UN-Habitat's fund balances, expenses and UN-Habitat's revenue for the period which totaled USD 113.0 million of which USD 18.2 million related to core funds, while USD 94.8 million related to earmarked funds.

Total expenditure for the period amounted to USD 119.6 million comprising of USD 22.3 million for core expenses and USD 97.3 million for earmarked expenses.

At the beginning of 2017, total core fund balances including reserves stood at USD 21.8 million of which USD 6.1 million related to the foundation general purpose and USD 15.7 million was for programme support fund.

Details of the fund balance movement for the earmarked funds have been provided in section 5.2 of the notes to the statement of financial performance.

Excellencies, as you may have noted from our financial performance information from the last nine months, the Foundation General Purpose fund continues to have challenges that require serious attention going forward into the year 2018. We would like to urge Member States to make their contributions as urgently as possible. We continue to utilize Programme Support funds to the commitments under the Foundation General Purpose while contributions to the Foundation General Purpose are awaited.

Excellencies, UN-Habitat has consistently brought to your attention that the requirements placed on UN-Habitat exceed the resources provided. We have stressed the need for a review of the financing arrangements of UN-Habitat, particularly in its core budget, with a view to covering the basic normative, advocacy and management requirements of the Programme. As you are no doubt aware, the negotiations have now concluded on the new resolution for UN-Habitat's strengthening. Op 10 addresses this point, requesting "UN-Habitat to hold ... a strategic dialogue with member states to discuss budgetary matters, in order to permit the full and effective delivery of its mandate, in particular its normative work, as called for in paragraph 129 of the New Urban Agenda."

It is UN-Habitat's belief that this is a crucial exercise to address structural financing issues. We plan to initiate this process in the New Year, with a view to engaging with capitals, and delegations in Nairobi and New York, on an urgent basis.

Excellencies, allow me to express my deep appreciation to the Governments of Barbados, Chile, Cote D'Ivoire, Haiti, India, Japan, Kenya, Norway, The Philippines, Republic of Korea, South Africa and Zambia for their contributions to the foundation general purpose received as at the end of the third quarter. I trust that many more member states, will join the list as soon as possible.

I am also grateful for new contribution agreements signed in the second quarter for earmarked activities amounting to USD 33.9 million with governments and other donors. I would therefore like to extend my appreciation to the Governments of Afghanistan, Australia, Belgium, Cape Verde, China, Colombia, Germany, India, Italy, Japan, Malaysia, Mexico, Mozambique, Pakistan, Republic of Korea, Spain, Uganda, United Arab

Emirates, Sri Lanka, United Arab Emirates, United States of America and also the European Union for agreements signed so far in the year 2017.

I would like to take this opportunity to encourage member states to provide their contributions for 2017 as soon as possible in the remaining days of the year, particularly those for UN-Habitat's Foundation General Purpose account. This will allow the agency not only to carry out planned activities contained in the Governing Council approved programme of work but also to advance in the intense work following Habitat III and bridge the financial gap.

Thank you for your kind attention.