EXECUTIVE BOARD
2020 Session 2, 27-29 October 2020

AGENDA ITEM 3

Gary Landes
Director (ai), Management, Advisory and Compliance Services

Christine Knudsen
Director, External Relations, Strategy, Knowledge and Innovation

Tuesday, 27 October 2020
Agenda item 3: Financial, budgetary and administrative matters
| Agenda Item 3 — Contents |

- Overview
- Supporting documents
- The financial status of UN-Habitat as at 30 June 2020 paragraph 4 of decision 2019, with an update as at 30 September 2020
- Update on the restructuring and financing of UN-Habitat
- Resource mobilization efforts including implementation of resource mobilization strategy
- Staffing status as at 30 June 2020, with an update as at 30 September 2020
The overall financial support to UN-Habitat remains strong, specifically for the earmarked projects.

The normative financial support to UN-Habitat does not support the full implementation of the 2020-2023 strategic plan, which has resulted in a reduction in the ability to fulfil the mandated normative outputs for 2020 and a reduced proposed programme of work for 2021.

The above continues to leave UN-Habitat with unfunded areas, specifically in data collection and reporting in support of Agenda 2030 and the implementation of the Regional Architecture.
Implications of reducing the Foundation non-earmarked budget on the work programme for 2021

Status of UN-Habitat main funds as at 30 September 2020 (nine-month prorated budget)*

*Revenue is stated net of adjustments.
| Earmarked Contributions |

**USD 119.0 million**

<table>
<thead>
<tr>
<th>Donor</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 European Union</td>
<td>28.4</td>
</tr>
<tr>
<td>2 Sweden</td>
<td>21.5</td>
</tr>
<tr>
<td>3 The Adaptation Fund Board</td>
<td>10.5</td>
</tr>
<tr>
<td>4 Japan</td>
<td>10.2</td>
</tr>
<tr>
<td>5 United Nations Development Programme</td>
<td>4.6</td>
</tr>
<tr>
<td>6 Brazil</td>
<td>2.2</td>
</tr>
<tr>
<td>7 Awash Welday General Contractor</td>
<td>2.2</td>
</tr>
<tr>
<td>8 Germany</td>
<td>1.7</td>
</tr>
<tr>
<td>9 Alwaleed Philanthropies</td>
<td>1.7</td>
</tr>
<tr>
<td>10 Qatar Development Fund</td>
<td>1.7</td>
</tr>
<tr>
<td>Others</td>
<td>15.3</td>
</tr>
</tbody>
</table>
**Foundation non-earmarked contributions (as at 15 October 2020)**

<table>
<thead>
<tr>
<th>Country</th>
<th>15 Oct. 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Algeria</td>
<td>9,970</td>
</tr>
<tr>
<td>Barbados</td>
<td>14,706</td>
</tr>
<tr>
<td>Botswana</td>
<td>20,000</td>
</tr>
<tr>
<td>China</td>
<td>350,000</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>4,975</td>
</tr>
<tr>
<td>France</td>
<td>227,740</td>
</tr>
<tr>
<td>Japan</td>
<td>31,455</td>
</tr>
<tr>
<td>Korea, Republic of</td>
<td>84,365</td>
</tr>
<tr>
<td>Malawi</td>
<td>10,000</td>
</tr>
<tr>
<td>Myanmar</td>
<td>9,980</td>
</tr>
<tr>
<td>Norway</td>
<td>2,180,130</td>
</tr>
<tr>
<td>Pakistan</td>
<td>5,941</td>
</tr>
<tr>
<td>Senegal</td>
<td>44,868</td>
</tr>
<tr>
<td>South Africa</td>
<td>150,000</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>25,000</td>
</tr>
<tr>
<td>United States of America</td>
<td>545,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,714,130</strong></td>
</tr>
</tbody>
</table>
Trends in the Foundation non-earmarked fund

* Closing net assets value is before loan from programme support account.
*2020 projected revenue includes additional contributions to ensure that the liquidity reserve is maintained.

Trends in the Foundation non-earmarked fund

* Closing net assets value is before loan from programme support account.
Report of the Board of Auditors on the financial statements: audit opinion;

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of UN-Habitat as at 31 December 2019 and its financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards (IPSAS).

Overall conclusion

The Board did not identify material deficiencies in accounts and records that might affect the fair presentation of the financial statements of UN-Habitat.

Key Facts noted in the Report of the Board of Auditors

- $25.6 million Original annual resources (regular budget and foundation non-earmarked)
- $227.15 million Original annual resources (technical cooperation and foundation special purpose)
- $172.3 million Total revenue
- $178.4 million Total expenses
- 302 UN-Habitat staff
Key Findings noted in the Report of the Board of Auditors

- Low implementation rate for previous year’s audit recommendations.
- Agreements signed and accrued in different years
- Validity of agreements of cooperation and their amendments
- Maximum amount of community agreements
- Formal instruction for the recruitment, process done through a non-United Nations entity
- Recruitment process done through a non-United Nations entity
- Overtime of staff members at UN-Habitat headquarters
Update on the restructuring and financing of UN-Habitat

October 2020
Update on the organizational restructuring of UN-Habitat

**November 2019:** Executive Board endorsed Habitat’s new organisational structure

**January 2020:** Staff members were laterally reassigned to organisational units in the new structure

**UN-Habitat Regional Architecture Working Group Established**

The Executive Director has established a working group tasked to develop a strategy and guiding principles to strengthen Habitat’s global presence to maximize country-level impact.

It is well recognized that UN-Habitat’s technical advisory and other country-level activities enhance the normative value of the policies, guidelines and other tools developed and championed by the organization.

Normative work is defined by the United Nations Evaluations Group as:

“**The support to the development of norms and standards in conventions, declarations, regulatory frameworks, agreements, guidelines, codes of practice and other standard setting instruments at global, regional and national level. Normative work also includes the support to the implementation of these instruments at the policy level, i.e., their integration into legislation, policies and development plans, and to their implementation at the programme level.**”
**Guiding principle:** one size does not fit all; significant variation exists between countries and regions. Moreover, Habitat has finite resources and cannot operate in the same manner in all locations globally.

In addition to headquarters, the working group has identified six possible typologies of presence:

1. Regional Office
2. Country Office
3. Multi-Country Office
4. Liaison Office
5. Global programme office/thematic hub
6. Project office/other forms of country-level programme presence

Fundamental elements and functions for each typology, e.g., a regional/country office or liaison/representational office are presently being developed by the working group.
Guiding principle: enhanced alignment and integration at all levels with the reformed United Nations Development System (UNDS) to ensure wider UN regional leverage and system wide coordination engagement

UNDS system reforms

• Strengthen engagement with the new Resident Coordinator system and active participation in United Nations Country Teams (UNCTs), including the Common Country Assessment and Cooperation Framework process
  
  • Presently UN-Habitat’s participation is negatively impacted by the fact that many of our country and programme offices away from headquarters operate with very limited human resources

• Facilitate cooperation and collaboration with the regional UN Development Coordination Office (UN DCO) and the Regional Collaborative Platforms
Update on the organizational restructuring of UN-Habitat

Mapping UN-Habitat’s global presence

An interactive ‘Global Dashboard’ is under development to visualize UN-Habitat’s global presence and operations in the field.
Update on the organizational restructuring of UN-Habitat

Parallel two-track approach to implementation

Track 1: ‘quick wins’ to strengthen Habitat’s current country-level presence and regional engagement by assigning staff to strategic locations [e.g. locations hosting a regional UN DCO or Economic Commission]; bolstering the human resources capacities/realigning the mandate of existing offices [e.g. a Country Office could also provide liaison services]

Track 2: establish new UN-Habitat offices; this could take the form of a new regional or country office, or an office mandated to host an UN-Habitat global programme

Establishment of a new office away from headquarters will be subject to the Secretary-General’s December 2019 directive on ‘Procedures for the Establishment of United Nations Offices away from Headquarters’
Staffing status as at 30 June 2020, with an update as at 30 September 2020

October 2020
# Staffing status as at 30 June 2020

Post distribution by funding segment

Abbreviations: Appr. = approved; Occ. = occupied; Vac. = vacant; Pct. = percentage of occupancy.

<table>
<thead>
<tr>
<th>Funding source</th>
<th>Professional category and above</th>
<th>General service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foundation non-earmarked</td>
<td>93     23    70    24.7</td>
<td>42     21    21    50.0</td>
<td>135    44    91    32.6</td>
</tr>
<tr>
<td>Regular budget</td>
<td>52     48    4     92.3</td>
<td>28     27    1     96.4</td>
<td>80     75    5     93.8</td>
</tr>
<tr>
<td>Programme support</td>
<td>31     25    6     80.6</td>
<td>21     18    3     85.7</td>
<td>52     43    9     82.7</td>
</tr>
<tr>
<td>Foundation earmarked</td>
<td>73     55    18    75.3</td>
<td>39     33    6     84.6</td>
<td>112    88    24    78.6</td>
</tr>
<tr>
<td>Technical cooperation</td>
<td>62     48    14    77.4</td>
<td>6      6     –    100.0</td>
<td>68     54    14    79.4</td>
</tr>
<tr>
<td>Total</td>
<td>311    199   112   64.0</td>
<td>136    105   31    77.2</td>
<td>447    304   143   68.0</td>
</tr>
</tbody>
</table>

![Staffing by source of funding](image_url)

- Occupied
- Vacant
Staffing status as at 30 June 2020

Staff distribution by grade and gender

<table>
<thead>
<tr>
<th>Grade</th>
<th>USG</th>
<th>ASG</th>
<th>D-2</th>
<th>D-1</th>
<th>P-5</th>
<th>P-4</th>
<th>P-3</th>
<th>P-2/1</th>
<th>N-O</th>
<th>L-L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>4</td>
<td>29</td>
<td>24</td>
<td>25</td>
<td>24</td>
<td>31</td>
</tr>
<tr>
<td>Female</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>5</td>
<td>24</td>
<td>25</td>
<td>31</td>
<td>14</td>
<td>11</td>
<td>16</td>
</tr>
</tbody>
</table>

Professional Posts

- Total number of women: 80
- Total number of men: 119
- Total number of countries represented: 63

Abbreviations: USG = Under-Secretary-General; ASG = Assistant Secretary-General; D = Director; P = Professional; N-O = national professional officer; L-L = General Service.
UN-Habitat 2020 Organization Chart - Head of Organisational Unit
(30 September 2020)

Executive Director
EB: 1/16
Ma同等族Mehdi Sharif

Deputy Executive Director
PND: AIO
Victor Nkok

Brussels Office
Senior v, HR, PA
Pavel Kuhelz

Office of the Executive Director
PND: D-2 Chief of Staff
Ogbuehi & Coe

Policy Making Organs
Office of the Executive Director
PND: D-1 Principle Evaluation Officer
(Vacant)

Policy Guidance & Strategic
R: 1 D3 Chief of Premual
Chief, Premual

Programme Support
Office of the Executive Director
PND: D-1 Chief of Service
Deby Lambe (110)

Management and Compliance
PND: D-1 Chief of Service
Deby Lambe (110)

Global Solutions Division
R: 1 D3 Director
Refseth

Urban Planning Branch
R: 1 D3 Chief of Branch
Stefan Sant

Programme Development Branch
O: 2 O2 Advisor (P-5)

Political Issues, Strategy
Regional Planning and Development Division
Christine Kondem (110)

External Relations and Partnership Branch
PND: D-1 Chief of Branch
New York Office
Knowledge and Innovation Branch
PND: D-1 Chief of Branch
Financial Auditor
Strategic Planning and Monitoring Branch
PND: D-1 Chief of Branch
Vacant - Christine Kondem

Regional Programme Division
PND: D-2 Chief of Branch
Osman Bajgozhi (120)

Regional Office for Africa (ROAF)
PND: D-1 Chief of Branch
Yvonne Ntahaza (120)

Regional Office for Arab States (ROAS)
PND: D-1 Chief of Branch
Urban Area (120)

Regional Office for Asia (ROAP)
PND: D-1 Chief of Branch
Hidetake Konno

Regional Office for Latin America
and the Caribbean (ROLAC)
PND: D-1 Chief of Branch
Hermann Naumann-Meier

UN-HABITAT
FOR A BETTER URBAN FUTURE
## Staffing status as at 30 September 2020

### 30 September 2020

<table>
<thead>
<tr>
<th>Fund segment</th>
<th>Professional category and above</th>
<th>General service</th>
<th>Grand total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Approved</td>
<td>Occupied</td>
<td>Vacant</td>
</tr>
<tr>
<td>Foundation non-earmarked</td>
<td>93</td>
<td>23</td>
<td>70</td>
</tr>
<tr>
<td>Regular budget</td>
<td>52</td>
<td>49</td>
<td>3</td>
</tr>
<tr>
<td>Programme support</td>
<td>31</td>
<td>27</td>
<td>4</td>
</tr>
<tr>
<td>Foundation earmarked</td>
<td>73</td>
<td>50</td>
<td>23</td>
</tr>
<tr>
<td>Technical cooperation</td>
<td>62</td>
<td>48</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>311</td>
<td>197</td>
<td>114</td>
</tr>
</tbody>
</table>

### Staffing by source of funding*

<table>
<thead>
<tr>
<th>Fund segment</th>
<th>Occupied</th>
<th>Vacant</th>
</tr>
</thead>
<tbody>
<tr>
<td>REGB</td>
<td>76</td>
<td>4</td>
</tr>
<tr>
<td>FNDN</td>
<td>45</td>
<td>90</td>
</tr>
<tr>
<td>PRGS</td>
<td>44</td>
<td>8</td>
</tr>
<tr>
<td>FNDE</td>
<td>83</td>
<td>29</td>
</tr>
<tr>
<td>TECH</td>
<td>54</td>
<td>14</td>
</tr>
</tbody>
</table>

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*Abbreviations: REGB: regular budget; FNDN: Foundation non-earmarked; PRGS: programme support; FNDE: Foundation earmarked; TECH: technical cooperation.
Staffing status as at 30 September 2020

Staff distribution by grade and gender

Professional Posts

<table>
<thead>
<tr>
<th></th>
<th>Female</th>
<th>Male</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>USG</strong></td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td><strong>ASG</strong></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>D-2</strong></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td><strong>D-1</strong></td>
<td>5</td>
<td>4</td>
</tr>
<tr>
<td><strong>P-5</strong></td>
<td>28</td>
<td>1</td>
</tr>
<tr>
<td><strong>P-4</strong></td>
<td>25</td>
<td>24</td>
</tr>
<tr>
<td><strong>P-3</strong></td>
<td>30</td>
<td>25</td>
</tr>
<tr>
<td><strong>P-2/1</strong></td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td><strong>N-O</strong></td>
<td>11</td>
<td>15</td>
</tr>
<tr>
<td><strong>L-L</strong></td>
<td>75</td>
<td>30</td>
</tr>
</tbody>
</table>

Total number of women: 90
Total number of men: 117
Total number of countries represented: 63

**Abbreviations:** USG: Under-Secretary-General; ASG: Assistant Secretary-General; D: director; P: professional; N-O: national professional officer; L-L: Local level.
Resource Mobilization Strategy Objectives and Actions

**1. TARGET FUNDING**
- Regular budget: $60M
- Non-earmarked: $41M
- Normative earmarked: $262M
- Country programmes: $607M
- Total: $1,027M

**2. ALIGNMENT**
- Urban dimensions of the SDGs, NUA
- UN-Habitat Strategic Plan
- National strategic plans
- UN Sustainable Development Cooperation Framework
- UN Funding Compact

**3. STRATEGIC PARTNERSHIPS**
- Joint strategy development
- Multi-year agreements
- Pooled funding
- Large scale high impact programmes

**4. DIVERSIFIED DONOR BASE**
- More Member States contributing
- Domestic resources
- Private Sector, Local Authorities, other
- Multi-donor pooled funds

**5. VALUE FOR MONEY**
- Results focused
- Efficient
- Transparent
- Accountable

**6. INNOVATION**
- Blended funding: loans, grants
- National Committees
- High Net Worth Individuals, Influencers
- Technology support, social media

- Core contribution letters
- Pledging sessions
- Bilateral meetings
- Endowment fund
- Monthly updates to MS
- Soft earmarked packages

- Regional dialogues
- Country focal points
- Value proposition

- Value proposition
- Regional dialogues
- Top donor engagement
- Flagship programme financing mechanism
- Donor intelligence

- Private sector strategy
- Foundations and Philanthropy platform
- Local Government engagement

- Value proposition
- open.unhabitat.org
- Urban Impact
- Key Performance Indicators
- Training for staff

- Endowment fund
- Donate Button
- Crowdfunding
Resource Mobilization Strategy: Progress in 2020

Income acquisition

- Earmarked grants $130 M
- Core contributions USD 4M
- Support for COVID-19 USD 15.9M

Engagement and communications

- Regional Dialogues
- Top donor engagement
- Annual Donor Consultations
- Urban Impact quarterly brief
- Monthly financial updates
- Pledging Session (December)
- Core contribution letters

Strategies, innovation

- Private Sector
- Foundations and Philanthropists
- Endowment fund
- Local Government engagement
- Online giving (Donate button)

Relationship management

- Improved donor reporting
- Key Performance Indicators
- Donor Focal Point System

Enabling environment

- Standard Operating Procedures
- Enhanced Donor Information System — Regional Profiles
Resource Mobilization Strategy – priorities moving forward

- Increase level of core contributions and number of contributors
- Soft earmarked packages aligned to donor policies
- Appeal and value proposition document
- Implementation of strategies to diversify donor base
- Enhanced International Aid Transparency Initiative website open.unhabitat.org
- Capacity building on resource mobilization
THANK YOU!