



**Executive Board of the United Nations
Human Settlements Programme**

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**Annual report on action by the Executive Director
to update and improve the internal management,
policies and procedures of UN-Habitat**

Actions to update and improve the internal management, policies and procedures of UN-Habitat

Report of the Executive Director

I. Introduction

1. In February 2018, the United Nations Human Settlements Programme (UN-Habitat) launched a reform process to transform the governance and strategic and substantive focus of the Programme, underpinned by the following four pillars:

- (a) New governance architecture;
- (b) Development of a new strategic plan;
- (c) Internal change process;
- (d) Organizational restructuring.

2. The first session of the United Nations Habitat Assembly of the United Nations Human Settlements Programme (UN-Habitat Assembly) was held in Nairobi from 27 to 31 May 2019. During its first session, the UN-Habitat Assembly adopted a new strategic plan for the period 2020–2023 and the Programme initiated its internal change process.

3. UN-Habitat remains actively engaged in the implementation of the fourth pillar of reform: an organizational restructuring designed to maximize fulfilment of its mandate to support Member States and partners in implementing and monitoring the 2030 Agenda for Sustainable Development and the New Urban Agenda at the local, national and subnational levels – to leave no one and no place behind.

II. Internal change process

4. Commencing in January 2020, the Office of the Executive Director, led by the Deputy Executive Director, set up a task team to develop the responsibility and accountability framework for the organization. The framework is designed to complement the new organizational structure, bringing to life the “whole of house” approach. The task team, comprising representatives from all divisions, branches and field offices, developed the framework on the basis of the key deliverables of the organization. The corporate responsibility and accountability framework was completed in June 2020 and is now in the implementation stage. A re-evaluation of its effectiveness will be carried out in the third quarter of 2021 (12 months after its implementation). To date, the responsibility and accountability framework has guided the organization’s response to the coronavirus disease (COVID-19) as well as the smooth facilitation of the organization’s fulfilment of its obligations as a

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Secretariat entity to meeting all deadlines set by the Secretary-General for regular and special requests associated with the mandate of UN-Habitat.

5. To better facilitate the implementation of the responsibility and accountability framework, the Office of the Executive Director, working in close partnership with other divisions, has set up a focal point list of officers responsible for the corporate deliverables of the organization. Owing to staff attrition as well as a period of adjustment to COVID-19 and the new structure, the focal point list was completed in October 2020. In January 2021, to complement and assist the focal points, the Office of the Executive Director developed a corporate calendar that will enable better strategic future planning and the allocation of human talent to prepare for key corporate events and programmes, including the meetings of the Executive Board, the meetings of the Committee of Permanent Representatives and the UN-Habitat Assembly session in 2023. The corporate calendar will be a living document that will be updated on a quarterly basis.

6. To ensure project proposals are aligned with the strategic plan 2020–2023 and that a “whole of house” approach is adopted, the Project Review Committee, chaired by the Deputy Executive Director, was established in April 2020. Guidelines for the process flow, including the appropriate delegation of authority to regional and branch level heads, was issued in October 2020. As at 31 December 2020, the Project Review Committee has reviewed 132 project proposals and approved 129. In 2021, the focus shall be on the monitoring of these projects on the basis of Theory of Change logical frameworks (“logframes”) to ensure that projects contribute to the subprogrammes of the UN-Habitat Work Programme.

7. On the basis of the recommendations of the Office of Internal Oversight Services on the ninth session of the World Urban Forum, the Office of the Executive Director, working with the UN-Habitat risk management, finance and legal teams, respectively, developed a set of standard operating procedures to guide the implementation of sessions of the World Urban Forum. This includes project management and implementation standards, risk assessment and financial responsibilities. Special reference was also made to ensuring social inclusion and panel parity, which is in line with the guidance of the Executive Board. The independent external auditor has since submitted a positive report on the conduct and implementation of these standard operating procedures related to the tenth session of the World Urban Forum.

8. The financial closure of project grants dating back to 2012 is part of a wider effort by the Executive Director to respond to recommendations of the Joint Inspection Unit and the Office of Internal Oversight Services to ensure that UN-Habitat regains the trust of donors, recipient communities and Member States with respect to better financial planning and greater transparency about its financial obligations. Positive results include the closure of up to 1,061 project grants from a total of 1,346 that were due for closure in the period 2012–2019, representing a closure rate of approximately 79 per cent. At the same time, clear guidelines have been provided to Programme Management Officers to ensure that current project grants are closed within six months of the completion of on-the-ground activities and within the period agreed with donors to allow for evaluation and to fulfil donor requirements.

9. Talent development is a long-term investment for the Programme, and the Office of the Executive Director, working with the Human Resources Unit, has conducted workshops on mental health. In 2020, two workshops were conducted, in June and November, to ensure that colleagues were able to adjust to the COVID-19-related work environment. A staff perception survey on the issue of racial equality was carried out, in line with the Secretariat’s actions on that issue. The Office of the Executive Director has appointed a consultant to review the results of the survey, which will provide inputs to the Executive Director to improve the work environment at UN-Habitat.

10. On the matter of internal alignment within UN-Habitat, the Office of the Executive Director took exceptional steps to establish regular group meetings of the Committee of Management, which is headed by the Executive Director and composed of senior managers. The Committee met on a daily basis from 15 March 2020 to 1 June 2020; after that, it met twice a week up to 31 December 2020. In 2021, having adjusted to remote working, the Committee now meets on a weekly basis, complementing the fortnightly meetings of the Programme Management Committee and the monthly meetings of the Executive Committee. The Executive Committee is composed of division directors and its meetings are chaired by the Executive Director, while the Deputy Executive Director chairs the meetings of the Programme Management Committee to ensure programmatic alignment at the division and branch levels.

11. To ensure that priorities are set and implemented efficiently, the Office of the Executive Director organized a year-end senior managers' retreat, providing a platform to review the end-of-year achievements of the organization as measured against its original objectives. The retreat included a review of the organization's mission and goals, its reform and restructuring process, its programmatic objectives and its brand as communicated through the various platforms. This complemented the input provided by external parties, including recipient communities, donors and Member States. The report of the senior managers' retreat of 2020 was completed on 4 January 2021, and a new set of priorities will be communicated to senior managers at the start-of-year senior managers' retreat on 21 January 2021.

12. In 2018, as part of the Executive Director's reform process, change agents were appointed from among UN-Habitat staff members from different divisions and field offices and representing a cross section of different grades, including both Professional and General Service staff members. These change agents have contributed to better management and staff relations. One recommendation made by the change agents is to revive the Staff Management Consultative Committee. In the last quarter of 2020, a series of meetings were conducted with the Staff Union and the Legal Office. The Ombudsman based at the United Nations Office at Nairobi was also consulted about the establishment of the Staff Management Consultative Committee. On 12 January 2021, at the first meeting of the Executive Committee, the Executive Director approved the terms of reference for the Staff Management Consultative Committee and considered the members recommended by the Chief of Staff (Officer-in-charge). The Staff Management Consultative Committee is expected to hold its first meeting in the first quarter of 2021.