



**Executive Board of the United Nations
Human Settlements Programme
Second session of 2021**

Online, 15 and 16 November 2021
Item 6 (b) of the provisional agenda*

**Implementation of the strategic plan for the period
2020–2023: actual annual income and expenditures
in support of the draft financial plan**

Draft financial plan for the period 2020–2023**

Report of the Executive Director

I. Introduction

1. The present report provides a draft financial plan of UN-Habitat for the period 2020 to 2023 in line with decision number 3 of the second session of the Executive Board held on 27-29 October 2020. The report presents projected annual revenues and expenditures for the referenced period alongside actual annual revenues and expenditures for the period where applicable for all funding sources.

2. UN-Habitat provided a proposal for a concept note on the proposed format, scope and content of the financial plan as contained in HSP/EB/2020/7 for consideration by the Executive Board as its second session in 2020. The Executive Board at its second session took note of the draft concept note and in its decision 2020/3, further recommended including an explanation of actual annual income and expenditures.

3. The Executive Board at its first session of the year 2021, in its decision 2021/4 advised that the explanation on the actual annual income and expenditures in support of the draft financial plan be included in the provisional agenda for the second session of the Executive Board for 2021.

4. The United Nations defines income and expenditures in accordance with International Public Sector Accounting Standards.¹

(a) Revenue is covered by in Chapter 3 - Revenue from Non-Exchange Transactions and Chapter 4: Revenue from Exchange Transactions

(b) Expenses are covered in Chapter 5

(c) Additionally, for the current financial period the open commitments are included as a projection of expenditures in the financial period.

5. UN-Habitat is providing a draft Financial Plan to further the consultations of Member States to decide on the methodology and format of the plan, including the formal implementation date of the financial plan.

* HSP/EB.2021/12.

** The present document is being issued without formal editing.

¹ UN IPSAS Accounting Manual: <https://www.un.org/ipsas/Chapter1.html>.

6. Figure 1 provides an overview of the Financial Plan of Projected Revenues and Expenditures for calendar years 2020-2023.
7. Please take into consideration the following when reading the draft financial plan below.
- (a) The 2020-2023 Strategic Plan was not accompanied by a proposed Financial Plan when considered and adopted by the UN Habitat Assembly in May 2019.
- (b) The budgeted figures are per the approval of the UN Habitat Executive Board and the General Assembly, with earmarked resources and programme support costs being the noted projections.
- (c) The allotments issued are based on the allocation of appropriations for the Regular Budget by UNHQ, *available cash plus MS confirmed pledges for the Foundation non-earmarked fund*, available cash for the earmarked and programme support cost funds.
- (d) The actuals for a completed financial period is presented on an IPSAS basis, while the current financial period includes open commitments
- (e) The proposed resources and expenditures for the next financial period (2022) are per the UN-Habitat budget proposals before the Executive Board and General Assembly.
- (f) The revenue for the future financial periods is based on current information available to UN-Habitat for the Regular Budget and Foundation non-earmarked funds. For the earmarked funds, it is based on historical trends and an internal assessment of continued donor support, while programme support revenue is based on a percentage of the projected earmarked revenue.
- (g) The proposed expenditure is based on the experience that the Regular Budget and Foundation non-earmarked resources will be 100% utilised, while the earmarked is based on a 90% implementation rate based on timing difference between revenue recognition and expenditures.

Figure 1

Financial Plan of Projected Revenues and Expenditures for calendar years 2020-2023

(thousands of United States dollars)

<i>Funding sources</i>	<i>Budgeted 2020</i>	<i>Allotment issued</i>	<i>Actuals 2020</i>	<i>Approved 2021</i>	<i>Allotment issued</i>	<i>Actuals (September 2021)</i>	<i>Proposed resources 2022</i>	<i>Proposed resources 2023</i>
Revenues								
Foundation non-earmarked	18 927.4	–	4 916.0	10 000.0	–	1 973.8	11 978.6	12 000.0
Regular budget (Section 15)	14 018.0	–	14 018.0	12 495.8	–	8 399.9	13 289.0	16 289.0
Regular budget (Section 23 and Section 35)	2 217.5	–	1 522.0	2 559.0	–	991.8	2 540.0	2 540.0
Foundation earmarked	63 473.7	–	56 814.0	43 330.8	–	14 392.7	69 122.0	45 000.0
Technical cooperation	147 397.4	–	115 960.0	152 573.1	–	96 547.7	149 845.5	150 000.0
End of service benefits	–	–	2 239.0	–	–	30.9	–	–
Programme support costs	10 641.0	–	10 590.0	9 778.8	–	7 818.5	11 228.5	12 757.0
Total revenues	256 675.0	–	206 059.0	230 737.5	–	130 155.3	258 003.6	238 586.0
Expenditures								
Foundation non-earmarked	18 927.4	7 722.5	6 396.0	10 000.0	3 195.8	2 564.4	11 978.6	12 000.0
Regular budget (Section 15)	14 018.0	14 018.0	14 018.0	12 495.8	12 495.8	8 399.9	13 289.0	16 289.0
Regular budget (Section 23 and Section 35)	2 217.5	2 217.5	1 522.0	2 559.0	2 559.0	991.8	2 540.0	2 540.0
Foundation earmarked	63 473.7	40 601.4	36 303.0	43 330.8	49 406.8	35 712.0	69 122.0	40 500.0
Technical cooperation	147 397.4	104 963.4	91 737.0	152 573.1	162 001.8	79 404.5	149 845.5	135 000.0
End of service benefits	–	–	1 987.0	–	–	35.9	–	–

<i>Funding sources</i>	<i>Budgeted 2020</i>	<i>Allotment issued</i>	<i>Actuals 2020</i>	<i>Approved 2021</i>	<i>Allotment issued</i>	<i>Actuals (September 2021)</i>	<i>Proposed resources 2022</i>	<i>Proposed resources 2023</i>
Programme support costs	10 641.0	12 662.1	10 927.0	9 778.8	11 374.0	8 637.3	11 228.5	11 481.3
Total expenditures	256 675.0	182 184.9	162 890.0	230 737.5	241 033.2	135 745.8	258 003.6	217 810.3
Net Revenues	–	–	43 169.0	–	–	(5 590.5)	–	20 775.7
Subcategory of expenditure								
Posts and other staff costs	96 556.1	82 808.5	80 056.6	93 347.0	78 635.7	36 418.1	108 240.0	97 713.2
Non-post	160 118.9	99 376.4	82 833.4	137 390.5	162 397.5	99 327.7	149 763.6	120 097.1
Total	256 675.0	182 184.9	162 890.0	230 737.5	241 033.2	135 745.8	258 003.6	217 810.3

8. UN-Habitat Secretariat seeks the guidance and approval of the proposed Financial Plan methodology, format, and that the first formal plan be submitted in conjunction with the next UN-Habitat Strategic Plan.