

UN-HABITAT'S KEY PLANNING DOCUMENT AND ROLE OF MEMBER STATES

BUDGET AND FINANCE AT THE UNITED NATIONS



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UN-Habitat key programme planning documents – The Strategic Plan

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UN-Habitat Strategic Plan for the period 2020-2023



The basis of the Plan is UN-Habitat's new vision of "a better quality of life for all in an urbanizing world".

This vision is encapsulated in the Plan's 4 domains of change namely:

- Reduced spatial inequality and poverty in communities across the urban - rural continuum;
- Enhanced shared prosperity of cities and regions;
- Strengthened climate action and improved urban environment;
- Effective urban crisis prevention and response.

- **This document defines UN-Habitat's medium-to long-term goals, as well as the resources plans to achieve them. Strongly contributes to the implementation and monitoring of the SDGs and the New Urban Agenda.**

The Strategic Plan is developed :

- a) **Based on UN-Habitat's mandate and on the existing lacuna;**
- b) **By combining the mandate and the vision of the Executive Director;**
- c) **Using empirical data gathered from research to identify emerging issues;**
- d) **With the inputs of Member States through the Governing Bodies and operational activities in the field;**
- e) **Using information from the sessions of the World Urban Forum emanating from governments and partners.**

UN-Habitat work programme and budget

This document summarizes UN-Habitat's objectives and priority areas for a given year and contains a detailed list of the evaluation activities that the UN-Habitat will undertake.

It also defines the human and financial resources required to implement the annual work programme.



This document sets out the proposed annual work programme and budget of UN-Habitat , which is based on the four-year strategic plan for the period 2020–2023, approved by resolution 1/1, adopted by the United Nations Habitat Assembly

A better quality of life for all in an urbanizing world

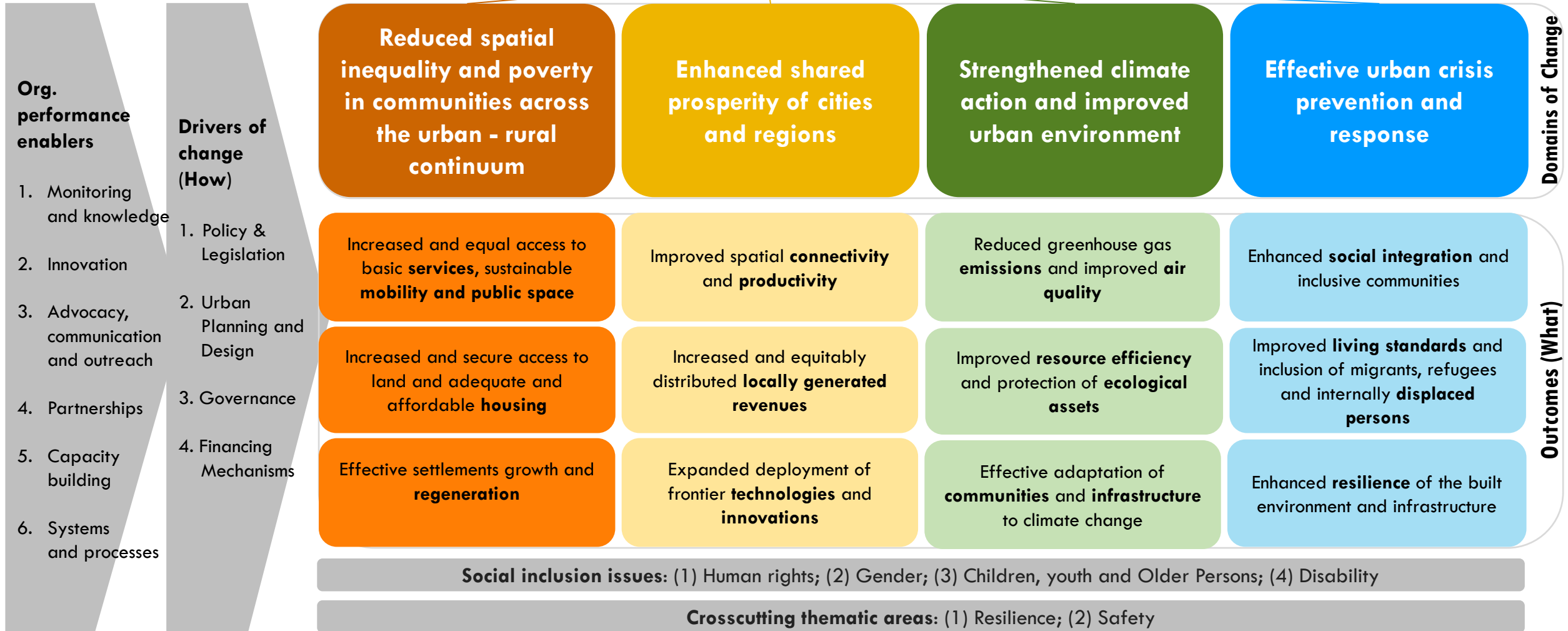
Vision

UN-Habitat promotes transformative change in cities and human settlements through knowledge, policy advice, technical assistance and collaborative action to leave no one and no place behind

Mission

Sustainable urbanization is advanced as a driver of development and peace, to improve living conditions for all, in line with the Sustainable Development Goals

Objective



How are mandates translated into programme planning documents?

UN-Habitat key planning documents

UN-Habitat's mandate

- Entrusted with supporting Member States and other key stakeholders in addressing the many challenges of **sustainable urbanisation**.

Strategic Plan

- **Robust and clear strategic focus** to guide UN-Habitat's work in positively transforming lives in cities and communities around the world.
- Reflects a **vision** and renewed focus on impact.

A robust foundation now exists and must be nurtured to achieve strategic results :

Annual Programme of work

- Based on the four-year **strategic plan** for the period 2020–2023, approved by resolution 1/1, adopted by the United Nations Habitat Assembly at its first session.
- Demonstrates the **concrete ways** in which UN-Habitat will continue, alongside its partners, to support and drive the delivery of sustainable urbanization.

Annual budget

- Finances the **backbone and essential ability** of the UN-Habitat secretariat to carry out its core functions and implement its Strategic Plan through its programme of work


How are mandates translated into programme planning documents?

UN-Habitat key planning documents and role of Member States

UN-Habitat Strategic Plan

Robust and clear strategic focus to guide UN-Habitat's work.

Result of a large internal and external consultative and participatory process, **culminating in the adoption of the Plan by the UN-Habitat Assembly**. Involves Member States, network of partners, UN sister agencies, both Headquarters and field-based staff.

 Rule 2 (f) of the rules of procedure of the UN-Habitat Assembly gives the UN-Habitat Assembly the mandate to examine and approve the Strategic Plan, to be prepared by the Executive Board. The Committee of Permanent Representatives proceeds to the Mid-term review of the implementation of UN-Habitat Strategic Plan.

UN-Habitat annual programme of work

Proposed annual work programme of UN-Habitat, based on the Strategic Plan. Designed to drive and focus the UN-Habitat approach to and delivery of more inclusive and integrated human settlements.

 Rule 5 (c) of the rules of procedure of the Executive Board gives the mandate to the **Executive Board** to approve and oversee the implementation of the annual programme of work.

UN-Habitat annual budget

Finances the **backbone and essential ability** of the UN-Habitat secretariat to carry out its core functions and implement its Strategic Plan through its programme of work.

 Rule 5 (c) of the rules of procedure of the Executive Board gives the mandate to the Executive Board to approve and oversee the implementation of the annual budget.

How are mandates translated into programme planning documents?

UN-Habitat key planning documents

Discussions on the annual draft work programme and budget of UN-Habitat and Ad-Hoc working group on programmatic, budgetary and administrative matters :

- In Decision 2020/6 adopted by the Executive Board at its second session of the year 2020, the Executive Board :



- Recognized the need to align the sessions of the Executive Board with the preparatory and approval process of the draft work programme and budget of UN-Habitat for the year 2022



- Empowered the Ad-Hoc working group on programmatic, budgetary and administrative matters of the Executive Board to discuss a draft work programme and budget of UN-Habitat for the year 2022 in readiness for submission to New York followed by a review a subsequent approval by the Executive Board.



What does the UN Charter say about budgeting and financing in the Organization?



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Article 17

- The General Assembly shall consider and approve the budget of the Organization.
- The expenses of the Organization shall be borne by the Members as apportioned by the General Assembly.
- The General Assembly shall consider and approve any financial and budgetary arrangements with specialized agencies referred to in Article 57 and shall examine the administrative budgets of such specialized agencies with a view to making recommendations to the agencies concerned.



What UN General Assembly body has overall responsibility for budget and finance?



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| What UN General Assembly body has overall responsibility for budget and finance?

GENERAL ASSEMBLY (GA) Established in 1945 under the UN Charter (see Chapter IV), the GA has a dual function:

- it provides a deliberative forum for Member States to discuss the work of the Organization and oversees the work of the Secretariat.
- Comprising all 193 Member States, the GA provides a unique forum for multilateral discussions of the full spectrum of international issues covered by the Charter.

Primary functions of the GA (*inter-alia*):

...

- Maintains the authority to approve budgets, playing a critical role in ensuring that resources are available for the implementation of mandates
- Broad supervision of the work of the Secretariat, especially in terms of budget, staff regulations, and the appointment of senior staff



| What UN General Assembly body has overall responsibility for budget and finance?

The Fifth Committee is the Committee of the General Assembly with responsibilities for administrative and budgetary matters. Based on the reports of the Fifth Committee, the General Assembly considers and approves the budget of the Organization in accordance with [Chapter IV, Article 17](#) of the [Charter of the United Nations](#). This function was reaffirmed by the General Assembly in its [resolution 45/248 B, Sect. VI](#).

The Assembly also considers and approves financial and budgetary arrangements with specialized agencies and makes recommendations to the agencies concerned.

The Committee meets during the main part of the General Assembly session (September to December). Because of its heavy work load it also meets during a resumed session in March. The Committee also holds a second resumed session in May to deal with administrative and budgetary aspects of UN Peacekeeping. This practice is in accordance with General Assembly [resolution 49/233 A](#) of 23 December 1994.

The Fifth Committee may also consider urgent matters relating to the financing of a peacekeeping mission authorized by the Security Council at any of its sessions



| What UN General Assembly body has overall responsibility for budget and finance?

Rule 153 of the Rules of Procedure of the General Assembly explains the relationship between the General Assembly and the Fifth Committee:

"No resolution involving expenditure shall be recommended by a committee for approval by the General Assembly unless it is accompanied by an estimate of expenditures prepared by the Secretary-General. No resolution in respect of which expenditures are anticipated by the Secretary-General shall be voted by the General Assembly until the Administrative and Budgetary Committee (Fifth Committee) has had an opportunity of stating the effect of the proposal upon the budget estimates of the United Nations."

The Advisory Committee on Administrative and Budgetary Questions (ACABQ) is a subsidiary body of the General Assembly. Rule 157 of the Rules of Procedure of the General Assembly explains the role of ACABQ:

"The Advisory Committee on Administrative and Budgetary Questions shall be responsible for expert examination of the programme budget of the United Nations and shall assist the Administrative and Budgetary Committee (Fifth Committee)".



| What UN General Assembly body has overall responsibility for budget and finance?

The Advisory Committee is an expert Committee of twenty-one Members* elected by the General Assembly for a period of three years, on the basis of a broad geographical representation. Members serve in a personal capacity and not as representatives of Member States. The Committee holds three sessions a year with total meeting time between nine and ten months per year. The Chairman and Vice-Chairman of the Committee are elected by the Members of the Advisory Committee.

The programme of work of the Advisory Committee is determined by the requirements of the General Assembly and other legislative bodies to whom it reports.

The Advisory Committee on Administrative and Budgetary Questions (ACABQ), a subsidiary organ of the GA, assists the Fifth Committee.

As an advisory body, reports from ACABQ include observations, conclusions and recommendations to the Fifth Committee on the proposals of the Secretary-General.

Consists of 16 members who are elected by the GA on the basis of broad geographical representation, personal qualifications and experience. ACABQ members serve in their personal capacity and do not represent the interests of any government.

- Examines and reports on the regular and peacekeeping budgets, the accounts of the UN, and the administrative budgets of specialized agencies.
- Advises the GA on other administrative and financial matters referred to it, such as human resources reform.



| What UN General Assembly body has overall responsibility for budget and finance?

Revised and supplementary Foundation programme budget proposals, presentation and submission

Rule 302.5

Supplementary Foundation programme budget proposals in respect of the current budget period, prepared in a form consistent with the programme budget, shall be submitted by the Executive Director to the Governing Council, together with the comments of the Advisory Committee on Administrative and Budgetary Questions, in time for the opening of its regular session in the calendar year involved.



What is the Regular (Programme) Budget?



| What is the Regular (Programme) Budget?

The “regular budget” (or “programme budget”), which covers the mandated activities of the UN Secretariat at Headquarters and at the Offices Away from Headquarters (OAHs), duty stations, the Regional Commissions, special political missions, and various information centres. The regular budget also provides for two longstanding peacekeeping operations: the UN Truce Supervisory Organization (UNTSO) and the UN Military Observer Group in India and Pakistan (UNMOGIP).

Voluntary contributions, complement assessed contributions and are the sole source of funding for UN funds and programmes. UN agencies, however, are financed by a mix of assessed and voluntary contributions.

Some UN Secretariat entities, such as the UN Environment Programme (UNEP), the Office on Drugs and Crime (UNODC), and the **UN Human Settlements Programme (UNHABITAT)** rely to a large extent on extra-budgetary funding, but also have a smaller assessed budgetary component.



| What is the Regular (Programme) Budget?

Programme budget - Authority and responsibility

Regulation 2.1. The proposed programme budget for each budget period shall be prepared by the Secretary-General.

Rule 102.1

- (a) The Secretary-General shall decide on the programme content and resource allocation of the proposed programme budget to be submitted to the General Assembly.
- (b) Heads of department shall prepare programme budget proposals for the forthcoming budget period at such times and in such detail as the Under-Secretary-General for Management may prescribe and in accordance with the Financial Regulations and Rules and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation.



What is the UN-Habitat Foundation Fund?

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Rule 301.3

For the purpose of these regulations and rules:

- (a) “Other extrabudgetary resources” shall mean all extrabudgetary funds of UN-Habitat other than: (i) those entrusted to the Foundation; and (ii) those that form part of the programme budget, informally and commonly referred to as the “regular budget” of the United Nations.

Rule 302.1

- (a) The Executive Director shall prepare a proposed programme budget for the Foundation and its other extrabudgetary resources. It shall cover all anticipated programmes of activities, including reimbursable seeding operations of the Foundation, pursuant to UNHHSF regulation 1.1, programme support costs of the Foundation and other extrabudgetary resources. The budget period and format shall be consistent with relevant United Nations budgetary regulations, rules, policies and practices. The programme budget shall include provision for contingencies;
- (b) The resources of the Foundation and other extrabudgetary funds, after providing for the programme support costs and a General Financial Reserve, shall be utilized to the maximum extent possible for programme purposes;

...



What is a Programme Budget Implementation (PBI)?



| What is a Programme Budget Implication (PBI)?

In order to ensure that the financial implications of a draft resolution are known and considered before approval, the Secretary-General is required to submit a statement of Programme Budget Implications (PBI).

While the underlying resolution is considered in the substantive committee or body, the PBI is considered in the Fifth Committee, with the advice of the Advisory Committee on Administrative and Budgetary Questions (ACABQ).

Approval by the GA of resolutions with PBIs allows for adjustments to the programme budget.

Resolutions with Foundation programme budget implications (Rule 302.6) /¹

The Executive Director is responsible for preparing and presenting to the Governing Council (now Executive Board) a statement of Foundation programme budget implications required under rule 28 of the rules of procedure of the Governing Council (Executive Board) with the comments of the Advisory Committee on Administrative and Budgetary Questions.



What is the Contingency Fund?



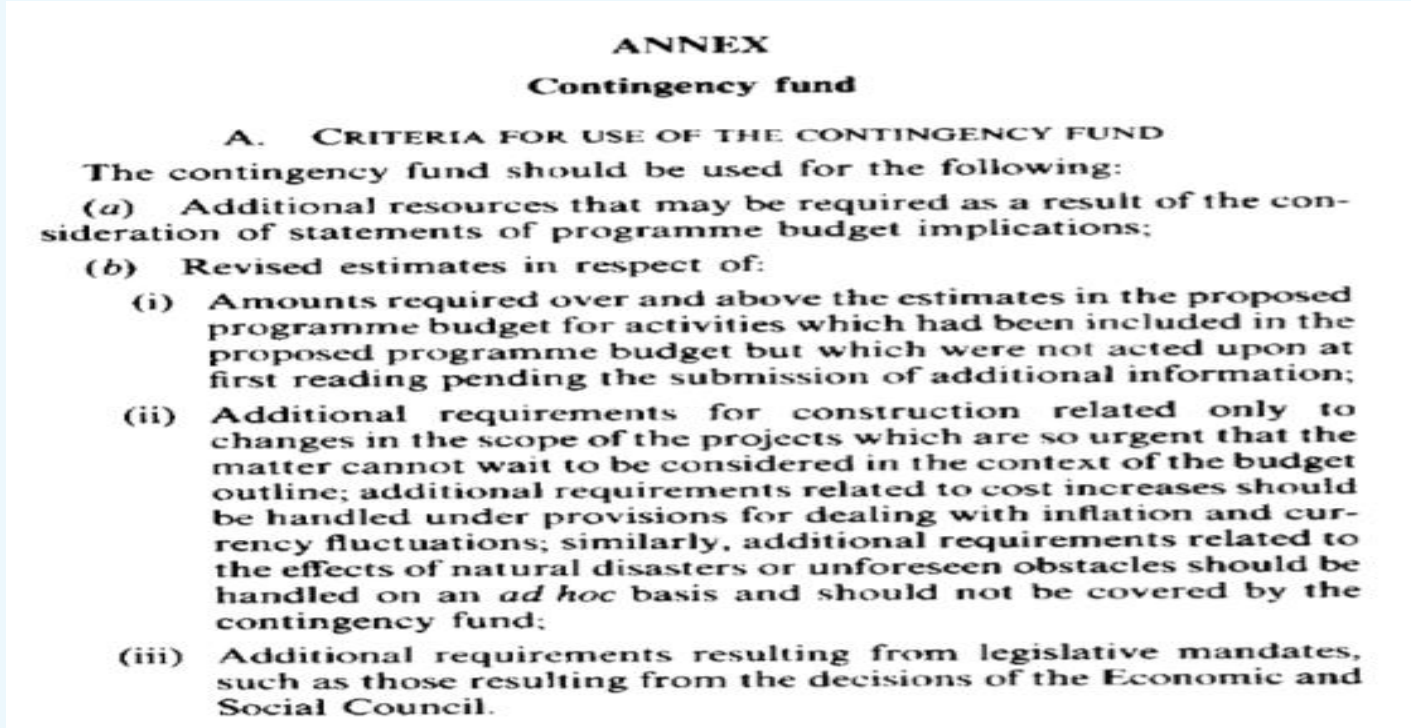
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| What is the Regular (Programme) Budget?

The contingency fund is a mechanism for financing new mandates conferred after the approval of the regular budget.

The GA sets the level of the contingency fund as a percentage of the total budget for a biennium.

Since the inception of the contingency fund, the level has been set at 0.75 per cent of the approved budget outline figure.



How are Member States' assessed contributions calculated?



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| What is the role the Board of Auditors (BOA)?

Programme budget - Assessed contributions

Regulation 3.1. Appropriations, subject to the adjustments effected in accordance with the provisions of regulation 3.2, shall be financed by contributions from Member States, according to the scale of assessments determined by the General Assembly. Pending the receipt of such contributions, the appropriations may be financed from the Working Capital Fund.

How are Member States' assessed contributions calculated?

- Member States are assessed in accordance with scales of assessment approved by the GA. The scale of assessment applicable to the regular budget is determined triennially by the GA, drawing on the advice of the Committee on Contributions. The scale of assessment is intended broadly to reflect the capacity to pay. The minimum share of a Member State is 0.001 per cent. The ceiling applicable to the regular budget scale is 22 per cent.

[HTTPS://HR.UN.ORG/SITES/HR.UN.ORG/FILES/THE%20ESSENTIAL%20GUIDEBOOK%20FOR%20SENIOR%20LEADERS%20OF%20THE%20UN_0.PDF](https://hr.un.org/sites/hr.un.org/files/the%20essential%20guidebook%20for%20senior%20leaders%20of%20the%20un_0.pdf)



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