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Implementation by UN-Habitat of the reform of the development system and management of the United Nations

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Report by the Executive Director

I. Introduction

1. The secretariat has prepared this report in response to the requests by the Executive Board (in its decisions 2019/4 and 2021/8) for the Executive Director to provide regular information on the progress made by the United Nations Human Settlements Programme (UN-Habitat) to implement the United Nations development system reform. Building on the report on the alignment of the quadrennial comprehensive policy review process with UN-Habitat planning cycles (HSP/EB.2020/16), it also aims to highlight the implications of the reform, its impact on the work of UN-Habitat and the related priorities for the coming year.

2. The actions taken by UN-Habitat, as set out in the report, stem from the quadrennial comprehensive policy review of operational activities for development of the United Nations system for the period 2017–2020 (A/RES/71/243) and the repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review (A/RES/72/279). They have been further informed by the United Nations funding compact (A/74/73/Add.1–E/2019/4/Add.1) and the quadrennial comprehensive policy review for the period 2021–2024 (A/RES/75/233), and the 2021 review of the resident coordinator system (A/RES/76/4) reaffirmed the commitment of the United Nations to the reform of the development system and its ongoing dialogue with Member States in that regard.

3. An overriding objective of the quadrennial comprehensive policy review is to strengthen the ability of the United Nations development system to support Member States in implementing the 2030 Agenda for Sustainable Development, with both immediate and long-term implications for how the United Nations operates at the country, regional and global levels.

4. The development system reform seeks to make United Nations assistance more integrated and more focused on delivery on the ground, with clearer accountability and better aligned skills and resources. It also seeks to integrate the three pillars of human rights, peace and security, and development. In 2019, the funding compact established a set of complementary commitments on...
efficiency gains and improved coordination by United Nations entities and improved funding predictability by Member States.

5. Action by UN-Habitat to implement the reform covers four main areas: its contribution to global inter-agency platforms, regional guidance and support, country-level engagement and management reform for increased efficiency.

II. Contributions to global inter-agency platforms

6. UN-Habitat has contributed to the reform of the United Nations by facilitating the implementation of the United Nations system-wide strategy on sustainable urban development, endorsed by the United Nations System Chief Executives Board for Coordination in May 2019. The strategy offers a whole-of-system approach to harnessing the opportunities and mitigating the challenges of sustainable urbanization, as set out in the New Urban Agenda, to support the commitments of Member States in relation to the Sustainable Development Goals and the Paris Agreement under the United Nations Framework Convention on Climate Change. UN-Habitat facilitates implementation of the strategy through a range of inter-agency processes and multi-stakeholder partnerships.

7. In 2020 and 2021, with the advent of the coronavirus disease (COVID-19) pandemic, three inter-agency bodies chaired by the Secretary-General – the Chief Executives Board, the Senior Management Group and the Executive Committee of Economic and Social Affairs – focused their attention on sustainable urbanization and the New Urban Agenda. Decisions taken by those bodies resulted in the preparation of the Secretary-General’s policy brief on COVID-19 in an urban world, which provided the framework for the UN-Habitat report Cities and Pandemics: Towards a More Just, Green and Healthy Future. They also led to the establishment of the United Nations Task Force on the Future of Cities, chaired by UN-Habitat, made up of 22 United Nations entities and involving the Global Task Force of Local and Regional Governments in select sessions. The United Nations Task Force provided input to the Secretary-General for the preparation of his report Our Common Agenda,1 and specifically the recommendation to establish the Advisory Group on Local and Regional Governments. The Secretary-General also took advantage of the three inter-agency bodies to focus attention on the urban dimensions of a new action plan on internal displacement, which has recently been endorsed by the Secretary-General, but has not yet been published.

8. UN-Habitat reinforced its participation in the new strategic results groups of the United Nations Sustainable Development Group, the inter-agency system supporting the resident-coordinator-led country teams. UN-Habitat strengthened its internal focal-point system to ensure adequate feedback from countries and regions to headquarters and vice versa, and contributed its experience and technical expertise to four areas: achievement of the Sustainable Development Goals; engagement with United Nations resident coordinators; financing of Sustainable Development Goal achievement and the funding compact; and business innovation. UN-Habitat contributed to the definition of indicators for reporting on system-wide contribution to Sustainable Development Goal achievement and provided input and tools for integrated policy support, with an emphasis on the leave-no-one-behind and human rights agendas and on resilience.

9. UN-Habitat has taken on a leadership role in the Local2030 coalition, co-chairing the coalition with the United Nations Development Programme (UNDP). Launched by the Deputy Secretary-General in September 2021, this eight-year, United Nations-led multi-stakeholder initiative aims to accelerate the decade of action and delivery for sustainable development at the local level. At its first meeting in February 2022, the coalition steering committee will approve a two-year work plan anchored at the country level in the United Nations resident coordinator system, helping United Nations country teams to work with local government associations and other local actors. With the coalition, UN-Habitat, together with UNDP, the Department of Economic and Social Affairs and the United Nations regional economic commissions, will promote local voluntary reviews to enhance the monitoring of progress towards the Sustainable Development Goals at the subnational level. UN-Habitat will provide technical tools and guidance for the local voluntary reviews, Sustainable Development Goal assessment of urban projects and mobilization of innovative finance through, among other things, the Sustainable Development Goals Cities flagship programme.

10. At the request of the Statistical Commission, UN-Habitat developed the Global Urban Monitoring Framework to harmonize existing urban indices and tools and advance an agreed universal framework to track the implementation of the New Urban Agenda and progress toward the achievement of Sustainable Development Goal 11 and other urban-related Sustainable Development

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1 www.un.org/en/content/common-agenda-report/.
Goals. The framework supports voluntary local reviews and the preparation of urban data for common country analyses. Further development of the framework led by UN-Habitat will involve 36 partners from the United Nations system, cities and local governments, national governments, civil society and research institutions.

11. UN-Habitat has advanced the urban dimension of the humanitarian-development-peace nexus, contributing to the development of the action agenda on internal displacement of the Secretary-General. This is a follow-up to the report of the High-level Panel on Internal Displacement, entitled “Shining a Light on Internal Displacement: A Vision for the Future” and launched in September 2021, for which UN-Habitat had facilitated consultations with local government and had submitted a non-paper on internally displaced persons in towns and cities, working with the realities of internal displacement in an urban world. In addition, UN-Habitat remains an active member of the Inter-Agency Standing Committee and the Executive Committee on Humanitarian Affairs, offering technical expertise, experience and networks on durable solutions for shelter and basic services and inclusive urban planning to improve livelihoods and social cohesion in countries in conflict- and post-conflict situations.

12. Strategic alliances were established in 2020 and 2021 with UNDP, the Office of the United Nations High Commissioner for Refugees, the World Health Organization, the United Nations Children’s Fund and the Food and Agriculture Organization of the United Nations to improve collective effectiveness in tackling urbanization challenges and emerging issues, such as urban health, innovative financing, food security and enhancement of the humanitarian-development nexus. These collaborations will reinforce the relevance of UN-Habitat’s tools and approaches for the broader United Nations mandate through the development of guidance, programming and advocacy at both the country and global levels. Twenty United Nations entities submitted their contributions to the Secretary-General’s second quadrennial report on progress in the implementation of the New Urban Agenda, drawing on a United Nations-wide focal point system for urban development.

13. UN-Habitat also strengthened cooperation with the Executive Office of the Secretary-General, both on the United Nations system-wide strategy for sustainable urban development and to advance the initiatives mentioned above. UN-Habitat has worked closely with the Development Coordination Office to promote sustainable urbanization at the country level by participating in global webinars organized for United Nations resident coordinators. The Development Coordination Office and UN-Habitat also agreed to accelerate joint urban programming at the country level in two or three countries in each of the Africa, Asia-Pacific and Latin America and the Caribbean regions, and to utilize the eleventh session of the World Urban Forum and webinars with selected United Nations resident coordinators to catalyse engagement.

III. Regional guidance and support

14. UN-Habitat regional representatives were actively involved in the five regional collaborative platforms. Designed to harness regional assets of the United Nations system in a coordinated manner to advance United Nations reforms, the regional collaborative platforms are chaired by the Deputy Secretary-General, with representatives from the United Nations regional economic commissions and UNDP bureau directors serving as vice-chairs. Within these platforms, UN-Habitat contributed to issue-based coalitions, peer support groups and regional knowledge hubs. Regional focal points were also identified for small island developing States and a regional strategy on slum upgrading was developed for the Caribbean, in collaboration with the United Nations Caribbean multi-country office.

15. Regional representatives utilized the regional collaborative platforms and ongoing cooperation with the regional economic commissions to assist Member States in preparing their input for the high-level meeting of the General Assembly on the review of the implementation of the New Urban Agenda, to be held in April 2022. In March 2022, regional representatives will support Member States at the regional forums for sustainable development in developing input on Sustainable Development Goal 11 for the high-level meeting.

IV. Country-level engagement

16. Following the restructuring of UN-Habitat in 2020, the Programme has made efforts to link its provision of expertise to demand from Member States for urban policy advice and technical assistance through strengthened capacity and performance of UN-Habitat programming. Demand from Member States and United Nations resident coordinators for assistance on national urban policies, urban economy, land, urban planning, urban basic services, informal settlement upgrading and related urban issues has grown in all regions.
17. Internal substantive and procedural guidance on country-level programming is being developed: in 2020 and 2021, country analysis and ongoing support informed the provision of funding for engagement in common country assessments and United Nations Sustainable Development Cooperation Framework formulation in seven countries. The exercise is being reviewed to consolidate guidance for United Nations country team members and all UN-Habitat staff.

18. In recent years, UN-Habitat has also realigned most of its global programmes to respond to local demand and issues while leveraging global knowledge and networks and has developed tools and networks focused in particular on local integrated implementation of the 2030 Agenda. Data sets and analysis were provided to several countries to support common country assessments. The establishment of internal communities of practice is serving to match demand with the supply of technical support and capacity-building. The development of a community of practice on supporting United Nations country team programming is being explored.

19. Notwithstanding this mobilization and increased ease of remote collaboration, which has facilitated the engagement of UN-Habitat, the bulk of its programming work is conducted at the country and regional levels through constant engagement with United Nations country teams, regional coordinator offices, governments and regional coordination mechanisms. As a result, the responsibilities of and demands on regional representatives and country-level staff has increased significantly, without any dedicated funding or personnel being made available.

20. UN-Habitat is a member of 70 of the 131 United Nations country teams, as a resident or non-resident entity. To date, it has engaged in the preparation of common country assessments and United Nations sustainable development cooperation frameworks in over 70 countries and is a signatory of most of the 50 new-generation United Nations sustainable development cooperation frameworks already adopted. Engagement with joint work programmes is extensive. In Bolivia, for example, the joint work programme reflects an urban agenda component, while in Sao Tome and Principe, UN-Habitat contributes to the social cohesion and inclusive growth components. Engagement in COVID-19 social and economic recovery plans developed by United Nations country teams has also been significant, with UN-Habitat focusing on community protection and resilience.

21. Activities related to the integration of peace, security, humanitarian and development issues have included continued cooperation with the Department of Political and Peacebuilding Affairs on youth, peace and security in Somalia, work in conjunction with the Office of the High Commissioner for Refugees in Colombia, Kenya and several Arab States on the integration of refugees into urban settings, and work on non-camp solutions, including the regeneration of camps and the planning of durable settlements.

V. Management reform for increased efficiency

22. UN-Habitat has remained actively involved in the Business Innovations Strategic Results Group of the United Nations Sustainable Development Group, whose aims include establishing a single “back office” for each United Nations country team and establishing multi-country offices, initially in small island developing States.

23. UN-Habitat provided input to the Management Accountability Framework, which began to be rolled out in 2021, involving reporting by all UN-Habitat country-level representatives to both UN-Habitat and the Development Coordination Office. UN-Habitat also participated in the follow-up of the multi-country office review by the inter-agency working group. In 2022, discussion on the United Nations country team reconfiguration exercise will be critical to shaping future operations for non-resident and specialized entities such as UN-Habitat.

24. The United Nations reforms are premised on a number of changes in the way that the United Nations funds its activities, as set out in the funding compact. The progress made by UN-Habitat to date on the indicators of the funding compact will form part of the reporting to the Executive Board on UN-Habitat’s implementation of the reform in 2023, once the United Nations Sustainable Development Group has finalized the reporting formats.

25. Commitments in the funding compact include the increase of predictable non-earmarked funding to 30 per cent of entities’ resources by 2023 and an increase in the share of resources channelled to pooled funding at the country level, managed by resident coordinators. Such commitments are intended to reinforce the policy advisory and technical assistance capacity of United Nations entities and support joint work programmes. This scenario will require the Programme to return to higher levels of voluntary, general-purpose contributions, to ensure that subregional offices and regional representatives are paid from voluntary, general-purpose funds and enable the support of effective programming at the subregional level, which will in turn enable United Nations country
teams and resident coordinators to provide Member States with assistance in sustainable urban development.

26. In addition, given that the UN-Habitat country-level project portfolio is considerable, the contribution of the Programme to the United Nations reform process could be enhanced beyond the 1 per cent levy channelled to the Development Coordination Office. Adequate cost recovery mechanisms could also enable healthier collaboration across offices while contributing to consolidating UN-Habitat capacity and expertise over the long term.

27. The overall coordination and oversight of the United Nations reform within UN-Habitat is the responsibility of the Office of the Executive Director. The Executive Committee, chaired by the Executive Director and composed of the Deputy Executive Director, Chief of Staff and four senior directors, regularly reviews progress and provides strategic guidance. The UN-Habitat New York Office continues to represent UN-Habitat in United Nations system-wide coordination, but overall responsibilities have shifted considerably, owing to the momentum gained by the country and regional processes.

28. The 2020 restructuring established programming functions at UN-Habitat headquarters, and engagement at the country level has been assured through the country-level portfolio. Capacity at the regional level is possibly the most important concern, as it has stagnated despite the increased responsibilities placed on resident representatives. A new regional architecture, based on subregional offices that cover a group of countries, is a key step in enabling UN-Habitat to realize significant efficiency gains while operating closer to countries to develop tailored urban development support. Similarly, the redefinition of the UN-Habitat New York Office as the focal point for United Nations system-wide coordination, headed by a director at the D-2 level, is pending and coordination is currently conducted with very limited staff and resources.

29. In the interim, there have been successful experiences of joint supervision of technical staff by regional representatives and UN-Habitat headquarters, focusing on the provision of specialized technical expertise embedded in local teams. Increased mobility and adoption of flexible, co-supervised arrangements could also augment technical capacity at the country level and should be explored.

VI. Conclusion

30. The seventy-sixth session of the General Assembly features two milestones. The first is the release of the report *Our Common Agenda*, which looks ahead to the next 25 years and presents the Secretary-General’s vision of the future of global cooperation and reinvigorating inclusive, networked and effective multilateralism. The proposals for the Advisory Group on Local and Regional Governments, a renewed social contract incorporating adequate housing and work on defining new public goods and addressing climate change provide a new focus for global and local engagement. The report also features a “quintet of change”, a set of cross-cutting agendas that underpin many of the initiatives proposed in the report. The quintet capabilities include data, analytics and communications; innovation and digital transformation; strategic foresight; behavioural science; and performance and results orientation. These additional focus areas will serve as guideposts for the United Nations system and for UN-Habitat in its efforts to help governments to achieve the Sustainable Development Goals.

31. The second milestone is the high-level meeting of the General Assembly on the review of the implementation of the New Urban Agenda. The ongoing preparatory process with the engagement of United Nations entities and Member States under the guidance of the President of the General Assembly and the meeting itself will raise the profile of urban development within the context of the Sustainable Development Goals. The high-level meeting will include a review of the quadrennial report of the Secretary-General on progress in the implementation of the New Urban Agenda and provide further guidance on strengthening integrated interventions and addressing climate change, inequality and urban crisis and displacement. It will also mobilize partnerships for financing and collaboration with the private sector.