Summary of the annual report (2021) on the implementation of the strategic plan of the United Nations Human Settlements Programme for the period 2020–2023

Note by the secretariat

1. In paragraph 3 of resolution 1/1, the United Nations Habitat Assembly of the United Nations Human Settlements Programme (UN-Habitat) requested the Executive Director of UN-Habitat to report annually to Member States on progress achieved in the implementation of the strategic plan for the period 2020–2023 and the activities set out in the work programme of UN-Habitat. Accordingly, the secretariat prepared the Annual Report 2021, setting out progress achieved during the year.

2. The full Annual Report 2021 was launched on 28 April 2022 and can be accessed from the UN-Habitat website homepage (via https://unhabitat.org/annual-report). Printed versions have been shared with all UN-Habitat regional and liaison offices for further dissemination.

3. In line with requests from Member States, the report outlined the progress achieved towards planned results (outcome areas) against indicator targets for 2021. Results were gathered from headquarters offices, country offices and regional offices in a data collection exercise undertaken in January and February 2022.

4. The report clearly demonstrates that UN-Habitat is implementing initiatives that contribute to the fulfilment of its mandate by alleviating poverty and inequality, enhancing shared prosperity, strengthening climate action and preventing and responding to urban crises. It also indicates that UN-Habitat has been advancing its catalytic functions, creating more innovative urban solutions and ideas, working increasingly with strategic partners and delivering more tightly focused interventions.

5. The coronavirus disease (COVID-19) pandemic continued to disrupt the implementation of certain activities included in the work programme and budget for 2021. The overall financial constraints and the heavily earmarked nature of the budget continue to affect the overall balance of results across the strategic plan for the period 2020–2023. At the same time, throughout 2021 there was sustained demand for the technical services of UN-Habitat, in particular for global normative programmes, an area in which funding increased by 16.9 per cent to $135.6 million. The COVID-19 pandemic highlighted the important role of cities in mitigating and responding to new vulnerabilities and the importance of creating conditions for long-term social and economic city recovery. The

* HSP/EB.2022/14.

lessons learned have been incorporated into the planning for 2022 and the draft work programme for 2023.

6. In its second year, and notwithstanding the challenging context described above, the strategic plan continued to be a robust instrument for responding to conflict, the COVID-19 pandemic and climate emergencies by preparing human settlements to manage risks, prevent crises, sustainably recover from the pandemic, and mitigate and adapt to climate change. UN-Habitat produced publications, tools, guidelines and technical materials through its earmarked funding and funds available at the country and regional levels to inform its global normative work, improving both its operational activities and its field presence.

7. The Annual Report 2021 presents the three priorities of UN-Habitat for the remainder of the period of the strategic plan: housing, climate, and a localized 2030 Agenda for Sustainable Development, expanded in 2022 to also comprise crisis response. The report notes a number of adjustments to the work programme and deliverables, based on an ongoing analysis of external conditions, and presents the results to date. It sets out the normative and operational activities of UN-Habitat with related results at the local, national, regional and global levels. Impact is illustrated through specific outcomes and stories for each of the four domains of change and the milestones achieved during the reporting period.

8. Important achievements in supporting cities through normative and operational work are documented. Sustainable urban development has been advanced by increasing access to basic services, public space, adequate housing and sustainable public transport. The Cities and Pandemics report provides cities with pathways towards accomplishing a sustainable and just recovery from the COVID-19 pandemic. Tools and methodologies strengthen the capacity of cities in areas such as gender-sensitive urban planning, waste management and low-emission development. UN-Habitat has shaped the global discourse on sustainable urban development by leading the development of the global urban monitoring framework, developing an online platform on voluntary local reviews and co-organizing the Innovate4Cities 2021 Conference.

9. The Annual Report 2021 also provides information on outcomes of the UN-Habitat flagship programmes, which were launched in 2020 to strengthen the delivery capacity and efficiency of the strategic plan by consolidating initiatives to engage with Governments and UN-Habitat partners. The flagship programmes serve as vehicles to reinforce integration of UN-Habitat normative and operational work for greater efficiency and impact in the four domains of change of the strategic plan.

10. The report contains the following sections:

(a) Section 1 presents an introduction that outlines the strategic priorities for 2021; the results of the internal restructuring to align UN-Habitat with the Secretary-General’s wider reforms; the response by UN-Habitat to the COVID-19 pandemic during the year; improvements made in monitoring and reporting on the New Urban Agenda and the Sustainable Development Goals; and the focus on advancing urban issues within the United Nations system;

(b) Section 2 sets out a detailed assessment of the progress and results achieved in each of the four domains of change, and on social inclusion issues, presenting transformative stories and demonstrating results;

(c) Section 3 illustrates the way in which UN-Habitat plays a catalytic role in advancing urban issues through strategic partnerships, and it provides an outlook for 2022;

(d) Section 4 provides an overview of the financial performance of UN-Habitat in 2021.

11. Last year, UN-Habitat introduced innovative ways to diversify its funding sources and establish new strategic partnerships. To complement funding from Member States for the implementation of the mandate of UN-Habitat, a third-party endowment was developed and reviewed in terms of its feasibility. The creation of the Sustainable Human Settlements Foundation, registered by Blenheim Capital in June 2021, has great potential to help provide longer-term sustainability for the work of UN-Habitat, in line with its mandate.

12. Comprehensive reform continues to make UN-Habitat fitter for purpose in order to advance its revised and expanded mandate. In 2021, this reform helped to accelerate better connections between UN-Habitat and other United Nations entities within the framework of recent global agendas, all of which delivered positive results in 2021. It also helped to advance the implementation of the United Nations system-wide strategy on sustainable urbanization; to leverage sustainable urbanization

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2 UN-Habitat, Cities and Pandemics: Toward a More Just, Green and Healthy Future (Nairobi, 2021).
for greater climate impact; and to speed up progress in achieving the Sustainable Development Goals and other global agendas.