

Embassy of the Kingdom of Morocco  
Nairobi



سفارة المملكة المغربية  
نيروبي

28<sup>th</sup> March 2023

**Statement of the Kingdom of Morocco on agenda item 4 to the  
First session of UN- Habitat Executive Board 2023.**

**Draft Statement of the Kingdom of Morocco on Agenda Item 4:** *“Financial status of UN-Habitat, including an update on the financial reserve and the updated scalability model for the non-earmarked budget of the Habitat and Human Settlements Foundation”.*

**Thank you, M. Chair for giving my delegation the floor;  
Your Excellency, Mme Executive Director,  
Excellencies, and distinguished delegates, Members of the Executive Board,  
Excellencies distinguished delegates;**

1. At the outset, allow me, Chair, on behalf of the Kingdom of Morocco, to commend you for your leadership and the skilful way you are steering this meeting, and wish you a very successful chairmanship of this first session of the Executive Board for the year 2023 .
2. My delegation would like also to congratulate H.E the Executive Director of UN-Habitat for her brilliant leadership and strive towards achieving progress in the execution of UN-HABITAT mandate. Morocco will continue extending its support to you Mme ED and to UN- Habitat, and is honoured as a member of the Executive Board, to contribute constructively to this 1<sup>st</sup> session of the Executive Board.
3. My delegation is also seizing this opportunity to join others in thanking the secretariat for the availability in advance of the working documents, presentations, and reports under consideration.
4. Mr Chair, Morocco is aligning itself with the statement delivered by H.E Ambassador of Eritrea on behalf of the Africa Group and H.E Ambassador of Pakistan on behalf of the G77+China.
5. My delegation, while considering the financial status and update on the financial reserve and scalability model for the non-earmarked budget, **notes with appreciation that the reinforcement of control of the expenditure and management of resources for the period considered has proved its efficiency and saved to the organisation financial resources that can be used to cover other needs and activities.**
6. The resulted surplus of 5.5 million US\$ thanks to the good management of the total revenue for the Foundation non-earmarked Fund which amounted during the reporting period to 7.5million US \$, is a demonstration of the efficient way the organisation has managed its non earmarked resources and limited its total expenses to 2 million \$. Such efficiency in the management of non earmarked resources has the merit to be duplicated in the use of other funds to allow the organisation achieve its mandate in the most efficient way.

7. My delegation, while acknowledging that non earmarked contributions and UN regular budget constitute the core resources of UN-HABITAT, would like to **underline the visible discrepancy between the foundation earmarked contributions (36.646,1) and non earmarked (7.504,9). The latter is key** for the implementation of the UN-Habitat strategic plan for mandated normative work, the direction and management, and a baseline level of programme support.

8. This difference observed can compromise the needed flexibility for the work of the organisation in the management of its activities to ensure that all regions are equally benefitting from UN HABITAT programs. This situation clearly shows that the higher trend of contributions to the earmarked fund versus a smaller trend to the non earmarked fund, could however direct the work of UNHABITAT towards limiting implementation of its programs and activities and that could also include more focus on a selected areas of actions and regions at the expense of others.

Then the question to be asked to members of the Executive board is: **how can this trend be reversed and incite donor countries to contribute equally to the non earmarked budget? Can the increase of oversight or control of non earmarked budget be conducive to this end? This is a question as a food for thought that could engage us in exploring the appropriate adjustments to secure the adequate financial means to the organisation to allow achievement of its mandate.**

The approved 2022, non earmarked budget of a rough 12 million\$ has not been delivered, because of lack of contributions but also lack of trust. The control over expenses to streamline the use of resources is a very good option that we welcome, but certainly should not mean in anyway that the organisation can suffice with a very limited non earmarked budget thus limiting its suppleness and flexibility that it should continue to enjoy.

Mr Chair, my delegation would like to thank Mme ED for her report **on the Scalability model for the non-earmarked Foundation budget, the methodology and priorities set out in the scalability model are laudable precisely the suggested realignment of fund and function to ensure the proper use of funds and look forward to the rationalisation analysis of all posts across all sources of funding. As for priorities my delegation considers it a priority to extend support to developing countries in order to assist them in delivering their report on the implementation of the New Urban Agenda, as well as on building capacities for the setting up of urban data systems in countries who don't have such capacities, particularly in Africa, but also to support the work of UNHABITAT at the regional and country levels.**

**I thank you.**