

Answers from UN-Habitat to questions provided in writing from the delegation of Portugal related to recent discussions in the Ad Hoc Working Group on Programmatic, Budgetary and Administrative matters of the Executive Board

1. **Question:** *We would appreciate further clarification on the distribution of posts among the sub-programmes, as presented on slides 24 and 25 in the presentation from the PBA last month. In particular, could you explain the rationale for allocating only six positions to subprogramme 2, which covers planning, policy, finance, governance, and localization, and thus constitutes the core of UNH's normative work? By contrast, the Executive Direction and Management unit comprises 20 posts, including two D1-level positions. If staffing numbers reflect programmatic priorities, we would like to understand why UNH's core normative work appears to be relatively under-resourced, and how this situation might evolve. Furthermore, how does affect the balance between the organization's focus on normative vs. operational work?*

Response:

The distribution of the positions in slides 24-25 in the [presentation delivered by the Secretariat](#) to the Working Group at its [meeting on 15 October](#) is the result of the “lift and shift” of available positions in the organization before carrying out the functional review and before including the Programme Support Cost non-compliant positions. Please refer to table 4 in document [HSP/EB.2025/19](#) on the "Update on the Structure and division of responsibilities for the implementation of the Strategic Plan for the period 2026-2029" which shows that Sub-programme 2 now has 14 positions.

It should also be noted that the Executive Direction and Management includes the Office of the Executive Director, the New York Office, the Legal Office, the Independent Evaluation Unit and the Resource Mobilization unit. Regular Budget and Foundation non-earmarked funds are the core funds of UN-Habitat. While regular budget positions have remained steady at around 75 posts in the past years, the significant recent reductions of core financial resources available under the foundation non-earmarked fund has led to a significant under-resourcing on the core normative work - as also noted by many Member States. As a result of the reduced contributions to the core Foundation non-earmarked fund, human resources have decreased from 130 positions in biennium 2018-2019 to only 19 positions in 2025 (corresponding to an overall **85%** reduction).

Some positions under the Foundation non-earmarked fund were “saved” when the General Assembly approved the conversion of 7 posts under the foundation non-earmarked funds to be financed through the UN Regular Budget, thereby increasing the number of Regular Budget position from 75 to 82 in 2023, while other posts were

temporarily financed by the programme support fund financed by earmarked contributions.

In the current situation, where Regular Budget positions are expected to be reduced from 82 to 66 posts, UN-Habitat has proposed to the Executive Board to address the under-resourcing of core normative work by redistributing 25 positions currently funded by earmarked funds through the programme support fund to instead be funded by the foundation non-earmarked fund.

2. **Question:** *Talking about the functional review that was announced by the secretariat during the last PBA-meeting, we would be eager to hear more from the secretariat on the scope and proposed process for this review. Specifically, who will conduct the review, how will the results be used, and in what way will Member States be informed and consulted throughout the process?*

Response:

The Functional review is an internal systematic organizational assessment of how functions (roles, mandates and responsibilities) are organized and delivered with the goal of improving efficiency, coherence and alignment with the strategic objective (the strategic plan). This was an internal review conducted through a comprehensive and consultative process led by the Management Advisory and Compliance Service (MACS) Division, in coordination with the Division Directors. In accordance with Paragraph 8 of Executive Board decision 2025/1 (c), requesting the Executive Director to update the Board at its third session about structure and human resources, the results of the functional review are presented in the document entitled “[Update on the Structure and division of responsibilities for the implementation of the Strategic Plan for the period 2026-2029](#)”.

As per paragraph 82 of that report, the functional review have assessed functions, workloads, and capacities against the Strategic Plan 2026–2029, with the aim of ensuring that every staff position directly supports the implementation of mandated outcomes. This process allowed UN-Habitat to align human resources with organizational priorities, eliminate duplication, and strengthen critical technical and operational capacities, while maintaining a lean, results-oriented structure consistent with the principles of the UN80 initiative. Furthermore, the Executive Director provided a thorough update about the functional review process at the [70th meeting of the PBA on 3 November](#).

3. **Question:** *Moreover, it seems that relatively a lot of capacity has been reserved for supporting functions (for example on EDM, PGS and PMO). Could the secretariat clarify for what purposes this big capacity will be used?*

Response:

As mentioned in the response to the first question, the presentation on 15 Oct 2025, related only to the lift and shift of the existing positions and this preceded the functional review.

As of October 2025, the capacity reserved for ‘support functions’ is limited in UN-Habitat, since many filled substantive positions are project positions that are funded by earmarked contributions (75% of UN-Habitat’s positions). Positions under the Executive Direction and Management (EDM), the Policymaking Organs (PGS) and Programme Support (PMO) constitute only 25% per cent of the total positions in UN-Habitat (10% EDM, 13% PGS and 2% PMO).

The EDM includes the Office of the Executive Director, the New York Office, the Brussels Office, the Geneva Office, the Resource Mobilization unit, the Legal office and the Independent Evaluation Unit.

The PMO includes the Secretariat of the Governing Bodies which is responsible for the organization of all meetings of the Inter-governmental bodies and their working groups (UN UN-Habitat Assembly, the Committee of Permanent Representatives and the Executive Board).

Finally, the PGS includes all administrative, operational and compliance support functions in the management advisory and compliance service at global level and in the regions.

More details regarding responsibilities of these three thematic areas have been provided in document [HSP/EB.2025/19](#).

4. **Question:** *It is unclear how the 20% regular budget cut is reflected in the proposed structure. In particular, we understand that 16 positions were proposed to be abolished — but these still appear in the current structure. Could the Secretariat confirm which posts, in which divisions and offices, are to be abolished? It was mentioned that 8 of these posts are encumbered — in that case, we would appreciate more transparency on how this will affect operational capacity, particularly in the smaller divisions.*

Response:

In Annex 3 of document [HSP/EB.2025/19](#), UN-Habitat has presented the 16 positions proposed for abolishment under the regular budget, indicating the corresponding grade levels affected. The proposed positions are drawn from the Office of the Executive Director, the External Relations, Strategy, Knowledge and Innovation Division, the Global Solutions Division, and the Management Advisory and Compliance Division.

However, the proposal remains subject to approval by the General Assembly in December 2025. The proposed downsizing policy will only be activated if the General Assembly approves the overall UN proposal for a reduced Regular Budget. Following

that decision, UN-Habitat will be in a position to provide an assessment of the consequences on the operational capacity of the affected divisions.

5. **Question:** *The document also indicates a proposed adjustment of 34 posts from the 148 posts that were included in the original budget for 2026. From those 25 are proposed for the Foundation non-earmarked fund. Will this be reflected on a potential update on the proposed budget for next year, taking into account also the financial situation at this stage?*

Response:

As explained in the response to question 1 above, most of the 34 positions were originally funded under the foundation non-earmarked fund. However, due to the increasing deficit under the foundation, they were moved temporarily to the programme support fund, following the exhaustion of the funds from the loan issued in 2017.

Recent guidance from the UN Controller, on which basis they were assessed as non-compliant under Programme Support, was received after the budget proposal for 2026 was submitted in March 2025. By that time, the budget had already undergone review by the ACABQ and the General Assembly Fifth Committee, hence it may not be changed at this stage. Therefore, UN-Habitat considers that these positions will continue to be funded from the programme support fund in 2026 and that they will be regularized in the 2027 budget, for which preparation starts in November 2025. UN-Habitat has proposed that 25 of these positions be funded from the Foundation non-earmarked fund (see document [HSP/EB.2025/19](#)). Subject to agreement by the Executive Board, these posts will then be financed under the Foundation non-earmarked fund in 2027.

6. **Question:** *Furthermore, could you confirm whether UN80 considerations have been incorporated into the proposed structure? If not, how do you anticipate that the UN80 process and any related budget adjustments will impact the current structure?*

Response:

The proposed structure was developed in alignment with the UN 2.0 vision and the ongoing UN80 initiative, with the aim of ensuring coherence, efficiency and adaptability. Since the details of the UN80 initiative are still under consideration and subject to the adjustment/endorsement by the UN General Assembly, the structure is designed to be flexible and responsive to possible refinement, as needed. UN-Habitat sees the UN80 initiative as an opportunity to further streamline functions and strengthen delivery.

7. **Question:** *How will the secretariat ensure that the important work of the team on human rights, social inclusion and gender is mainstreamed throughout the organization, and what trade-offs have the secretariat identified which led to for example not including this team in for example the housing, land and basic services section?*

Response:

The move of the Human Rights and Social Inclusion Unit from the Global Solutions Division to the Global Knowledge and Advocacy Division was made to strengthen its institutional reach and visibility across the organization. The intention is not to narrow its scope but rather to ensure that human rights, gender equality, and social inclusion are better mainstreamed throughout all of UN-Habitat's work, both normative and operational.

By placing the Unit within the Knowledge and Advocacy Division, it is enabled to play a stronger role in advocacy, policy coherence, and knowledge sharing, ensuring as far as possible that inclusion principles are embedded in global policy guidance, capacity development tools, communications, and field programming.

This move also enhances synergies with other key institutional processes and mechanisms, notably stakeholder engagement platforms such as the Advisory Group on Gender Issues (AGGI) and the Youth Advisory Board, as well as major funded initiatives including the World Urban Forum (WUF), thereby allowing the Unit to connect human rights and inclusion priorities directly to global advocacy, partnerships, and field-level implementation.

The Unit will continue to work closely with all technical divisions, including the Housing, Land and Basic Services Section, through a network of focal points and a corporate accountability framework, with the aim to integrate human rights and gender perspectives into all subprogrammes in the new strategic plan.

8. **Question:** *Then, in previous external audits and evaluations, including JIU and MOPAN assessments, it was found that high staff rotation, shortage in staff capacity, as well as high working pressure were structural issues within the organization. Could you clarify how the newly proposed organizational structure will tackle this high staff turnover and ensures more balance in working pressure?*

Response:

The revised structure is designed to directly address previous concerns related to staff turnover and workload, by establishing clearer reporting lines, better workload balance, and stronger management accountability. Through the functional review, we are aligning staff capacities with programme needs and strengthening workforce planning under UN80 initiative, to improve stability, retention, and career development. The aim is a more balanced, sustainable structure that allows staff to deliver effectively and with greater continuity.

9. **Question:** *Lastly, we are wondering how our questions and suggestions will be implemented in the development of this newly organizational structure, and when will this structure enter into action.*

Response:

The secretariat appreciates the constructive engagement and guidance provided by Member States, most of which has already been reflected in the revised structure, particularly with regard to strengthening the balance between UN-Habitat's normative and operational mandates and improving coherence across divisions.

At the same time, UN-Habitat would welcome any further comments or suggestions from Member States as we move toward implementation. The revised structure will be rolled out gradually to ensure an orderly transition and full readiness to support the implementation of the 2026–2029 Strategic Plan. This phased approach allows alignment with the outcomes of the functional review, the UN80 initiative, and upcoming consultations with the UN Office in Nairobi and the Office of Human Resources, ensuring both compliance and continuity.

Any budgetary implications arising from the revised structure will be reflected in the budget proposal for 2027.