

**Opening Statement As Delivered at the 25th by USUN Nairobi Permanent Representative
Tobias H. Glucksman at the 25th UN-Habitat Governing Council, April 14-16**

Mr. President, Distinguished Ministers and Delegates, Ladies and Gentleman,

Allow me to first congratulate Professor Jan Ilavsky on your election as President of the Governing Council, as well as all the distinguished members of the new Bureau. Thank you for the extraordinary commitments you have agreed to make in support of our collective efforts as a Governing Council to support UN-Habitat through continued strategic guidance and oversight.

UN-Habitat is at a critical juncture. Its earmarked project work continues to soar, a reflection that partners see value in the organization's normative expertise and field work. However, UN-Habitat continues to face financial challenges within its core budget, in particular with regard to voluntary non-earmarked core contributions, an important source of funding that supports its normative work and sets it apart in terms of its expertise and value added.

With UN-Habitat's core finances struggling and its earmarked project work expanding rapidly, many donor and recipient countries see a pressing need for meaningful governance reform to strengthen oversight beyond decision making of the Governing Council once every two years. Recognizing the role UN-Habitat can play in a rapidly urbanizing world and in addressing root causes of conflict in many societies and regions, the United States is helping to facilitate a governance reform package during this Governing Council to help ensure the organization grows stronger, not weaker, as we collectively work to finalize a new global sustainable development agenda and prepare for the Habitat III Conference in 2016.

UN-Habitat has made good progress toward improving efficiency and effectiveness since the 2013 Governing Council. It has learned to do more with less, but much work remains. The United States commends UN-Habitat's successful implementation of International Public Sector Accounting Standards and its progress toward the full implementation of the Umoja enterprise resource planning system. We urge UN-Habitat to fully implement Umoja by the June 1 deadline as planned. We look forward to saying very soon that UN-Habitat led the way for the rest of the UN Secretariat in implementing these major reforms. The United States appreciates the challenges UN-Habitat continues to face in undertaking these initiatives and applauds its commitment and its ground breaking role.

We also look forward to learning more about how UN-Habitat will monitor the use of IPSAS and use the information obtained to support decision making in the organization, particularly in key areas such as procurement and human resources. Once fully implemented, Umoja should help achieve more efficient and harmonized business practices including processes for recruitment and procurement of goods and services. We welcome updates on the rollout process and its impact on the organization.

In a time of ever-increasing scrutiny of public spending, it is critical that all UN development agencies adhere to the highest possible standards of ethics and professional behavior. Our delegation appreciates the steps taken by leadership to improve the culture of ethics, integrity, and accountability at UN-Habitat. However, more can and should be done to further enhance that culture.

We note with appreciation the emerging evaluation culture in UN-Habitat since the establishment of an independent evaluation unit in 2012, and the adoption of the UN-Habitat evaluation policy in 2013. We encourage UN-Habitat to further these reforms across all levels of the organization, and particularly at the regional and country levels. Additionally, we hope UN-Habitat will use information obtained through monitoring and evaluations to better develop and inform its policies, programs, and priorities. We note with appreciation UN-Habitat's overall success in achieving the indicator targets in its work program. That said, we urge UN-Habitat to conduct more robust, systematic monitoring of projects during implementation.

The inherent nature of UN-Habitat's work in remote and unstable areas exposes the organization to risk. We urge UN-Habitat to establish and implement a risk management mechanism to identify vulnerabilities early on and prevent them from developing into crises. For example, while consultants provide technical expertise for UN-Habitat, we are concerned some of those consultants are also being asked to carry out core functions of the organization, often without appropriately delegated financial or supervisory authority. We encourage UN-Habitat to develop a risk management plan to identify delegations of authority, processes for appointing consultants, and mechanisms to retain institutional knowledge, since consultants are often employed only on short-term contracts. Similarly, partnerships comprise an essential but also high risk component of UN-Habitat's work. To ensure that the organization is operating as efficiently and effectively as possible, we encourage UN-Habitat to establish clear processes for selecting, monitoring, and determining when partnerships should be renewed or discontinued.

Turning back to the critical issue of core funding, the United States wishes to stress that with many traditional donors continuing to face stark budget realities, it is incumbent on UN-Habitat to implement a robust and effective resource mobilization strategy that ensures the organization broadens and deepens its donor base. The organization is in a competition for limited pools of funding with other development organizations; and potential donors are often making funding decisions based upon where they see the highest impact for their investment. UN-Habitat must do better in terms of getting the word out about its successes in the field, its critical mandate, and its strategy going forward. The battle for the hearts and minds of the public and donors is no longer fought with press releases and events, or at conferences; it is taking place in cyberspace, it is interactive and regularly updated websites, it is targeted emails,

it is postings on Facebook, and it is tweets, but foremost it is the ability to produce program results and demonstrate their impact systematically. For too long now, UN-Habitat's key Strategic Communications position has remained vacant and the organization has functioned without a well-developed communications strategy. The U.S. urges UN-Habitat to take remedial measures in this regard as soon as possible.

Distinguished colleagues, the U.S. looks forward to working with all members of the Governing Council in the days ahead, and to taking the difficult but important decisions needed to ensure that UN Habitat is well positioned to best fulfill its mandate and support the post-2015 sustainable development agenda.

Thank you.