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Governing Council  
of the United Nations Human  
Settlements Programme

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Twenty-second session  
Nairobi, 30 March–3 April 2009

## **Proceedings of the Governing Council of the United Nations Human Settlements Programme at its twenty-second session**

### **I. Organization of the session (agenda items 1–4)**

#### **A. Opening of the session**

1. The twenty-second session of the Governing Council of the United Nations Human Settlements Programme (UN-Habitat) was opened at 10.20 a.m. on Monday, 30 March 2009, by Mr. Michael Werikhe, Minister of State for Housing of Uganda, Acting President of the Governing Council in the absence of Ms. Kumari Selja (India), President of the Governing Council, who was unable to attend.

2. The formal opening of the session was preceded by a welcoming performance by the Albino Revolutionary Dancing Troupe from the United Republic of Tanzania of dancing and singing in Kiswahili, drawing attention to the equal rights of albino people.

3. Opening statements were made by Mr. Achim Steiner, Director-General of the United Nations Office at Nairobi and Executive Director of the United Nations Environment Programme (UNEP); Ms. Inga Björk-Klevby, Deputy Executive Director of UN-Habitat, on behalf of the Secretary-General, Mr. Ban Ki-moon; Ms. Anna Kajumulo Tibaijuka, Executive Director of UN-Habitat; and Mr. Stephen Kalonzo Musyoka, Vice-President and Minister for Home Affairs of Kenya. The text of the Secretary-General's message is reproduced in annex III to the present proceedings.

4. The Executive Director of UNEP expressed his pleasure in addressing the Governing Council, particularly since the theme of the session echoed that of the UNEP Governing Council some weeks previously; the discussions at that meeting had been relevant and would gain additional momentum from the current meeting. He welcomed consideration of the theme of affordable housing in the context of the global financial crisis and climate change. The financial crisis was having an impact worldwide, but it was more immediately felt in the South, particularly in urban environments – there the poor were most vulnerable and least able to defend themselves against wider economic problems. It was important to act globally to tackle the situation; a particular challenge was presented in urban areas and that afforded an enormous opportunity to confront both crises together. UNEP had been developing, in conjunction with other United Nations agencies, the concepts of a green new deal and green economy based on the conviction that future economies, including those of urban areas, would only succeed if climate change and the financial crisis were tackled as one.

5. He stressed that the cooperation between UN-Habitat and UNEP had matured over the years and the two organizations were working together to tackle the issues of urban living and the provision of the resources needed for cities to survive. The collaboration extended beyond the project level to an essential partnership to combat the crisis. The consequences of climate change, for example the rise in sea levels that threatened both cities and entire economies, compelled UN-Habitat and UNEP, together with Governments, civil society and the private sector, to seek a fundamental transformation in economies and adaptation to climate change. In conclusion, he appealed to representatives to look at cities as part of the answer to the future challenges facing humanity.

6. At the invitation of the Executive Director of UN-Habitat, representatives observed a minute of silence in tribute to the memory of Mr. Millard Fuller, founder and former president of Habitat for Humanity.
7. The Executive Director explained the agenda for the current meeting and introduced the special theme of the session – “Promoting affordable housing finance systems in an urbanizing world in the face of the global financial crisis and climate change”, noting that the current meeting was taking place as the world was mired in the worst economic crisis in living memory. On financing, she outlined the UN-Habitat Slum Upgrading Facility pilot programme and noted that significant progress had been achieved with regard to the experimental reimbursable seeding operations.
8. Referring to the increasing numbers of people living in urban areas and giving dramatic projections for the future, she thanked the Government of Norway for its generous support of the Opportunities Fund for Urban Youth-led Development, given that most new urban-dwellers would be young people. She called for predictable funding for effective programme delivery in accordance with the medium-term strategic and institutional plan and spoke of the new resource mobilization unit established by UN-Habitat to ensure a more corporate approach to resource mobilization. In conclusion, she called for long-term cooperative action to tackle the myriad issues facing the world.
9. Subsequently, there was a brief film presentation on the Moonbeam Youth Empowerment Programme in the Kibera slum, a project initiated by UN-Habitat with seed capital donated personally by the Secretary-General. Following that film presentation, those graduates who had participated in the project were congratulated by the assembled speakers on the podium.
10. In his statement, Mr. Musyoka welcomed representatives on behalf of the President of Kenya. He noted that the theme of the current session built on that of the twenty-first session, both being a clear indication that affordable housing finance systems had a direct bearing on sustainable urbanization. Explaining the links between urbanization and economic transformation and development, together with the various challenges that they posed, he outlined relevant policies and harmonious urbanization strategies in Kenya, particularly those relating to the upgrading of the various slums, and the progress made to date in that regard. He spoke of the key role played by local authorities and described Kenyan efforts in terms of local-level planning and financial reforms in local authorities. He warned of the adverse effects of climate change and the higher costs of construction to adapt housing to such changes. In conclusion, he called for a profitable exchange of experiences and ideas, with a view to implementing, among other things, pro-poor policies and partnerships to combat challenges, and stressed the need to remain focused on strengthening UN-Habitat.

## **B. Attendance**

11. The following 41 States members of the Governing Council were represented: Argentina, Armenia, Bahrain, Bangladesh, Brazil, Burkina Faso, Burundi, Chile, China, Czech Republic, Ethiopia, Finland, France, Germany, India, Indonesia, Iran (Islamic Republic of), Iraq, Israel, Italy, Jamaica, Japan, Kenya, Netherlands, Norway, Pakistan, Poland, Republic of Korea, Russian Federation, Rwanda, Saudi Arabia, Senegal, Serbia, Spain, Sri Lanka, Sudan, Swaziland, United States of America, Venezuela (Bolivarian Republic of), Zambia, Zimbabwe.
12. The following 52 States not members of the Governing Council participated as observers: Afghanistan, Algeria, Angola, Austria, Barbados, Benin, Botswana, Cameroon, Canada, Central African Republic, Chad, Colombia, Comoros, Cuba, Cyprus, Democratic Republic of the Congo, Djibouti, Egypt, Eritrea, Ghana, Greece, Guinea, Holy See, Kuwait, Lesotho, Liberia, Madagascar, Malawi, Malaysia, Maldives, Mali, Mexico, Morocco, Mozambique, Namibia, Nepal, Nigeria, Oman, Philippines, Portugal, Sierra Leone, South Africa, Sweden, Tajikistan, Thailand, Togo, Trinidad and Tobago, Turkey, Uganda, United Kingdom of Great Britain and Northern Ireland, United Republic of Tanzania, Yemen.
13. An observer for Palestine also participated.
14. The following two United Nations bodies were represented: Joint United Nations Programme on HIV/AIDS, United Nations Economic and Social Commission for Asia and the Pacific.
15. The following United Nations specialized agency was represented: World Bank.
16. Representatives of 40 national and regional assemblies and parliaments, local authorities and national, regional and international associations of local authorities attended the meeting.
17. In addition, 66 non-governmental and private sector organizations were represented.

18. A full list of those attending the session may be found in the final list of participants, which is available under the symbol HSP/GC/22/INF/7.

### **C. Election of officers**

19. At the 1st plenary meeting, on Monday, 30 March 2009, Mr. Clifford Everald Warmington (Jamaica) was elected President of the Governing Council at its twenty-second session.

20. The following other officers were also elected for the session:

Vice-Presidents:	Ms. Margita Fuchsová (Czech Republic)
	Mr. Franz B. Marré (Germany)
	Mr. Coillard Chibbonta (Zambia)
Rapporteur:	Mr. Iftikhar A. Arain (Pakistan)

### **D. Credentials**

21. In pursuance of rule 16, paragraph 2, of the rules of procedure of the Governing Council, the Bureau reported to the Governing Council at its 7th plenary meeting, on 3 April 2009, that it had examined the credentials submitted by delegations attending the twenty-second session of the Governing Council and had found them to be in order. The Governing Council approved the report of the Bureau on credentials at the same meeting.

### **E. Adoption of the agenda**

22. At its 1st plenary meeting, the Governing Council had before it documents HSP/GC/22/1 and Add.1. The Governing Council adopted the provisional agenda for the twenty-second session as contained in document HSP/GC/22/1, as follows:

1. Opening of the meeting.
2. Election of officers.
3. Credentials.
4. Adoption of the agenda and organization of work.
5. Activities of the United Nations Human Settlements Programme, including coordination matters.
6. Dialogue on the special theme for the twenty-second session of the Governing Council.
7. Work programme of the United Nations Human Settlements Programme and budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2010-2011.
8. Provisional agenda and other arrangements for the twenty-third session of the Governing Council.
9. Other matters.
10. Adoption of the report of the session.
11. Closure of the session.

### **F. Organization of work**

23. At its 1st plenary meeting, the Governing Council established a sessional Committee of the Whole, to which it allocated agenda items 5, 7 and 8, with issues arising from those and other items to be given preliminary consideration in general debate at the plenary meetings of the Council.

24. The preliminary work of the plenary meeting was divided into two segments; first, a high-level segment, with statements primarily by ministers and other heads of delegations, which would be held on the first and second days; and, second, a dialogue of Governments with local authorities and other Habitat Agenda partners on the special theme of the meeting, to be held on the third day.

25. The Governing Council also established a drafting committee to consider the draft resolutions submitted to the Governing Council.

26. In considering the agenda items, representatives had before them the documents listed for each item in the annotated agenda for the session (HSP/GC/22/1/Add.1). In addition, a list of documents before the Governing Council had been issued under the symbol HSP/GC/22/INF/1.

## **G. Policy statement by the Executive Director**

27. The Executive Director outlined some of the lessons that could be learned from the global economic and financial crisis and the role of UN-Habitat in dealing with the situation. The global crisis was a new situation affecting all countries and requiring a concerted effort by all and new thinking and institutional arrangements to tackle it.

28. Poorly regulated housing finance systems and reliance on private financial institutions were at the core of the initial problem. By focusing on the theme of affordable housing finance, the Governing Council was emphasizing to the international community that a lasting solution to the causes of the financial crisis must take account of the need for such financing. The crisis had demonstrated that affordable housing finance had to be part of the larger affordable housing equation, in addition to requiring an appropriate regulatory framework. The experimental reimbursable seeding operations endorsed at the previous Governing Council session were a timely initiative that had become even more important. The pilot schemes were intended to test new models for dealing with the challenges to be faced.

29. A second lesson learned from the crisis was that a turning point had been reached in the history of development theory and practice. Experts agreed that public investment in housing and infrastructure was one of the most effective ways of stimulating economic recovery, helping to create jobs and stimulate demand in all sectors. China, for example, had decided in 2008 to inject \$600 billion into its economy, two thirds of it devoted to green infrastructure and housing for the poor. It was to be hoped that the work of UN-Habitat would become easier since it was recognized that the housing sector was at the centre of national economic well-being.

30. The emergence of climate change at the forefront of international debate coincided with the world becoming predominantly urban, with expanding cities, to a large extent, setting the pace of global warming. It was crucial to recognize that cities and urban residents were not merely victims of climate change but also part of the problem. Mitigation measures were urgently required, but so far measures envisaged at the global and national levels had not been accompanied by measures at the city and local levels. Carbon trading instruments had come under pressure from the financial crisis and needed to be revisited; similarly land use, planning, transport solutions and building design had to be reconsidered.

31. Local authorities would be at the forefront of the search for solutions and UN-Habitat was working with United Cities and Local Governments to ensure that cities and climate change would feature prominently on the agenda of the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Copenhagen in December 2009. UN-Habitat had also launched two new initiatives: the World Urban Campaign as a global advocacy tool to raise awareness of the challenges of urbanization and sustainable development; and the Cities in Climate Change initiative to support local authorities in adopting new approaches to urban environmental planning and management. She expressed gratitude to the Government of Norway for hosting the launch of the initiative.

32. Progress had been made in following up on the resolutions of the twenty-first session of the Governing Council, primarily the continuing implementation of the medium-term strategic and institutional plan. Feedback was invited on the UN-Habitat country programme documents and the results framework aimed at refining the plan. She expressed the hope that the dialogue on affordable housing finance would be a highlight of the Governing Council session.

## **H. Work of the Committee of the Whole**

33. The Committee of the Whole established by the Governing Council at its 1st plenary meeting was chaired by Mr. Marré, one of the three vice-presidents of the Governing Council and, in his absence, Ms. Fuchsová, a fellow vice-president. It held five meetings between 30 March and 3 April. At its 1st meeting, on the afternoon of Monday, 30 March 2009, the Chair informed the Committee that it would consider agenda items 5, 7 and 8 and prepare a report on its deliberations for the plenary session of the Governing Council.

34. At its 5th and final meeting, on the morning of Friday, 3 April, the Committee adopted the report of its deliberations. At its meetings, it had succeeded in achieving consensus on all agenda items before it. The report of the Committee of the Whole is reproduced in annex V to the present proceedings.

## **I. Work of the drafting committee and adoption of resolutions**

35. The drafting committee held seven meetings during the session and reached agreement by consensus on 10 draft resolutions.

36. At the 7th plenary meeting, the President of the Governing Council introduced one draft resolution on human settlements development in the occupied Palestinian territory, set out in a conference-room paper. The Committee also reached consensus on that resolution.

37. Those 11 resolutions, as adopted by the Governing Council at its 7th plenary meeting, on the afternoon of Friday, 3 April, are reproduced in annex I to the present proceedings.

38. The representative of the Islamic Republic of Iran made a statement in which he said that, while his country had joined the consensus on the draft resolution on human settlements development in the occupied Palestinian territory as a sign of its utmost support for the cause of the Palestinians who had been deprived of their fundamental rights for decades and had their homes and settlements systematically destroyed en masse, that agreement should not be seen as demonstrating recognition of Israel.

39. The President said that he had received a document highlighting several issues about problems associated with the United Nations Office at Nairobi. The full text of his statement in that regard can be found in annex II to the present proceedings.

## **II. High-level segment and dialogue on the special theme for the twenty-second session of the Governing Council (agenda items 5–7)**

40. The Governing Council took up agenda items 5–7 at its 2nd plenary meeting, at which time it began the high-level general debate on those agenda items. The general debate continued at its 3rd and 4th meetings, on Tuesday, 31 March. A summary of the general debate by the President of the Governing Council is set forth in annex IV to the present proceedings.

41. At its 5th and 6th plenary meetings, on Wednesday, 1 April, the Council held the dialogue on the special theme for the session under agenda item 6. The dialogue was divided into two panels, each with a moderator, and chaired by the President of the Governing Council. A summary of the dialogue is set forth in annex IV to the present proceedings.

## **III. Provisional agenda and other arrangements for the twenty-third session of the Governing Council (agenda item 8)**

42. The Governing Council considered the agenda item at its 7th plenary meeting, on Friday, 3 April. It adopted decision 22/1 on the provisional agenda for the twenty-third session, the text of which is reproduced in annex I to the present proceedings.

43. On the recommendation of the Bureau, it was decided that the twenty-third session of the Governing Council should be held from 11 to 15 April 2011 at UN-Habitat headquarters, Nairobi.

## **IV. Other matters (agenda item 9)**

### **A. Tribute to the memory of Mr. Raúl Alfonsín, former President of Argentina**

44. At the 7th plenary meeting, at the invitation of the President, the Governing Council observed a minute of silence to pay tribute to the memory of Mr. Raúl Alfonsín, former President of Argentina.

## **V. Adoption of the report of the session (agenda item 10)**

45. At the 7th plenary meeting, the Chair of the Committee of the Whole gave an oral presentation on the deliberations of the Committee. The report of the Committee of the Whole was endorsed by the Governing Council. The contents of that report were incorporated into the present proceedings.

(see annex V below) on the understanding that the secretariat and the Rapporteur would be entrusted with the finalization of the present document.

46. The report of the session was adopted, as amended, by the Governing Council at its 7th plenary meeting, on Friday, 3 April 2009, on the basis of the draft that had been circulated during the session and on the understanding that the secretariat and the Rapporteur would be entrusted with the finalization of that document.

## **VI. Closure of the session (agenda item 11)**

47. The Executive Director stressed that the critical role of affordable housing and financing was more clearly understood than ever before: it was evident that member States would not abandon the urban poor, especially in the current global financial crisis. She expressed her gratitude to the organization's partners, including mayors, local authorities, the business sector, non-governmental organizations and grass-roots organizations, together with delegations, all of whom had participated in the session with a shared sense of purpose to save people and communities. She welcomed the landmark decisions that had been reached: the resolutions on cities and climate change and on a third session of the United Nations conference on housing and sustainable urban development were forward-looking and provided UN-Habitat and its partners with the vision and impetus to move ahead. The resolution on affordable housing finance marked a milestone in the history of the organization in tackling persistent urban poverty ignored by so many countries for so long. The current session marked a turning point for the organization.

48. Recalling that the first United Nations housing programme had been born out of the destruction and ruins of towns and cities in Europe and Asia during the Second World War, she traced the history of the organization's emergence, starting from the United Nations Conference on International Organization in 1945, and noted that, from the establishment of the organization's secretariat in Nairobi in 1978, the need for member States to cope with increasing urbanization had become clear. The Millennium Summit had marked another milestone in the organization's history, with its targets of improving the lives of 100 million slum-dwellers and reducing by half the proportion of people without access to sanitation, among others, which had demonstrated new political commitment to the mandate of UN-Habitat. Following the transformation of the organization into a fully-fledged programme of the United Nations, one of the Governing Council's first decisions had been to convene a biennial World Urban Forum, the first session of which had been held in Nairobi in 2002 followed by sessions in Barcelona, Spain, Vancouver, Canada, and Nanjing, China.

49. She stressed that the budget of UN-Habitat had increased steadily since 2000, as had the volume of delivery of its country-level activities since 2004. Other key indicators of progress included the membership of the Chief Executives Board, the scope and number of partnership agreements with United Nations agencies, grass-roots organizations, the private sector and regional banks, among others. While many gains had been made, they were insignificant compared to the 1 billion people living in slums worldwide and the thousands more that joined them daily; the world, she said, was sitting on a social time bomb.

50. She expressed her gratitude and recognition to two of her key advisors: Mr. Rolf Wichmann, a man of great integrity and sincerity, she said, who had joined UN-Habitat in 1983 and on whom she had depended entirely as her chief of staff during her first term as Executive Director; Mr. Nicholas You, a man of ideas, who had begun his career with the United Nations some 30 years earlier, joining UN-Habitat in 1981, and had been instrumental in the development of the medium-term strategic and institutional plan. She noted also that the current session would be her last as Executive Director of UN-Habitat. Thanking members of the Council and other representatives for their support in the common quest to revitalize the organization, she urged them to consolidate gains made and inject new vigour into UN-Habitat activities. She said that the President of the Council would guide the smooth succession of leadership of the organization with the steady hand of the Deputy Executive Director also present.

51. The representative of the Czech Republic, on behalf of the European Union, noted his appreciation of the agenda for the twenty-second session, which had been aimed at topical and relevant issues and had provided a forum for member States to share their experiences and exchange ideas on facing the current global situation. He stressed the importance of sustainable economic growth, competitiveness and mutual cooperation for the further development of human settlements.

52. He said that participants had worked in a spirit of open-minded cooperation and that the resolutions adopted by the Council represented tangible and successful results of often complicated

negotiations. He emphasized that the resolution on the programme of work and budget symbolized a vote of confidence in the organization in addition to a significant responsibility, while the resolution on cities and climate change underscored the crucial role of cities in efforts to reduce poverty. In that regard, he noted, his delegation was committed to playing an active role in attaining a comprehensive climate change agreement at the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change. The resolution on the governance of UN-Habitat was the first step in the process; he looked forward to cooperating with the secretariat and member States to craft a timely review exercise that would contribute further to reforms under the medium-term strategic and institutional plan. He acknowledged that the dialogue on affordable housing had enabled an open exchange of ideas and he expressed his appreciation for the constructive dialogue that had been held under the leadership of the President of the session.

53. He commended the Executive Director on her invaluable work during her tenure: she had transformed the response of the United Nations to urban issues and was credited with having raised awareness on the challenge of chaotic urbanization, inspiring a new urban vision and restoring donor confidence. Those attainments coupled with the increase in the UN-Habitat budget from \$35 million in 2000 to the current \$165 million and the ability of the organization to engage in effective working partnerships with key United Nations agencies comprised staggering achievements. One of the Executive Director's key accomplishments had been the convening of the World Urban Forum to raise global awareness of human settlements issues and to provide a forum for brainstorming to inform policy planning for UN-Habitat and its partners. The Forum's success was evident in the increase of participant numbers from 1,000 in 2002 to more than 8,000 in 2008. Another triumph of her tenure had been the ambitious medium-term strategic and institutional plan, which had provided the organization with increased clarity of vision, balance between its normative and operational activities and excellence in management. In closing, he thanked the Executive Director for the results of her work on the ground around the world and, in particular, her drive and determination in supporting the people of Afghanistan, her work on the global land tool network in Africa and on safer cities in Mexico.

54. The representative of Nigeria, speaking on behalf of the Group of 77 and China, expressed his satisfaction at the successful conclusion of the session and welcomed the adoption of the resolutions, which reflected member States' commitment to attaining the objectives of UN-Habitat. He called upon member States to provide the financial support needed for full implementation of those objectives and took the opportunity to commend the outgoing Executive Director on her achievement in transforming UN-Habitat into a truly global organization: her departure, he said, would be a great loss to slum-dwellers in cities worldwide.

55. The representative of Zambia, speaking on behalf of the African group, endorsed the statement by the previous speaker and saluted the outgoing Executive Director for her commitment to the cause of quality housing for all, especially the poor.

56. The representative of the United States of America observed that the current session was being held in particularly challenging times and urged member States to double their support for food security and the coordination of assistance designed to avoid humanitarian disaster. Noting with satisfaction the open and frank debate during the session and the endeavours to find common ground, he said that UN-Habitat should strengthen its institutional capabilities to enable more efficient implementation of its work programme and, in that context, drew attention to the resolution on governance, which called for genuine dialogue between the secretariat and the member States. He also commended the organization on its work to build partnerships with the private sector, pointing out that Governments could not provide solutions to urban challenges in isolation. In conclusion, he hailed the invaluable contribution of the Executive Director, noting that her input on sensitive issues had been crucial to the finding of common ground.

57. The representative of France conveyed his country's support for the resolution approving the guidelines on access to basic services for all and expressed the hope that the guidelines would be properly implemented.

58. The representative of Norway pointed out that the current session had provided new insights into the financial and climate crises and the ways in which they impinged on human settlements. Noting with satisfaction that consensus had been reached in so many areas of deliberation, he also drew attention to the number and quality of side events to the main Governing Council activities, applauded the increased attention given to the issues surrounding young people, and expressed the hope that the role of civil society would be strengthened in the future. He referred to the increase in resources available to UN-Habitat and the importance of identifying reforms within the organization, expressing the hope that a strengthened UN-Habitat would be able to respond more efficiently to the challenges

posed by rapid urbanization. He praised the outgoing Executive Director as an energetic innovator, close colleague and mentor.

59. The representative of the United Republic of Tanzania commended the Secretariat on its successful organization of the session and applauded the diligence and strong leadership manifested by the Executive Director, noting that she had upgraded and strengthened the UN-Habitat programme, had forged partnerships with financial institutions and had worked tirelessly to raise awareness of the challenges of chaotic urbanization.

60. The representative of United Cities and Local Governments welcomed the initiative to organize a third session of the United Nations conference on housing and sustainable urban development in 2016, and also expressed satisfaction with the adoption of the international guidelines on basic services, which he considered to be an important complement to the guidelines on decentralization adopted two years previously. He welcomed the proposal to examine the governance structure of UN-Habitat, expressing the hope that it would lead to greater participation of key partners and ensure a more effective decision-making process. He stressed the growing importance of cities in dealing with the challenges of climate change and proposed that local authorities and their respective international organizations be enabled to play a more important role in the formulation of international policies on climate change. He concluded by commending the sterling work carried out by the Executive Director, drawing attention, in particular, to the report which she had produced on the aftermath of what was known as “Operation Murambatsvina”, conducted in Harare in 2005.

61. The representative of civil society organizations welcomed the participation of grass-roots organizations at the current session of the Governing Council and pointed out that the four major global crises – housing, food, finance and climate change – exercised a disproportionate impact on vulnerable communities and deepened the North-South divide. She noted that the reluctance of investors to put money into housing underlined the growing importance of microfinancing. She pointed out that climate change could no longer be seen as a purely environmental phenomenon as it had resulted in what were termed “environmental refugees”. She emphasized the importance of protecting the human dignity of all, and proposed that policy on housing for the needy should prioritize vulnerable groups. She concluded by thanking the Executive Director for her inspirational work and wishing her success in the future.

62. The representative of the women’s caucus pointed out that, while women were the group most affected by the global financial crisis, they were working together to find innovative solutions to many of the challenges confronting them. She called for the contributions made by women to be recognized by local and national governments and enhanced through UN-Habitat programmes. She appealed to Governments to support the implementation of the gender equality action plan, suggesting that the Gender Mainstreaming Unit should be upgraded within the institutional structure of UN-Habitat and that a greater role should be accorded to representatives of civil society in the governance of UN-Habitat. She thanked the Executive Director for the support that she had given to the cause of women during her tenure.

63. The representative of the Youth Advisory Board acknowledged with gratitude the commitment of UN-Habitat to engage young people in issues concerning human settlements. She pointed out that young people had participated actively throughout the session and called upon member States to ensure the involvement of young people in the decision-making process.

64. The representative of Global Parliamentarians on Habitat expressed full support for the Habitat Agenda and pledged her organization’s commitment to work at the local, regional and national levels to educate people on climate change issues, with a view to mitigating the effects of climate change and making the twenty-first century a better time for the planet.

65. In his closing remarks, the President reiterated the importance of the theme of affordable housing, thanked all involved in organizing a successful session and looked forward to their participation in the next World Urban Forum, to be held in Brazil in 2010. He declared the session closed at 6.50 p.m. on Friday, 3 April 2009.



## Annex I

### Decision and resolutions adopted by the Governing Council of the United Nations Human Settlements Programme at its twenty-second session

#### A. Decision

Decision No.	Title	Date of adoption	Page
22/1	Provisional agenda of the twenty-third session of the Governing Council of the United Nations Human Settlements Programme	3 April 2009	9

#### B. Resolutions

Resolution No.	Title	Date of adoption	Page
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22/2	Affordable housing finance	3 April 2009	11
22/3	Cities and climate change	3 April 2009	12
22/4	Strengthening the development of urban young people	3 April 2009	13
22/5	Governance of the United Nations Human Settlements Programme	3 April 2009	15
22/6	Habitat awards	3 April 2009	15
22/7	Work programme and budget of the United Nations Human Settlements Programme for the biennium 2010–2011	3 April 2009	16
22/8	Guidelines on access to basic services for all	3 April 2009	17
22/9	South-South cooperation in human settlements	3 April 2009	19
22/10	World Urban Forum	3 April 2009	20
22/11	Human settlements development in the occupied Palestinian territory	3 April 2009	21

#### Decision 22/1: Provisional agenda of the twenty-third session of the Governing Council of the United Nations Human Settlements Programme

*The Governing Council decided that the provisional agenda of its twenty-third session would be as follows:*

1. Opening of the session.
2. Election of officers.
3. Credentials.
4. Adoption of the agenda and organization of work.
5. Activities of the United Nations Human Settlements Programme, including coordination matters.

6. Dialogue on the special theme for the twenty-third session of the Governing Council.
7. Work programme of the United Nations Human Settlements Programme and budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2012–2013.
8. Provisional agenda and other arrangements for the twenty-fourth session of the Governing Council.
9. Other matters.
10. Adoption of the report of the session.
11. Closure of the session.

*7th plenary meeting  
3 April 2009*

### **Resolution 22/1: Third session of the United Nations conference on housing and sustainable urban development**

*The Governing Council,*

*Recalling* the recommendations of the United Nations Conference on Human Settlements, held in Vancouver, Canada, in 1976, which formed the basis for national action and international cooperation in the field of human settlements,<sup>1</sup>

*Recalling also* the Habitat Agenda<sup>2</sup> and the Istanbul Declaration on Human Settlements<sup>3</sup> as the main outcomes of the Habitat II Conference held in 1996,<sup>4</sup> which established the twin goals of adequate shelter for all and sustainable human settlements development in an urbanizing world, and adopted a global plan of action to attain those goals,

*Recalling further* relevant resolutions of the General Assembly on human settlements, in particular, resolutions 49/109 of 19 December 1994, 52/192 and 52/190 of 18 December 1997, 56/206 of 21 December 2001 and the Declaration on Cities and Other Human Settlements in the New Millennium, adopted by the General Assembly in resolution S-25/2 of 9 June 2001,<sup>5</sup>

*Bearing in mind* the contribution of housing and urban development to sustainable national social and economic development,

*Aware* of the ever-growing challenges to deliver sustainable urbanization and development in the face of the accelerating demographic shift towards cities,

*Recognizing* the challenges arising from poorly planned and managed urbanization in terms of urban poverty and deprivation,

1. *Recommends* to the General Assembly that it consider, at its sixty-fourth session, the question of convening in 2016 a third United Nations conference on housing and sustainable urban development (Habitat III);

2. *Requests* the Executive Director to report to the Governing Council at its twenty-third session on the outcome of the present resolution.

*7th plenary meeting  
3 April 2009*

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1 *Report of Habitat: United Nations Conference on Human Settlements* (United Nations publication, Sales No. E.76.IV.7 and corrigendum), chap. II.

2 *Report of the United Nations Conference on Human Settlements (Habitat II), Istanbul, 3–14 June 1996* (United Nations publication, Sales No. E.97.IV.6), chap. I, resolution 1, annex II.

3 *Report of the United Nations Conference on Human Settlements (Habitat II), Istanbul, 3–14 June 1996* (United Nations publication, Sales No. E.97.IV.6), chap. I, resolution 1, annex I.

4 Twenty-fifth special session of the United Nations General Assembly for an overall review and appraisal of the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and the strengthening of the United Nations Human Settlements Programme (UN-Habitat).

5 General Assembly resolution S-25/2, annex.

## Resolution 22/2: Affordable housing finance

*The Governing Council,*

*Recalling* General Assembly resolution 63/221 of 19 December 2008 on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme, which requested the United Nations Human Settlements Programme, within the framework of its experimental reimbursable seeding operations for housing finance, and in close collaboration with international and regional financial institutions, to document and disseminate lessons learned, bearing in mind the provisions of resolution 21/10 of the Governing Council and fully taking into account the recent housing finance crisis, as well as other relevant factors,

*Recalling also* that, by resolution 63/221, the General Assembly invited the Governing Council to keep under review developments in the housing finance systems in view of the current financial crisis, and decided to explore the possibility of convening a high-level event of the General Assembly on that subject,

*Recalling further* the theme of the twenty-second session of the Governing Council – “Promoting affordable housing finance systems in an urbanizing world in the face of the global financial crisis and climate change” – and the theme paper of that title,<sup>6</sup>

*Noting* the possible detrimental effects of the global economic crisis on the progress being made in the implementation of the Millennium Development Goals in general, and on affordable housing finance in particular, especially in developing countries, with new pressure being brought to bear on national and international financial systems,

*Recalling* the medium-term strategic and institutional plan for the period 2008–2013,<sup>7</sup> which in its focus area 5 calls for improved access to sustainable financing for affordable housing and infrastructure,

*Recognizing* that a comprehensive approach is required to tackle the issues surrounding pro-poor affordable housing finance systems, which range, among other things, from community savings, microfinance, appropriate financial intermediation, commercial banking and more conventional mortgage finance to local government development plans,

*Welcoming* the wide-ranging debate at the Governing Council at its twenty-second session, in which representatives called for greater attention to be paid to workable methodologies that supported pro-poor financing mechanisms,

*Recognizing* all countries and partners that have made financial contributions to facilitate the delivery of pro-poor affordable housing finance systems,

1. *Invites* all member States to consider undertaking a comprehensive assessment of the state of adequate shelter, affordable housing and related infrastructure, and data on gender and age, together with their national housing finance systems and existing regulatory frameworks, with a view to assessing their adequacy to meet the needs of their respective populations, particularly those of the poor, the economically weak and other vulnerable groups, from a gender and age perspective;
2. *Encourages* all member States, including the regional ministerial conferences on housing and urban development, to establish sound and conducive frameworks and mechanisms to enable extended public and private investment in slum upgrading and prevention, affordable housing and urban development including infrastructure and basic services;
3. *Requests* the Executive Director to continue existing efforts by the United Nations Human Settlements Programme in close consultation with international and regional financial institutions to demonstrate and disseminate models and knowledge about the importance of community-based pre-investment activities and to undertake appropriate monitoring and capacity-building in this regard, particularly at the municipal level, within its work programme and budget;

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6 HSP/GC/22/4.

7 HSP/GC21/5/Add.1.

4. *Invites* all member States to contribute to the support and the replenishment of United Nations Human Settlements Programme trust funds and other associated funds, including the experimental reimbursable seeding operations and Slum Upgrading Facility, and programmes designed to extend assistance in the delivery of pro-poor affordable housing finance systems;

5. *Requests* the Executive Director to work with international and regional financial institutions to promote appropriately scaled housing and infrastructure investments as a contributor to economic growth and as an important means of poverty reduction from which sustainable economic growth and recovery may follow;

6. *Also requests* the Executive Director to continue dialogue with key stakeholders, including member States, on the role of housing in economic development and the impact of the financial crisis on affordable housing finance to inform better and make experiences and lessons learned available for member States in this regard;

7. *Supports* the efforts made in exploring the possibility of convening a high-level special event at the General Assembly on the issue of housing finance systems in the face of the global financial crisis;

8. *Recommends* that such a special event should take into account, among other things, the recommendations emanating from the dialogue on affordable housing finance and climate change held at the twenty-second session of the Governing Council;

9. *Requests* the Executive Director to report on the implementation of the present resolution to the Governing Council to its twenty-third session.

*7th plenary meeting  
3 April 2009*

### **Resolution 22/3: Cities and climate change**

*The Governing Council,*

*Recalling* General Assembly resolution 63/221 of 19 December 2008 on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme, which, in paragraph 3, encourages Governments to promote the principles and practice of sustainable urbanization and strengthen the role and contribution of their respective local authorities in applying those principles and practice, in order to improve the living conditions of vulnerable urban populations, including slum-dwellers and the urban poor, and as a major contribution to mitigating the causes of climate change, adapting to the effects of climate change and reducing risks and vulnerabilities in a rapidly urbanizing world, including human settlements in fragile ecosystems, and invites the international donor community to support the efforts of developing countries in this regard,

*Recalling also* the Habitat Agenda and its twin goals of adequate shelter for all and sustainable human settlements development in an urbanizing world,

*Recalling also* the theme of the twenty-second session of the Governing Council, “Promoting affordable housing finance systems in an urbanizing world in the face of the global financial crisis and climate change” and the related theme paper,<sup>8</sup>

*Taking note* of the launch by the United Nations Human Settlements Programme of the Cities and Climate Change Initiative and the Oslo Statement on Cities and Climate Change of 17 March 2009,

*Recognizing* that climate change may have consequences for the attainment of the Millennium Development Goals and sustainable development, including negative impacts on housing, infrastructure, basic services and the quality of life in cities, and that the urban poor, especially vulnerable groups, including women, will be among those most affected by these impacts,

*Recognizing also* that cities are one of the major contributors of greenhouse gas emissions and that they have a key role to play in promoting energy efficiency, through more appropriate urban planning, management and building practices for sustainable urban development,

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8 HSP/GC/22/4, para. 63.

*Recalling* the medium-term strategic and institutional plan for the period 2008–2013,<sup>9</sup> which recognizes that urbanization, when poorly managed, can generate social exclusion and poverty and can result in uncontrolled urban sprawl, pollution and unsustainable consumption of land, water and other natural resources, which accelerate environmental degradation and the negative impacts of climate change,

*Recognizing* that efforts to enhance sustainable urbanization also offer opportunities to enhance climate change strategies, including mitigation and adaptation, through promoting participatory planning, management and governance; pro-poor land and housing; and environmentally sound basic infrastructure and services,

*Recognizing* the unique leading role of the fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in discussions aiming at a global climate change agreement in Copenhagen in 2009,

1. *Requests* the Executive Director to continue to increase awareness of the role of cities in addressing climate change, with particular emphasis on the impact of climate change on the urban poor and in achieving the Millennium Development Goals and sustainable development;

2. *Encourages* the Executive Director to develop in other regions such activities as the “Climate-resilient cities in Africa” initiative, as part of the Joint Partnership Framework established between the United Nations Human Settlements Programme and the United Nations Environment Programme;

3. *Invites* Governments to undertake further concerted and coordinated action to include the issue of cities and climate change as an integral part of their national climate change strategies, including mitigation and adaptation, in view of continuous urbanization and the fact that over half of humankind lives in urban areas and are particularly vulnerable to the effects of climate change;

4. *Invites* Parties to the United Nations Framework Convention on Climate Change at the fifteenth session of its Conference of the Parties in Copenhagen to take into account the crucial role of cities and towns in climate change strategies, including adaptation and mitigation;

5. *Encourages* the United Nations Human Settlements Programme, within its mandate, to continue the existing cooperation with the United Nations Framework Convention on Climate Change on issues of cities and climate change and to continue playing a complementary role in climate-change matters within the United Nations system;

6. *Invites* Governments and other relevant partners to support developing countries through the appropriate mechanism in each country to strengthen their capacities in promoting, among other things, pro-poor clean and affordable technological options, innovative approaches to urban planning and management and education and training on climate change strategies, as they pertain to sustainable urban development, while encouraging all other national and local authorities to strengthen their capacities in the manner set out above;

7. *Invites* Governments that are in a position to do so to provide technical and financial support to the Cities and Climate Change Initiative, to widen the geographical scope of the initiative and to expand the range of capacity-development approaches to support local authorities in addressing climate change;

8. *Requests* the Executive Director to include a discussion of the implementation of the present resolution in her overall progress report to the Council at its twenty-third session.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/4: Strengthening the development of urban young people**

*The Governing Council,*

*Acknowledging* that a high proportion of the world’s population is young, especially in the developing world, and that that segment of the population is affected by the problems of unemployment and unsustainable urban development, issues which may be further exacerbated by the current global economic crisis,

*Recognizing* that youth are key agents for sustainable human settlement development and a vital resource in attaining the development goals related to the United Nations Millennium Declaration,<sup>10</sup>

*Recalling* its commitment in paragraph 45 (e) of the Habitat Agenda<sup>11</sup> to the objective of working in partnership with youth in order to develop and enhance effective skills and provide education and training to prepare youth for current and future decision-making roles and sustainable livelihoods in human settlements management and development,

*Acknowledging* the progress made by the United Nations Human Settlements Programme towards mainstreaming the participation of youth in slum upgrading and other programmes and also acknowledging the establishment of the Youth Advisory Board at the fourth session of the World Urban Forum, held in Nanjing, China, in 2008,

*Noting with appreciation* the establishment by the Executive Director of the special fund with the Human Settlements Foundation, known as the “Opportunities Fund for Urban Youth-Led Development”, which supports youth-led initiatives, targeting support to those young people who are most in need of assistance, in particular young girls,

*Recognizing* the success of the World Urban Youth Forum as a platform for youth engagement in the activities of the United Nations Human Settlements Programme, in particular its role in proposing the Opportunities Fund for Urban Youth-led Development at the third session of the World Urban Forum in Vancouver, Canada, in June 2006, and launching the Fund at the fourth session of the World Urban Forum on 4 November 2008,

*Recalling* General Assembly resolution 62/126 of 5 February 2008, which underlined the strategic importance of initiatives such as the Fund and invited member States to contribute to this fund, and resolution 19/13 of 9 May 2003, which invited Governments and other partners to provide or increase their support to the activities of the United Nations Human Settlements Programme on urban youth development programmes,

*Noting with appreciation* the contribution from the Government of Norway for the establishment of the Opportunities Fund,

*Considering* the positive steps made by the United Nations Human Settlements Programme, in collaboration with other United Nations agencies and partners, towards implementing the Opportunities Fund for Urban Youth-led Development,

1. *Encourages* Governments to give priority and support to youth-led development initiatives and invites multilateral agencies, Governments, the private sector and civil society to listen to youth and develop policies on their development based on participatory processes;

2. *Invites* multilateral agencies, Governments, the private sector and civil society to promote the Opportunities Fund to youth-led organizations within their respective regions and to encourage such organizations to apply for the Fund;

3. *Also invites* multilateral agencies, Governments, the private sector and civil society to contribute voluntarily, wherever possible, to the Opportunities Fund;

4. *Requests* the Executive Director to undertake the following activities in compliance with the medium-term strategic and institutional plan and the work programme for the biennium 2010–2011:

(a) To strengthen further the institutional management and operations of the Fund and build the capacities of regional partners to manage the Fund better;

(b) To promote upscaling of support for marginalized groups, such as youth, and for youth-led initiatives and to enhance learning potential for the Fund by supporting an approach taking into consideration best practices, research and replication;

(c) To promote the exchange of experiences and good practices learned from the Opportunities Fund, which will support the normative agenda of the United Nations Human Settlements Programme and other United Nations agencies;

<sup>10</sup> General Assembly resolution 55/2 of 8 September 2000.

<sup>11</sup> *Report of the United Nations Conference on Human Settlements (Habitat II), Istanbul, 3–14 June 1996* (United Nations publication, Sales No. E.97.IV.6), chap. I, resolution 1, annex II.

(d) To continue to strengthen and mainstream the work of the United Nations Human Settlements Programme on the engagement of young people in human settlements development and in taking measures in relation to their livelihoods;

(e) To provide the necessary mechanisms for the World Urban Youth Forum to be recognized as an integral part of the World Urban Forum;

(f) To evaluate the operation of the Opportunities Fund for Urban Youth-led Development and to submit a report thereon to the Governing Council at its twenty-third session;

5. *Also requests* the Executive Director to ensure that urban youth development issues are reflected substantively in future issues of the *Global Report on Human Settlements* and of the *State of the World's Cities* report;

6. *Further requests* the Executive Director to submit a report on the progress in the implementation of the present resolution to the Governing Council at its twenty-third session.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/5: Governance of the United Nations Human Settlements Programme**

*The Governing Council,*

*Recalling* General Assembly resolution 56/206 of 21 December 2001, which transformed the Commission on Human Settlements and its secretariat, the United Nations Centre for Human Settlements (Habitat), including the United Nations Habitat and Human Settlements Foundation, into the United Nations Human Settlements Programme,

*Recalling also* its resolution 21/2 of 20 April 2007 on the medium-term strategic and institutional plan for 2008–2013, which called upon the Executive Director to consult the Committee of Permanent Representatives on the need to review the efficiency and effectiveness of the governance structure of the United Nations Human Settlements Programme,

*Taking note* of the note by the Executive Director on the efficiency and effectiveness of the governance structure of the United Nations Human Settlements Programme,<sup>12</sup>

1. *Requests* the Executive Director and the Committee of Permanent Representatives to undertake jointly, within the work programme and budget, an examination of the governance of the United Nations Human Settlements Programme with a view to identifying and implementing ways to improve the transparency, accountability, efficiency and effectiveness of the functioning of the existing governance structure and to identify options for any other potential relevant changes for consideration by the Governing Council at its twenty-third session;

2. *Requests* the Executive Director to begin work as soon as possible on the terms of reference for the above-mentioned exercise, which are to be developed in close cooperation with the Committee of Permanent Representatives and submitted for its endorsement.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/6: Habitat awards**

*The Governing Council,*

*Recalling* the establishment of the Habitat Scroll of Honour awards to acknowledge initiatives that have made outstanding contributions in various fields such as shelter provision, highlighting the plight of the homeless, leadership in post-conflict reconstruction and developing and improving human settlements and the quality of urban life,

*Takes note with appreciation* of the enhancement of the Habitat Scroll of Honour awards by the establishment of complementary cash awards, including the Dubai International Award for Best Practices to Improve the Living Environment, the Sheikh Khalifa Bin Salman al Khalifa UN-Habitat Award and the Rafik Hariri Memorial Award, as a means of recognizing, rewarding and promoting best practices in human settlements, community development and leadership, and of further disseminating such best practices at the World Urban Forum.

7th plenary meeting  
3 April 2009

## **Resolution 22/7: Work programme and budget of the United Nations Human Settlements Programme for the biennium 2010–2011**

*The Governing Council,*

*Recalling* the commitments made by Governments in the United Nations Millennium Declaration<sup>13</sup> to achieving a significant improvement in the lives of at least 100 million slum-dwellers by 2020 and in the Johannesburg Plan of Implementation of the World Summit on Sustainable Development<sup>14</sup> to reducing by half the proportion of people without access to safe drinking water and basic sanitation by 2015,

*Recalling also* General Assembly resolution 60/203 of 13 March 2006, which called for increased voluntary contributions, and recognizing the continued urgent need for increased and predictable financial contributions to the United Nations Habitat and Human Settlements Foundation,

*Taking into account* the approved six-year medium-term strategic and institutional plan for the period 2008–2013 as the overarching future strategy for the programme of work, financial and human resources of the United Nations Human Settlements Programme,

*Welcoming* the progress made to date in the implementation of the medium-term strategic and institutional plan, including results-based management, quick wins and imperative actions listed in the plan, the World Urban Forum, the country activities of the United Nations Human Settlements Programme, the Slum Upgrading Facility, the Water and Sanitation programme and the experimental reimbursable seeding operations,

*Having considered* the proposed work programme and budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2010–2011<sup>15</sup> and the recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,<sup>16</sup>

*Noting with satisfaction* the recently developed gender action plan for 2008–2013 relating to policies, programmes and activities of the United Nations Human Settlements Programme,

1. *Approves* the proposed work programme and budget for 2010–2011;
2. *Also approves* the general-purpose budget of \$66,190,500 and endorses the special-purpose budget of \$95,717,700 for the biennium 2010–2011 detailed in the proposed work programme and budget for 2010–2011;<sup>17</sup>
3. *Further approves* an increase in the general-purpose statutory reserve from \$3,279,500 to \$6,619,500;
4. *Requests* the Executive Director to report, using a results-based framework, on the execution of the work programme against each of its expected accomplishments to Governments through the Committee of Permanent Representatives on a half-yearly basis, and also to the Governing Council;
5. *Also requests* the Executive Director to continue the full implementation of the approved six-year medium-term strategic and institutional plan;

13 General Assembly resolution 55/2 of 8 September 2000.

14 *Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August–4 September 2002* (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 2, annex.

15 HSP/GC/22/5.

16 HSP/GC/22/INF/5.

17 Ibid.



6. *Further requests* the Executive Director to ensure timely and close consultation with the Committee of Permanent Representatives during the preparation of a prioritized, results-based strategic framework and the work programme and budget for the biennium 2012–2013, both aligned with the approved six-year medium-term strategic and institutional plan;
7. *Calls upon* the Executive Director to report, using a results-based framework, on a half-yearly basis on progress made, challenges encountered, foreseeable issues and next steps in the implementation of the medium-term strategic and institutional plan to Governments through the Committee of Permanent Representatives and to the Governing Council at its twenty-third session;
8. *Also calls upon* the Executive Director, in consultation with the Committee of Permanent Representatives, to conduct a midterm review of the medium-term strategic and institutional plan and to present the results to the Governing Council at its twenty-third session;
9. *Requests* the Executive Director, in keeping with resolution 21/10 of the Governing Council, to continue the implementation of the experimental reimbursable seeding operations and other innovative financial mechanisms and to commission an external evaluation to assess the progress of the implementation of these activities, building on paragraphs 7 (g) and 7 (i) of the said resolution and the principles contained in paragraph 6.36 of the operational procedures and guidelines for the United Nations Habitat and Human Settlements Foundation experimental reimbursable seeding operations as endorsed by the Committee of Permanent Representatives on 3 April 2008;
10. *Also requests* the Executive Director to report on progress made in the implementation of the gender equality action plan for 2008–2013 to the Governing Council at its twenty-third session;
11. *Further requests* the Executive Director to facilitate a gender equality action forum that will meet in conjunction with the sessions of the Governing Council and World Urban Forum to enable partners to assess progress made in the implementation of the gender equality action plan;
12. *Calls upon* the Executive Director to reprioritize systematically, whenever necessary, activities of the United Nations Human Settlements Programme for 2010–2011 in a realistic and pragmatic manner against substantial change in funding scenarios and to inform the Committee of Permanent Representatives accordingly;
13. *Authorizes* the Executive Director, in the event of a shortfall or surplus in income, to adjust, in consultation with the Committee of Permanent Representatives, the level of allocations for programme activities to bring it in line with the actual level of income;
14. *Also authorizes* the Executive Director to reallocate general-purpose resources between subprogrammes in an amount of up to 10 per cent of the total general-purpose budget;
15. *Further authorizes* the Executive Director to reallocate, in consultation with the Committee of Permanent Representatives, in excess of 10 per cent and up to 25 per cent of the total general-purpose budget;
16. *Requests* the Executive Director to report all reallocations and adjustments to the Committee of Permanent Representatives in the quarterly financial reports.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/8: Guidelines on access to basic services for all**

*The Governing Council,*

*Recalling* its resolutions 20/5 of 8 April 2005, on access to basic services for all within the context of sustainable human settlements, and 21/4 of 20 April 2007, on guiding principles on access to basic services for all, and cognizant of the report of the Executive Director on guidelines on access to basic services for all,<sup>18</sup> which contains in its annex the draft international guidelines on access to basic services for all that were prepared in consultation with other United Nations bodies and concerned stakeholders and in line with the guidelines on decentralization and the guiding principles on access to basic services for all,

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18 HSP/GC/22/2/Add.6.

*Recalling also* General Assembly resolution S-25/2 of 9 June 2001 adopting the Declaration of Cities and Other Human Settlements in the New Millennium, by which the Assembly resolved to promote access to safe drinking water for all and to facilitate the provision of basic infrastructure and urban services, including adequate sanitation, waste management and sustainable transport, through transparent and accountable management of public services as well as partnerships with the private sector and non-profit organizations for the delivery of those services,

*Acknowledging* the coherence and complementarity between the guidelines on access to basic services for all and the international guidelines on decentralization and the strengthening of local authorities adopted by its resolution 21/3 of 20 April 2007,

*Recalling* General Assembly resolution 60/1 of 16 September 2005, in which the Assembly recognized the need for more efficient environmental activities in the United Nations system, with better integration of environmental activities in the broader sustainable development framework,

*Emphasizing* the need to promote environmental sustainability in the delivery of basic services for all, including sustainable urban planning, risk reduction, early warning systems and appropriate response to natural disasters,

1. *Expresses appreciation* for the leading role of the United Nations Human Settlements Programme and the contribution of the United Nations Institute for Training and Research and other agencies and partners in the consultative process that led to the development of the draft guidelines on access to basic services for all;
2. *Approves* the guidelines on access to basic services for all included in the annex to the report of the Executive Director<sup>19</sup> as a valuable instrument in the attainment of the Millennium Development Goals and therefore in contributing to human dignity, quality of life, sustainable livelihoods and the enjoyment of human sustenance;
3. *Invites* Governments to place the issue of access to basic services for all at the centre of their national development policies, with a special emphasis on filling the gaps for the poor and marginalized groups, and to strengthen their legal and institutional frameworks for facilitating partnerships at all levels, in line with the aforementioned guidelines;
4. *Requests* key international financial institutions, development agencies and the United Nations Human Settlements Programme, within its approved medium-term strategic and institutional plan and biennial work programme, to develop training instruments and assist interested Governments to adapt the guidelines to their national contexts, where appropriate, and further to develop tools and indicators as part of its support for the implementation of the guidelines, in a manner coordinated with the continuing work on the implementation of the guidelines on decentralization;
5. *Requests* the United Nations Human Settlements Programme to develop innovative partnerships with other United Nations bodies, development banks, Governments, local authorities and their associations, including United Cities and Local Governments, private service providers and other Habitat Agenda partners, to support the ownership and application of the guidelines to local and national circumstances;
6. *Recommends* that the guidelines on basic services, together with the guidelines on decentralization, be considered by the United Nations Economic and Social Council with a view to promoting their use, as appropriate, among United Nations bodies as a complement to existing international guidelines for specific services or in developing particular guidelines for services that are not covered by such instruments;
7. *Encourages* Governments and partners to provide institutional, technical and financial support for the future work of the United Nations Human Settlements Programme with all levels of government on access to basic services for all, especially for promoting the implementation of the guidelines on access to basic services for all in complementarity with the support provided for the implementation of the guidelines on decentralization;
8. *Encourages* Governments, according to their circumstances, to promote sustainable criteria in planning and construction while taking into account access to clean water and safe drinking water, adequate sanitation, urban services, sustainable waste management and sustainable transport;

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19 HSP/GC/22/2/Add.6 and Corr.1/Rev.1.

9. *Requests* the Executive Director, in close cooperation with member States and other relevant stakeholders, to prepare an assessment of the implementation and complementarity between the guidelines on decentralization and the guidelines on access to basic services and to report on the progress made in the implementation of the present resolution to the Governing Council at its twenty-third session.

7th plenary meeting  
3 April 2009

## **Resolution 22/9: South-South cooperation in human settlements**

*The Governing Council,*

*Recalling* United Nations General Assembly resolution 60/1 of 16 September 2005 adopting the 2005 World Summit Outcome, which recognizes the achievements and great potential of South-South cooperation and encourages the promotion of such cooperation, as a means of sharing best practices and providing enhanced technical cooperation,

*Recalling also* the Doha Declaration on Financing for Development: outcome document for the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, endorsed by the General Assembly in resolution 63/239 of 24 December 2008, which encourages developing countries in a position to do so to continue to make concrete efforts to increase and make more effective their South-South cooperation initiatives in accordance with the principles of aid effectiveness,

*Recalling further* General Assembly resolution 62/209 of 19 December 2007, in which it decided to convene a high-level United Nations conference on South-South cooperation and welcoming the offer of the Government of Kenya to host that conference,

*Reaffirming* the increased importance of South-South cooperation to help developing countries, at their request and under their ownership and leadership, to develop capacities in order to achieve their national goals, with special emphasis on internationally agreed development goals, including the Millennium Development Goals,

*Welcoming* the criteria established for the country-level activities of the United Nations Human Settlements Programme and deployment of Habitat programme managers and the progress made in the elaboration of United Nations Human Settlements Programme country programmes,

1. *Requests* the United Nations Human Settlements Programme to strengthen the integration of South-South cooperation in its activities, consistent with the provisions of the work programme, budget and the medium-term strategic and institutional plan and, to that end, to strengthen cooperation with the United Nations Development Programme and other relevant organizations within and outside the United Nations system;

2. *Also requests* the United Nations Human Settlements Programme to use the benefits of experience, expertise, technologies, human resources and centres of excellence already existing in several countries of the South, such as the Non-Aligned Movement Centre for South-South Technical Cooperation and the emerging work of regional ministerial bodies, namely the Meeting of Ministers and High-level Authorities of the Housing and Urban Development Sector in Latin America and the Caribbean, the African Ministerial Conference on Housing and Urban Development and the Asia-Pacific Ministerial Conference on Housing and Urban Development, to achieve the implementation of its programme of work;

3. *Further requests* the United Nations Human Settlements Programme to strengthen its regional presence within existing resources with a view to enhancing South-South cooperation in the implementation of its work programme and to provide and continue its support for efforts in subregional and regional cooperation in human settlements and urban development;

4. *Invites* Governments and relevant organizations to provide financial resources to the United Nations Human Settlements Programme for the purpose of further facilitating South-South cooperation in achieving sustainable urban development through capacity-building, policy advice and promoting horizontal learning among developing countries in line with the focus areas of the medium-term strategic and institutional plan, including through the best practices database;

5. *Also invites* Governments to strengthen their support for South-South cooperation, including triangular cooperation, especially by mobilizing financial resources on a sustainable basis, by providing technical assistance and encouraging city-to-city cooperation;

6. *Welcomes* the cooperation of the United Nations Human Settlements Programme with the Special Unit for South-South Cooperation within the United Nations Development Programme and calls upon the United Nations Human Settlements Programme to expand its collaboration with that unit;

7. *Requests* the United Nations Human Settlements Programme to contribute to the Secretary-General's report to the forthcoming high-level United Nations conference on South-South cooperation and to participate in that conference;

8. *Calls upon* the United Nations Human Settlements Programme to facilitate the organization of a dialogue on South-South cooperation at the next session of the World Urban Forum with a view to building a knowledge base, among other outcomes;

9. *Requests* the Executive Director to report on the progress made in promoting South-South cooperation in human settlements to the Governing Council at its twenty-third session.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/10: World Urban Forum**

*The Governing Council,*

*Recalling* paragraph 10 of its resolution 18/5 of 16 February 2001, in which it requested the Executive Director to promote a merger of the Urban Environment Forum and the International Forum on Urban Poverty into a new urban forum, with a view to strengthening the coordination of international support to the implementation of the Habitat Agenda,

*Recalling also* General Assembly resolution 56/206 of 21 December 2001, and in particular paragraph 3 of section B, in which the General Assembly decided that the Forum would be a non-legislative technical forum in which experts could exchange views in the years when the Governing Council of the United Nations Human Settlement Programme did not meet, in addition to subsequent calls by the General Assembly for all Governments to participate actively in the sessions of the World Urban Forum,<sup>20</sup>

*Recalling further* General Assembly resolution 31/140 of 17 December 1976 on the pattern of conferences, in which the General Assembly decided that the United Nations bodies may hold sessions away from their established headquarters when a Government issuing an invitation for a session to be held within its territory has agreed to defray, after consultation with the Secretary General as to their nature and possible extent, the actual additional costs directly or indirectly involved,

*Recalling* the invitation by the General Assembly in its resolution 58/226 of 23 December 2003 to donor countries to support the participation of representatives from developing countries, and also its resolution 62/198 of 19 December 2007, by which it called upon donor countries to support the participation of representatives from developing countries, in particular the least developed countries, including women and young people, in the Forum,

*Noting with appreciation* the successful organization of the fourth session of the Forum, held in Nanjing, China, from 3 to 6 November 2008, and the growing interest of the global community in the World Urban Forum, as demonstrated by four successive successful sessions of the Forum and the increasing participation of Governments and Habitat Agenda partners from all regions, which has made the Forum the foremost global arena for interaction between policymakers, local government leaders, non-government stakeholders and expert practitioners in the field of human settlements,

*Noting also with appreciation* the report of the Executive Director on the fourth session of the World Urban Forum,<sup>21</sup>

*Noting further with appreciation* the financial and in-kind contributions made by a number of Governments and Habitat Agenda partners to help in the preparation of the fourth session of the World Urban Forum,

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20 General Assembly resolutions 60/203 of 22 December 2005 and 62/198 of 19 December 2007.

21 HSP/GC/22/2/Add.1.

*Noting* the establishment of a World Urban Forum unit within the secretariat of the Governing Council to enhance the coordination of the preparation and conduct of the Forum,

*Reiterating* the objectives of the World Urban Forum as contained in annex IV to the report of the first session of the World Urban Forum, held in Nairobi from 29 April to 3 May 2002,

1. *Welcomes* the invitation by the Government of Brazil to host the fifth session of the World Urban Forum in Rio de Janeiro from 22 to 26 March 2010;
2. *Requests* the Executive Director, in consultation with the Committee of Permanent Representatives, to carry out an early lessons-learned review of all previous sessions of the World Urban Forum to be submitted to the Committee prior to its September 2009 session, drawing on their respective evaluations with a view to improving the planning, organization and effectiveness of future sessions, containing, among other things, recommendations on the following areas:
  - (a) Timing between Governing Councils and sessions of the World Urban Forum;
  - (b) Mobilization of adequate and predictable resources;
  - (c) Consideration of specific provision within the United Nations Habitat and Human Settlements Foundation budget for activities related to the World Urban Forum;
  - (d) Scale, inclusiveness and effectiveness of participation;
  - (e) Strengthening participant preparation at all levels;
  - (f) Results-based-management-compatible evaluation process to ensure that specific objectives of the World Urban Forum relate to the UN-Habitat medium-term strategic and institutional plan and to the biennial work programme and budget;
  - (g) Location assessment, including a cost-benefit analysis;
  - (h) World Urban Forum budget planning process and financial transparency;
  - (i) Timely negotiation of host country agreements;
  - (j) Timely submission and distribution of pre-session documents;
  - (k) Need to strengthen UN-Habitat internal management processes;
  - (l) Cooperation with Habitat Agenda partners;
3. *Requests* the Committee of Permanent Representatives to consider the lessons-learned review and to make further recommendations to the Executive Director on future sessions of the Forum;
4. *Invites* Governments and all other Habitat partners to contribute to the success of the World Urban Forum by supporting the travel to, and participation in, the fifth session of the Forum by representatives of developing countries and of Habitat Agenda partners, including representatives of organizations of women, young people and people with disabilities;
5. *Requests* the Executive Director to report on the implementation of the present resolution to the Governing Council at its twenty-third session.

*7th plenary meeting  
3 April 2009*

## **Resolution 22/11: Human settlements development in the occupied Palestinian territory**

*The Governing Council,*

*Recalling* its resolutions pertaining to the global development of human settlements, in particular the consolidation of the efforts of the international community and its organizations to provide adequate shelter for all and sustainable human settlements development in an urbanizing world as elaborated in the Habitat Agenda,<sup>22</sup> and recalling relevant resolutions of the United Nations Commission on Human Settlements,

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<sup>22</sup> *Report of the United Nations Conference on Human Settlements (Habitat II), Istanbul, 3–14 June 1996* (United Nations publication, Sales No. E.97.IV.6), chap. I, resolution 1, annex II.

*Recognizing* the need for continued cooperation between member States within the spirit of the Declaration on Cities and other Human Settlements in the New Millennium<sup>23</sup> to achieve practical programmes that enhance sustainable shelter development goals,

*Expressing concern* about the significant humanitarian situation in the Gaza Strip, which poses extraordinary challenges associated with the rehabilitation of destroyed housing, property and infrastructure, in addition to the continued deterioration in the human settlements and the housing conditions in the occupied Palestinian territory, and the need to enable rapid recovery and reconstruction alongside humanitarian interventions, including concerted efforts for the smooth flow of building materials in accordance with guidelines agreed upon by all parties;

*Recalling* its resolution 19/18 of 9 May 2003, which endorsed the establishment of a special human settlements programme for the Palestinian people and a technical cooperation trust fund,

*Conscious* of the special housing and human settlements needs of the Palestinian people and recognizing that they fall within the technical mandate of the United Nations Human Settlements Programme,

*Recognizing* that shelter and human settlements are key elements in reaching a peaceful and sustainable peace in the Middle East,

*Expressing the hope* that the Israelis and the Palestinians will renew their efforts for peace and joint support for the special human settlements programme for the Palestinian people,

*Recognizing* the urgent need to resolve the long-term deterioration in the conditions of the Palestinian human settlements and the housing problems in the occupied Palestinian territory, which marks an important precedent for the United Nations Human Settlements Programme,

1. *Notes with appreciation* the progress made by the United Nations Human Settlements Programme in the implementation of the special human settlements programme for the Palestinian people;

2. *Expresses appreciation* to Governments and others that have provided financial support to the special human settlements programme for the Palestinian people;

3. *Calls upon* member States and others in a position to do so to support the United Nations Human Settlements Programme in the immediate mobilization of financial resources to support the operation of the special human settlements programme for the Palestinian people and its trust fund;

4. *Requests* the Executive Director to report to the Governing Council at its twenty-third session on progress in the operations of the special human settlements programme for the Palestinian people, including progress in the mobilization of financial resources for the technical cooperation trust fund.

*7th plenary meeting  
3 April 2009*

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23 General Assembly resolution S-25/2, annex.

## **Annex II**

### **Statement by the President of the Governing Council on the effectiveness of the administrative arrangements at the United Nations Office at Nairobi**

At the outset of the Governing Council, I received a document from the Government of Uganda that raised several issues about problems associated with the United Nations Office at Nairobi.

I took note of the sentiments and believe it is important to recognize the concerns expressed in the document. After consultation with several member States, however, I concluded that the concerns would be appropriately addressed by the General Assembly.

In the light of this I would like to call upon member States to support efforts during the sixty-fourth session of the General Assembly to improve the Nairobi duty station so that the United Nations Office at Nairobi can serve UN-Habitat in the most efficient way possible.

## **Annex III**

### **Message by the Secretary-General**

It is a pleasure to send greetings to the Governing Council of UN-Habitat. I thank President Kibaki and the Government and people of Kenya for their commitment to the United Nations as hosts to UN-Habitat and the United Nations Environment Programme since the 1970s.

I also congratulate the Council and UN-Habitat for focusing on housing finance systems at this session. In an urbanizing world, as we face the global economic crisis and the expanding impacts of climate change, we have to work particularly hard to ensure that the legions of urban poor are not left behind. Indeed, there is much to be done if we are to meet the UN-Habitat strategic goal of improving access to sustainable financing for affordable housing and infrastructure.

Slums are now home to 1 billion people around the world. Slum prevalence is highest in sub-Saharan Africa, where 62 per cent of the urban population suffers from inadequate shelter, followed by southern Asia, 43 per cent, and eastern Asia, 37 per cent.

The persistence of urban poverty is largely the result of weak urban economies and finance, and the absence of the instruments and institutions required to support housing and infrastructure finance. The current global financial crisis and credit crunch only exacerbate this situation. There is a risk that our efforts to meet the Millennium Development Goals, and to address the shelter crisis, will be rolled back. I have been urging industrialized countries to ensure that national stimulus packages pay due attention to the needs of developing countries.

I urge you to do your part, and be bold in your deliberations on the UN-Habitat work programme and budget, and in your efforts to lay the foundations for a better urban future. The United Nations system will continue to be your partner in this quest. Please accept my best wishes for a successful session.



## Annex IV

### Summaries by the President of the Governing Council of the high-level segment and of the dialogue on the special theme of the twenty-second session

#### I. High-level debate on agenda items 5–7

1. The Governing Council took up agenda items 5–7 at its 2nd plenary meeting, on Monday, 31 March 2009, which took the form of a high-level general debate on those agenda items. The general debate continued at the Council's 3rd and 4th plenary meetings, on Tuesday, 31 March 2009.
2. Much of the discussion focused on the two main dimensions of the special theme for the twenty-second session of the Governing Council – affordable housing finance in the context of the current global economic crisis, and the effects of climate change on financing affordable housing and infrastructure – and on the modalities by which UN-Habitat could best achieve progress in those areas.
3. With regard to the first of those issues, representatives stressed the multidimensional consequences of the global financial crisis, which had had negative impacts on the ability of all sections of society, particularly the poor, to upgrade their current housing status; on the budgetary priority that Governments were able to allocate to housing and other aspects of human settlement; and on the capacity of the financial, construction and other support sectors to engage in the housing sector. As many representatives remarked, the crisis had significantly slowed progress towards the attainment of internationally agreed development goals, including the Millennium Development Goals, related to human settlements. The concerns expressed covered a wide range of issues, including access to health and social services, gender equality, water supply and sanitation, education, governance, infrastructural development and quality of housing, all against the background of rapid urbanization.
4. Several representatives saw opportunities arising from those challenges, which could be a springboard for the development of innovative mechanisms to promote affordable housing. There was some discussion of the role of the State in that process, with a number of representatives speaking of the need for the public sector to facilitate the sustainable development of human settlements through supportive policy formulation and legislation, priority budget allocation, infrastructure development, and targeted subsidies for the poor. It was generally recognized, however, that the current financial crisis required innovative approaches that encouraged the involvement of all stakeholders, including international donors and agencies; private sector developers; financial and banking institutions; and non-governmental and community-based organizations. Most representatives gave examples of the specific measures being undertaken in their own countries to build partnerships in a manner appropriate to the national setting.
5. A recurring theme in the discussion was the difficulty of mobilizing finance at all levels, from national Governments wishing to undertake slum upgrading and infrastructure development, to poor people of low and irregular income wanting to upgrade or purchase housing. A range of solutions were discussed, including the creation of a stable political environment to encourage long-term funding, the inclusion of housing as a priority in poverty reduction strategies, setting up housing funds, complementary fiscal measures and a new legislative and regulatory framework to support microfinance and help the poor to gain access to credit and obtain mortgages. On the supply side, new technical solutions were needed to make it easier to build low-cost housing.
6. Some representatives stressed the need to strengthen governance structures, for example through institutional capacity-building; through efforts to combat corruption and enforce legislation and regulations related to land registration, tenancy and ownership; and through measures to make it easier for households to secure loans and carry out improvements to property. Several representatives also saw value in an approach that encouraged community involvement and empowerment through the promotion of self-help programmes. The gathering of country-level data related to housing and the monitoring and evaluation of those data were seen as vital in guiding policy development.
7. The continuing worldwide impact of climate change, added to the global financial crisis, the conflicts being experienced in many countries and the migration patterns accelerating the rate of urbanization meant that the international community was facing an unprecedented set of daunting challenges on a number of fronts. Several representatives drew attention to the vulnerability of cities to the effects of climate change and related natural phenomena, such as droughts, floods and storms. Other repercussions of climate change included falling agricultural production and consequent food shortages.

8. Several representatives suggested approaches that might assist in climate change adaptation and mitigation, including implementation of what were termed “green” housing projects, encouragement of energy saving in buildings, further research and development into climate change-resilient structures, and promotion of rural development to slow down migration to cities. One representative said that the principle of common but differentiated responsibility should continue to form the basis of international efforts to counter the impacts of climate change. Another representative praised UN-Habitat for the work carried out on climate change since the previous session of the Governing Council, as mandated in the Habitat Agenda, and expressed support for an approach that engaged cities in global networks.

9. The representative of a non-governmental organization spoke of the numerous problems facing women living in poverty at the grass-roots level, including rising food prices, unpredictable incomes, insecure housing tenure and having to provide for the health, education and welfare of their families in difficult circumstances. Nevertheless, those women had shown themselves to be experts in devising coping solutions, including by developing local funding mechanisms and organizing community-based action groups. It was therefore necessary for their voices to be heard and their experiences taken into account when decisions were taken at forums such as the Governing Council. Some representatives also highlighted the need for continued support for gender mainstreaming activities within the work of UN-Habitat.

10. Several representatives commended UN-Habitat on its good work, noting in particular its building of new partnerships with the private sector and identification of best practices, preparation of training materials, monitoring of key indicators and guidance to policymakers on housing and urban issues. It was noted that, with national budgets strained and the spending needs of UN-Habitat itself increasing, there was an urgent need to set clear priorities for future work. In that regard, the role of the medium-term strategic and institutional plan was stressed as a framework for future work and its results framework was seen as a valuable monitoring and evaluation tool. Coordinated service delivery in line with the “Delivering as one” approach was commended by several representatives.

11. There was a call for increased funding and for Governments to honour existing funding pledges to UN-Habitat, given that the vital role played by the organization required predictable funding and support. Better planning, improved access to finance and concentration on the needs of the most vulnerable must guide UN-Habitat work. It was also suggested that recommendations made by the United Nations Board of Auditors in relation to identified management weaknesses and areas of risk should be tackled promptly and thoroughly to ensure that the organization maintained the highest standards of transparency and accountability.

12. Several representatives commented on the value of the World Urban Forum as a forum for global discussion on issues relating to the challenges presented by urbanization and as a mechanism for sharing best practice and current thinking. In addition, the representative of the African Ministerial Conference on Housing and Urban Development reported on that organization’s Abuja conference of July 2008, the main outcome of which, the Abuja Resolution, was of great relevance to the work of UN-Habitat in Africa. The representative pledged that the Conference would continue to work with UN-Habitat, the Cities Alliance and other key stakeholders, and requested additional funding and support from the international community.

13. Most representatives expressed the strong support of their Governments for the work of UN-Habitat and several gave specific commitments regarding funding. The United States of America and the Republic of Korea both announced a doubling of support to UN-Habitat core funding to reflect the importance of the UN-Habitat global mandate and progress in achieving strategic and institutional changes. Kenya announced an increase in its contribution from \$60,000 to \$70,000 for the next three years, while Japan detailed the technical cooperation, reconstruction assistance, peacebuilding and humanitarian use to which its \$18 million had been put over the past three years, together with a recent \$4 million contribution to disaster recovery in Myanmar. Zimbabwe said that it planned to resume regular contributions to UN-Habitat as soon as the Zimbabwean economy was back on track, and Cuba expressed its readiness to share its experiences on human settlements achievements in a range of sectors, including vulnerability reduction and disaster mitigation.

## **II. Dialogue on the special theme**

14. At its 5th and 6th plenary meetings, on Wednesday, 1 April 2009, the Council held a dialogue on the special theme for the session under agenda item 6. The dialogue was divided into two panels, each with a moderator, and chaired by the President of the Governing Council.

## **A. Panel 1: affordable housing finance in the context of the current global economic crisis**

### **Introduction**

15. Introducing the panel, the moderator, Ms. Irene Vance, Consultative Group to Assist the Poor, drew attention to the key questions to be borne in mind by the panellists, as contained in document HSP/GC/22/4. She pointed out that community savings schemes formed a point of departure to enable the poor to take the first steps on to the housing ladder and were particularly important in the context of the current global financial crisis. There was no single solution to the question of affordable housing and financing mechanisms varied extensively according to local circumstances, she said, adding that it was important to find ways to ensure transparency and accountability. She suggested that, in the wake of the regulatory shortcomings that had emerged in the formal market, it might be time to look afresh at standards and practices and at ways of re-establishing the confidence that had been lost following the credit crisis. In that regard, she stressed the importance of including all key stakeholders in the housing chain. She suggested that the establishment of a global network to share knowledge and information on mechanisms for affordable housing finance and infrastructure could be useful and wondered whether UN-Habitat could provide some input. She pointed out that, while the current recession was one of the deepest faced by the developed world in recent years, the less developed countries had experienced a series of financial crises from which positive lessons could be learned, given that the world was interconnected at the economic level.

16. The panel discussion was held in two parts and the discussions are reflected in sections A and B below, accordingly.

### **1. First part**

#### **(a) Presentations**

17. Mr. Dan Ericsson, State Secretary to the Minister for Local Government and Financial Markets of Sweden, pointed out how the global financial crisis had affected every sector of every country and industry. The full effects of the crisis were still to be felt and, in the light of spiralling unemployment and poverty, Governments would increase public spending and investment with the ensuing prospect of global inflation. He emphasized that UN-Habitat was not primarily concerned with the problems afflicting the financial markets in the developed world, but with the effects that the crisis would have on the poor. It was crucial to make housing in developing countries attractive to the global investment market, but, for that to happen, housing must be based on an infrastructure of rights, where the concepts of trust and transparency were paramount. In that regard, he pointed to the need for stable legislation and the establishment of a transparent and accurate titles register, while recognizing that there was controversy as to the need for such a register. He concluded by expressing the hope that the global financial sector would realize that investment in the poorest areas could form the basis for the future growth of the global economy.

18. Mr. Joko Widodo, Mayor of Surakarta, Indonesia, spoke of the initiatives being taken in his city in response to the challenges of increasing urbanization, expanding slum areas and inadequate public facilities. Those initiatives included the creation of a new marketplace for street vendors, the implementation of a project to upgrade substandard houses, the use of underused land in city centre slum areas to provide affordable housing, the conversion of riverbank settlements to urban forest and public parks and the upgrading of the public sanitation system in accordance with national environmental standards. Slum upgrading was financed through national subsidy and cross-subsidy between residential and commercial development. Sanitation infrastructure was financed by sharing costs between the community, municipality and national budget.

19. Mr. Muchadeyi Ashton Masunda, Mayor of Harare, pointed out that the current global financial crisis had negative implications for the provision of public funds for low-income housing. Solutions had to be found to finance cities on a sustainable basis, he said, and he proposed that 20 per cent of development aid should be channelled to local government structures and extensively used to provide affordable housing for their citizens. Noting the problem posed by the requirement for collateral for loans to local authorities, he pointed out that in more mature democracies the sovereign guarantee of Governments was usually sufficient. It was also important to look at the quality of the loans to ensure that they were provided over a sustained period at competitive interest rates. He stressed the importance of adopting a flexible and pragmatic approach and welcoming all possible partners to help in the task of meeting the needs of those citizens who could not afford to go to the traditional markets for housing finance. In that context, he described the model used in Harare for the provision of affordable housing,

whereby local authorities provided the land, building societies provided the mortgage finance and multilateral organizations provided the hard currency. The employer of the house purchaser had to give an assurance to the building society that the employee's wages would be paid. He admitted that, while that model had enabled the building of a number of housing estates in the Harare suburbs, too few of those consisted of high-density housing.

20. Mr. Peter Makau, Equity Bank, Kenya, gave an outline of the history and operation of the bank, explaining that it aimed to promote access to finance for poorer people. He stressed that the financial crisis was in no way a reflection of the ability of poorer people to sustain loans, explaining that the bank's customers had an extremely high repayment rate for loans and, generally, the default rate for that sector was significantly lower than for the conventional lending. Climate change and the need to adapt housing models, he said, underlined the need for affordable housing, especially as consumer power was eroded by the rising prices of essential goods. He said that environmental stresses led to expanding slums and a worsening quality of life and that national policies were needed within private and public partnerships to ensure affordable housing and other benefits for the urban poor. In conclusion, he expressed his bank's commitment to developing affordable products and said that the bank was working to identify partners, including those in the construction industry.

## **(b) Discussion**

21. In the ensuing discussion, one representative said that better management of growing cities was needed to attract investment. Mapping of urban areas was a basic requirement for improved planning and for land registration, which underlay security of tenure, and many cities in the developing world required capacity-building in that area. Another representative said, with regard to the land administration chain, that it would be useful to identify good practices to illustrate the institutional arrangements that assisted in streamlining delivery of land, enabling earlier development of housing. Mr. Ericsson responded that many examples existed worldwide and gave a recent example from his own experience in Huruma, Nairobi, based on small savings and community action.

22. Some representatives gave examples of the policies introduced in their countries in response to the global financial crisis. One representative stressed the importance of the rental market for housing, and outlined the initiative in his country to build environmentally friendly, State-subsidized housing units suitable for rental to low-income households. Another representative said that his country had introduced a number of measures to stimulate the housing market, including subsidies for lower-income families, reduced interest rates, fiscal concessions and special funds. A third representative spoke of the difficulty of securing loans on the international finance market when a number of major financial institutions were wary of accepting the sovereign guarantee of the State as a surety. The representative added that a greater problem was that even once a loan was secured, housing remained too expensive for most of the population. She asked all panellists whether they had any solution to make housing cheaper, potentially by using new technologies.

23. Responding to some of the issues raised, Mr. Masunda agreed that proper planning was vital to urban growth. Waiting lists needed to be rigorously maintained and formed an important basis for decision-making on the types of housing development to be undertaken, whether low, medium or high-density, and whether leasehold or freehold. The State, as the lender of last resort, could act as a guarantor of mortgage bonds, but such a resort was not usually necessary if development schemes were properly planned and implemented. Lastly, he said that evidence contradicted the popular perception that the informal sector was too risky to lend to, and repayment rates were often better than those achieved in the formal sector.

24. In response to a question on the cost of housing, Mr. Makau said that, even in instances in which finance was available for low-cost housing, the cost of the final product often remained a difficulty. The solution lay in pursuing technological and material solutions that brought the cost of housing down to levels that were accessible to low-income groups.

## **2. Second part**

### **(a) Presentations**

25. Mr. Relu Fenechiu, Global Parliamentarians for Habitat, spoke of the four trends that would negatively affect developing countries: declining export levels; a possible decline in development aid; falling remittances; and a decline in foreign direct investment. Predicting that there would be less public money available for housing and infrastructure and less capacity from businesses and individuals to invest in affordable housing, he stressed that it was therefore all the more important to establish active partnerships between central and local governments and the private housing sector. Among the measures suggested were the promotion of alternatives to private mortgage-based housing schemes,

new financial mechanisms, the mobilization of private domestic resources and the development of sound policy frameworks, all within a context of regulation of the banking sector and increased transparency with regard to risk. In conclusion, he said that housing and related infrastructure development would remain engines for economic growth, investments in the sector would have high multiplier effects in developing countries and advances in affordable housing would also be key in attaining the Millennium Development Goals.

26. Ms. Ayanthi Gurusinghe, Emerging Markets Group, focused on women's access to affordable housing finance systems, examining the disparities in the treatment of men and women in the sector, the rationale behind the drive to improve women's rights, the barriers facing women and the importance of housing finance. She outlined strategies to ensure that housing finance reached low-income settlements, such as the development of various community-based self-finance and savings initiatives, and, in particular, ways of developing women's access to finance. In conclusion, she considered such issues as land ownership, joint land registration for married couples, security of tenure, the exercise of traditional responsibilities in a scenario of increasing urbanization, the development of well-focused housing development policy and the situation in Sri Lanka with regard to those issues.

27. Ms. Kecia Rust, FinMark Trust, took up the issue of the opportunities and challenges of microfinance in Africa, noting that, notwithstanding the financial crisis, many countries in Africa had registered growth in their financial sectors and that the market for microfinance was potentially enormous, particularly in the area of small-scale loans for housing improvements, such as piecemeal enlargements of dwellings one room at a time. She commented on the findings of a recent workshop organized by her organization, Rooftops Canada and Habitat for Humanity International in Dar es Salaam, United Republic of Tanzania, in May 2008 and the suggested interventions put forward in areas such as government policy at the national and local levels, housing support services and the need for increased commercialization of microfinance lenders to attract investors. She concluded by summarizing the key impacts of the financial crisis at the various levels.

## **(b) Discussion**

28. In the ensuing discussion, one representative said that in his country the stabilization of population growth had led to a shift in policy from ensuring an adequate quantity of housing to a concentration on good-quality housing that would endure, with parallel changes in the structuring of the finance market. In response to the global financial crisis, measures were being undertaken to assist those encountering credit difficulties following job loss.

29. The representative of a regional economic integration organization outlined some housing actions that could be taken at the regional level. Under the European economic recovery plan, adopted at the end of 2008, the energy efficiency of buildings had been accorded high priority, and finance was available from the European Development Fund to help in realizing the considerable advantages to the environment and to social cohesion that could derive from refurbishment of existing residential buildings.

30. Several speakers stressed the importance of grass-roots action, and a number of examples were given of provision of housing through community-level action by groups that were often marginalized, including women. The examples given illustrated the range of possibilities for finance, from a revolving loan fund that helped women in a local community to buy land and to improve their quality of life, to an international urban poor fund leveraging finance from multilateral donors. Those who spoke urged decision-makers and policymakers to listen more intently to the voices of those whom they were trying to help.

31. With regard to low-cost housing, one representative said that in his country efforts to encourage the private sector to develop innovative building materials that were cheaper than conventional materials had proved unsuccessful. Another representative said that in his country a cess had been imposed on buildings of over 500 square metres, the proceeds of which went into a fund that was used to finance housing for the very poor. Lastly, a third representative urged that the goal of sustainability, based on the concept of ownership, should be kept in mind in any proposed solutions.

## **3. Closing remarks**

32. In her closing remarks, the moderator said that before the current economic crisis the issue of housing had fallen in priority compared to other issues, such as health and education. The potential of housing to act as an agent of economic growth and social recovery had, however, returned it to the forefront of the agenda, and Governments had responded by devising a range of measures aimed at facilitating the development of affordable housing. While many financing institutions remained

tentative, donors had a key role to play in providing seed capital to meet the demand for funds that still existed among grass-roots organizations and people of low income.

33. Good practices already existed, and microfinance had been shown to offer an appropriate mechanism for meeting the needs of those with small amounts of savings. Microfinance systems had often proved more stable and had exhibited higher repayment rates than more formal systems. As the global economic crisis continued, it was likely that the demand for microfinance would grow, and there was an urgent need to build further robust financing instruments at all levels. Innovative solutions were needed, including constructing new value chains that linked partners in unconventional ways. In conclusion, she said that the easier part was perhaps finance; more difficult was the delivery of affordable housing that was dignified and decent.

## **B. Panel 2: effects of climate change on financing affordable housing and infrastructure**

### **Introduction**

34. The moderator, Ms. Christine Platt, President, Commonwealth Association of Planners, introduced the topic of the effects of climate change on the provision of affordable housing and infrastructure finance, as contained in document HSP/GC/22/4. She drew attention to the medium-term strategic and institutional plan as a response to the many challenges faced by UN-Habitat, and noted that the plan's focus areas 2–4 offered opportunities to enhance climate change mitigation and adaptation. She also highlighted the participative and partnership nature of the relationship between the many bodies represented at the current session and, in general, in UN-Habitat, and said that the outcome of the dialogues would indicate follow-up actions for national and local governments and for UN-Habitat itself.

35. The panel was held in two parts and the discussions are reflected in sections A and B below, accordingly.

### **1. First part**

#### **(a) Presentations**

##### **(i) Introductory presentation by the Intergovernmental Panel on Climate Change**

36. Mr. Andrew Githeko, Intergovernmental Panel on Climate Change, gave an overview of the Panel's work, explaining that it was a United Nations body that assessed scientific, technical, social and economic information relevant to the understanding of human-induced climate change and that it reported every five years. Summarizing the latest data and trends, he explained that there had been perceptible warming and climate change since the 1970s of around 0.2 degrees Celsius per decade, but that the variability of that increase rendered extreme climate events such as flooding, drought, sea-level rise and heat waves more frequent and unpredictable. Thus, several areas of central Kenya that had previously been malaria-free were currently malarial owing to rising temperatures, making climate change an issue of health alongside housing. He suggested that building standards should be changed along with those of storm and drainage systems, and that consideration should be given to avoiding new developments in flood-prone and coastal areas.

##### **(ii) Presentations by panellists**

37. Mr. Mohammad Yousaf Pashtun, Minister of Urban Development, Afghanistan, summarized the causes of the global financial crisis, pointing out that it was credit rather than cash that was in short supply, and that microcredit processes in developing countries were generally operating satisfactorily. He further pointed out that, while climate change might make housing finance more expensive for medium-cost and high-cost housing, that was not necessarily so for low-cost housing, which used local, natural and traditional materials that were often cheaper and more environmentally sustainable than modern alternatives. He suggested that a public information campaign was needed to spread that message and to publicize the benefits of traditional low-cost construction, with environmentally friendly building techniques promoted and protected by international bodies, including UN-Habitat and the United Nations Environment Programme. Young people, as vocal and enthusiastic environmental campaigners, should especially be targeted.

38. Mr. Adam Kimbisa, Mayor of Dar es Salaam, said that it was difficult to separate causes and symptoms in a multifaceted crisis, but that there was no doubt that the poor would suffer. Developing countries had made little contribution to climate change compared to developed nations, but consequences such as migration to cities from rural areas rendered unproductive by climate change and

the consequent challenges of rapid and uncontrolled urban growth, transport, infrastructure, health, education and inadequate housing were being borne by Africa. He acknowledged that developing countries were also contributing to climate change and must be aware of that and endeavour to reduce their impact. He called for universal and international action to aid mitigation and adaptation on climate change, adding that investment in that area, particularly in poor countries, must not be compromised by the global financial crisis.

39. Mr. Jorge Bittar, Housing Secretary of Rio de Janeiro, said that 20 per cent of that city's population lived in informal settlements in poor and insanitary housing, and that there was a 350,000 unit housing deficit in the city. With urban planning and social housing the administration's main priority, efforts were being directed at slum upgrading and the construction of large-scale low-income housing. The city's administration was planning to develop existing vacant urban land, he reported, taking advantage of the existence of services and infrastructure, and 100,000 housing units were planned over the next four years, using innovative construction and financing initiatives. Those programmes included water heating systems based on solar energy, refuse and sewage collection and treatment, rainwater recycling, reforestation and the creation of parks in informal settlements. The city was exploring the possibility of raising funds from the carbon market to finance partially those investments. He stressed that housing was a cause of the current economic crisis, but also a good response to it, offering jobs, investment and economic growth.

**(b) Discussion**

40. In the ensuing discussion, two representatives raised issues concerning the experience, skills and expertise of women, particularly at the grass-roots level, arguing that such women were a significant and untapped resource in the quest for creative and workable solutions to the multiple challenges of housing in the context of climate change and the current financial crisis, and also that their contribution was insufficiently acknowledged. All three panellists responded by acknowledging women's position as strongly affected by issues of climate change and stressed the need to involve them in decision-making processes and to seek to provide them with productive, income-generating activities.

41. One representative described his country's aim to be carbon-neutral by 2013 and described the comprehensive and far-reaching nature of partnership and cooperation between the State, cities and stakeholders, which would ensure that appropriate planning and development decisions were taken, and that existing urban settlements could be brought into line. He urged the creation of green jobs for young people in renewable energy and transportation, among other areas, and stated his belief that, while cities were the source and victims of many problems, they were also the greatest hope for the future. All the panellists expressed support for the country's aims in that regard and requested a forum or network to be established whereby the key learning points and best practices could be shared by other cities and authorities worldwide.

42. One representative raised the issue of the increasing and perhaps inevitable horizontal urban sprawl in the absence of technologies that rendered it possible to build vertically using affordable and sustainable materials, and the loss of productive land and infrastructure challenges that such spread would entail. His concern that consideration should be given to how such horizontal sprawl should be managed so as not to disadvantage further the poor met with varied responses from the panel. Mr. Pashtun pointed out that, although low-rise housing was more costly and environmentally unfriendly than its high-rise counterpart, there was cultural resistance to high-rise living in some parts of the world that would take time to overcome. He added, however, that the social, economic and environmental costs of horizontal sprawl were unsustainable and could take no long-term place in urban planning. Mr. Kimbisa said that a lack of pressure on land, unlike in Singapore, for example, combined with a lack of technical expertise, made high-rise development less likely in Dar es Salaam. Mr. Bittar agreed that capacity and technologies were often lacking in developing countries and stressed the need for a strong and far-reaching international network to share best practices and experiences from industrialized countries.

43. One representative spoke of his country's regulations and restrictions pertaining to development in coastal areas and raised the issue of the affordability of land, even in the absence of climate change. Mr. Kimbisa agreed that the cost of city-centre land was an obstacle to low-cost housing.

44. The representative of the Executive Director expressed his strong support for an appeal made by one representative for partnerships that would expand the Cities in Climate Change initiative pilot project. He indicated that there were plans to expand the initiative in Africa, the Pacific and the Caribbean.

## 2. Second part

### (a) Presentations

45. Mr. Jimnah Mbaru, First National Vice-Chairman of the Kenya National Chamber of Commerce and Industry, looked at the theme of the session from a private sector perspective, giving examples of the role that Governments and institutions played in financing. He began by illustrating the effects of climate change and the global financial crisis on the availability of funding for housing with the example of Kenya, where the current drought and resulting high food prices, together with lower levels of remittances received from Kenyans abroad, meant that less money was available for spending on housing. The population shift from rural to urban areas was simultaneously creating a housing crisis in cities. Institutions had a significant role to play in rapidly growing cities: developing countries should replicate the institutional frameworks that had been successful in developed countries with government financial agencies and the private sector providing affordable funding for housing. The cost of land in urban areas meant that affordable housing expansion was in areas further from city centres and Governments needed to finance infrastructure in those areas. Housing design and building materials also had important financial considerations. Governments had a vital role in financing availability in developing countries; they needed to look at reforms and innovative instruments for housing financing, for example through infrastructure bonds and the creation of a secondary mortgage market. Private sector partners should use the opportunity to develop the affordable housing market.

46. Ms. Louise Cox, President, International Union of Architects, referred to the Habitat Professionals Forum meeting in March 2009 and the recommendations made on the importance of partnerships between human settlements professionals, Governments, UN-Habitat and other partners in promoting a global campaign for sustainable urban development. She called for urgent action to regenerate communities and the environment and stressed the importance of empowering communities and encouraging local debate. It was also important to look at lessons learned from disaster relief in innovative building techniques and sustainable solutions. She emphasized the importance of using sustainable materials, rehabilitating existing building stock, preserving social systems and communities, upgrading infrastructure and using renewable energy sources. The involvement of the private sector in small projects offered benefits for all.

47. Ms. Maria Valencia, Youth Advisory Board, expressed appreciation for the efforts of UN-Habitat to engage young people in finding solutions to housing and environmental challenges through the Board. She referred to the UN-Habitat publication relating to the state of the world's cities that highlighted the problems of unemployment among young people and the risks faced by young urban slum-dwellers as a result of climate change. Giving examples of projects driven by young people in various countries, she said that the current financial crisis should not be permitted to affect adversely initiatives led by young people; rather investment in those should be increased. With the high rate of unemployment among young people, training and employment opportunities had to be created, for example in environmental activities, financial management and renewable energy. She called for UN-Habitat, Governments and organizations to consider young people as partners, to involve them in consultations and to act urgently to mobilize them in seeking solutions to the current crises.

### (b) Discussion

48. In the ensuing discussion a number of representatives welcomed the comments on young people and said that their input was vital. One representative said that the involvement of young people in UN-Habitat youth-led projects demonstrated their leadership, innovative and practical abilities. Young people needed to be challenged and should be given support, for example, through the Opportunities Fund for Youth-Led Development. He also drew attention to the importance of involving marginalized and aboriginal communities and the lessons that could be learned from them. One representative urged the use of arts and culture as a way of engaging and educating young people and urged UN-Habitat, Governments and municipalities to involve young people in decision-making at all levels. Another representative proposed the creation of resource zones for women in communities, for example, the provision of community kitchens and services; women should be part of sustainable development and small projects.

49. One representative drew attention to the importance of safety and meeting acceptable building specifications in the provision of affordable housing. Another noted the need for global standards in that regard, such as those being proposed by the Government of Qatar.

50. One representative emphasized the importance of a coordinated approach to the three crises of housing, finance and climate change; partnerships were crucial and Governments should work with UN-Habitat and involve professionals.



51. Responding to the points raised, the panellists endorsed the importance of involving women and young people. Ms. Cox said that it was important to involve not only women, but also families and communities. She agreed that environmental and building standards had to be enforced and supported the involvement of indigenous people and the use of traditional methods of sustainable building. Mr. Mbaru regretted the lack of interest in the private sector in building standards, but said that there would be no market if costs were too high. Mr. Bittar said that urban drift was a continuing trend and presented opportunities and challenges to find better ways of controlling the process; Governments had failed to understand the problems facing cities and to find solutions and it was therefore essential for all sectors of society to work together. Mr. Kimbisa endorsed the need to involve young people, stressing that they were current and future leaders.

### **3. Closing remarks**

52. In her closing remarks the moderator said that the issues were far from simple and time was running out. Immediate action was required and the global financial crisis was no excuse for inaction on climate change. A global response was called for, involving partnerships with United Nations agencies, global networks, cities, professionals, civil society, young people, women and indigenous people. She emphasized the need for more public information and increased awareness among young people and women, which could be achieved by using new tools such as the internet and through arts, culture and sport. She also emphasized the need for greater investment in infrastructure and in research on new technologies and their application. She pointed out that housing was part of the solution to the climate change crisis. There was general consensus on the crucial role of cities in the mitigation of climate change and the consequential need for Governments to put cities at the centre of action and strategies to deal with climate change. All key partner groups needed to have the ability to tackle the urban climate change challenge.

## Annex V

### Report of the Committee of the Whole

#### Introduction

1. At its 1st plenary meeting, on Monday, 30 March 2009, the Governing Council agreed to establish a Committee of the Whole to consider agenda items 5, 7 and 8.
2. The Committee of the Whole was chaired by Mr. Franz B. Marré (Germany), one of the three vice-presidents of the Governing Council and, in his absence, Ms. Margita Fuchsová (Czech Republic), a fellow vice-president. At its 1st meeting, on the afternoon of Monday, 30 March 2009, the Chair informed the Committee that it would consider agenda items 5, 7 and 8 and prepare a report on its deliberations for the plenary session of the Governing Council.

#### **I. Activities of the United Nations Human Settlements Programme, including coordination matters (agenda item 5)**

3. The Committee took up the agenda item at its 1st meeting, on the afternoon of Monday, 30 March 2009. The Committee agreed to organize its work by entrusting consideration of the draft resolutions contained in document HSP/GC/22/3/Add.1 to the drafting committee that had been established for that purpose. It also agreed to take up the items entrusted to it in the following order: medium-term strategic and institutional plan (HSP/GC/22/2/Add.2); governance structure of UN-Habitat (HSP/GC/22/2/Add.3); and country activities (HSP/GC/22/2/Add.7), following which it would proceed to a consideration of the remaining items.
4. Presenting the report of the Executive Director, as contained in documents HSP/GC/22/2 and Add.1–Add.7, the Deputy Executive Director, speaking as a representative of the secretariat, stressed the growing global awareness of the importance of sustainable urbanization. She said that the reports provided an overview of the organization's response to the resolutions adopted by the Governing Council at its twenty-first session, complemented by more detailed information on specific activities. She underscored that the number of the resolutions adopted by the Council at its twenty-first session had kept the organization extremely busy and that underfunding was a major challenge; UN-Habitat had nevertheless been able to respond to the many calls for follow-up action by exploiting to the full its network of partners both within and outside the United Nations system.

#### **A. Report of the Executive Director on the activities of UN-Habitat**

5. The Chair drew attention to the report of the Executive Director on the activities of UN-Habitat, as contained in document HSP/GC/22/2.
6. The Committee took note of the report.

#### **B. Report of the Executive Director on the fourth session of the World Urban Forum**

7. Drawing attention to the report of the Executive Director on the fourth session of the World Urban Forum, contained in document HSP/GC/22/2/Add.1, the representative of the secretariat said that lessons learned from the four sessions of the World Urban Forum thus far would be incorporated into the planning and other aspects of the forthcoming fifth session in Brazil in 2010, the theme of which would be "Cities for all – bridging the urban divide".
8. In the ensuing discussion, one representative, speaking on behalf of a regional economic integration organization, registered its support for the draft resolution on the World Urban Forum and congratulated the Governments of China and Brazil for hosting the fourth session of the World Urban Forum and for offering to host the forthcoming fifth session, respectively. The representative expressed some concern about transparency in the organization of those sessions. Another representative commended UN-Habitat on its excellent coordination of the Forum and welcomed, in particular, the launch of the *State of African Cities 2008* report.

## C. Medium-term strategic and institutional plan

9. The representative of the secretariat drew attention to the report on the medium-term strategic and institutional plan, as contained in document HSP/GC/22/2/Add.2.
10. In the discussion, a number of representatives welcomed progress made to date in the implementation of the plan. One representative, speaking on behalf of a regional economic integration organization, welcomed work in crafting the results framework for the plan. He requested linkages to be developed between the indicators set out in the framework and indicators in other documents such as the action plan of the medium-term strategic and institutional plan and urged use of what were known as the “SMART” indicators (specific, measurable, achievable, realistic and time-bound). He called upon UN-Habitat to review its approach to the funding of the plan and emphasized the need to prioritize activities. Lastly, he encouraged the creation of a dedicated implementation team for the plan.
11. A number of representatives expressed concern with the level and transparency of interaction between the secretariat and the Committee of Permanent Representatives on progress in the implementation of the plan. One representative called for the Executive Director to ensure that the Committee was afforded ample opportunity for detailed discussion on subsequent progress reports.
12. One representative expressed his gratitude to the countries and institutions that had made financing the experimental reimbursable seeding operations possible, including the Governments of Bahrain and Spain and the Rockefeller Foundation. He called for acceleration of the plan’s implementation prior to the twenty-third session of the Governing Council.
13. One representative, speaking on behalf of a regional economic integration organization, welcomed the outcomes of the meetings of the steering and monitoring committee for the experimental reimbursable seeding operations with the adoption of the operations manual and first steps on project selection. He encouraged the Executive Director to continue to provide the required support to those activities. Another representative commended the secretariat on the work undertaken to date on experimental reimbursable seeding operations; its deliveries, he said, would assist in tackling the crucial issue of affordable housing financing. A number of representatives sought clarification on lending undertaken in the context of the experimental reimbursable seeding operations. Several representatives stressed that, in accordance with the relevant resolution, no direct lending to end-users should be permitted. Several representatives looked forward to the results of the forthcoming independent evaluation of the operations and a review of the role of UN-Habitat in affordable housing finance.
14. In response, the representative of the secretariat expressed her agreement with the need for transparency and close consultations with member States. She noted that a more structured approach to interactions with the Committee of Permanent Representatives was envisaged, taking the form of biannual reporting to the Committee preceded by working group meetings to ensure input to the progress report on the plan by Committee members. The results framework was a work in progress; delays had been experienced at the beginning of 2008 owing to the difficult post-election situation in Kenya and unpredictable funding. Stressing that the reform exercise was a six-year process and that change would take time, she appealed for predictable funding to enable UN-Habitat to implement the plan effectively and to prioritize the activities for that implementation. She thanked the Governments of Canada, Italy, Norway and Sweden for their contributions to the core funding of the plan and that of Spain for its contribution to the experimental reimbursable seeding operations.
15. Another representative of the secretariat noted that the plan had been approved with the recommendation that it should be refined through the use of indicators to monitor progress in implementation. In that regard, external assistance from consultants with expertise in results-based management had been enlisted in 2008. The results framework had been presented to the Committee of Permanent Representatives, which had expressed its satisfaction therewith. Indicators were being further refined and would form the basis of six-monthly reporting on the progress of the implementation of the medium-term strategic and institutional plan.
16. Another representative of the secretariat said that the Human Settlements Financing Division of UN-Habitat provided advice to local finance facilities on their options; those facilities were able to undertake loan agreements under the Slum Upgrading Facility. The Division provided guarantee mechanisms so that commercial banks could take up the guarantees and supply loans directly.
17. A third representative of the secretariat stressed that, under the experimental reimbursable seeding operations and in accordance with Governing Council resolution 21/10 on strengthening the Habitat and Human Settlements Foundation, lending could be provided to financial institutions or microfinance institutions, but not to end-users, individuals or cooperatives.

#### **D. Efficiency and effectiveness of the governance structure of the United Nations Human Settlements Programme**

18. The representative of the secretariat drew attention to the note on the efficiency and effectiveness of the governance structure of UN-Habitat, as contained in document HSP/GC/22/2/Add.3.

19. In the ensuing discussion, representatives agreed on the need for further work to review the efficiency and effectiveness of the UN-Habitat governance structure. One representative, speaking on behalf of a regional economic integration organization, reiterated the call made in paragraph 12 of Governing Council resolution 21/2 on the medium-term strategic and institutional plan for 2008–2013 for the Executive Director to consult the Committee of Permanent Representatives on the need to review the governance structure's efficiency and effectiveness. He suggested that a further resolution on the matter would provide for a proper review to be undertaken. Another representative suggested that the report was premature and failed to provide sufficient information, analysis or background to enable appropriate consideration and conclusions to be drawn.

20. One representative, noting that some significant historic elements on institutional developments and emerging issues were contained in the report under discussion, expressed appreciation for the process to examine the governance structure. He stressed, however, that further work was required, including discussion between member States and the secretariat on the merits and demerits of the current structure, set out in the report. Another representative suggested that the outcome of discussions between the secretariat and member States should be presented to the Governing Council at its twenty-third session for its consideration.

#### **E. Joint progress report of the Executive Directors of UN-Habitat and UNEP**

21. The representative of the secretariat drew attention to the joint progress report of the Executive Directors of UN-Habitat and UNEP, as contained in document HSP/GC/22/2/Add.4, affirming that, as demonstrated in that report, cooperation between the two organizations had been further extended and institutionalized. She identified key areas of such cooperation, including the development of a new partnership framework for the period 2008–2013 and a joint implementation plan, focusing on, among other areas, cities and climate change, waste management and outreach activities.

22. One representative, voicing support for the partnership agreement between UNEP and UN-Habitat, expressed hope that cooperation between the two organizations would be strengthened further.

23. In response to a request for further information on cities and climate change, the representative of the secretariat agreed that in the environmental area the focus tended to be on mitigation efforts, when the primary challenge was posed by the need for adaptation. To that end a new branch had been established in UN-Habitat, on urban environment and planning, which, it was hoped, would enable UN-Habitat and UNEP to tap into their respective comparative advantages. Another representative of the secretariat gave details of the UN-Habitat Cities and Climate Change initiative, launched seven months previously, with the aim of building the capacity of cities to develop climate change adaptation and mitigation plans, sharing experiences and raising the profile of cities and the urban poor in the preparatory process for the forthcoming fifteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change, to be held in Copenhagen in 2009. Currently, UN-Habitat was working in that area with four countries, with plans to extend its reach, including by developing a regional approach, in close collaboration with the United Nations Environment Programme and other organizations within and outside the United Nations system.

#### **F. Cooperation with agencies and organizations within the United Nations system, intergovernmental organizations outside the United Nations system and non-governmental organizations**

24. The representative of the secretariat, drawing attention to the report on cooperation with agencies and organizations within the United Nations system, intergovernmental organizations outside the United Nations system and non-governmental organizations, as contained in document HSP/GC/22/2/Add.5, recalled that one of the priorities of the medium-term strategic and institutional plan was to enhance effective cooperation with partners. Accordingly, UN-Habitat was developing a partnership strategy in that regard.

25. Noting the need for strengthened coordination between United Nations agencies in general and national Governments, one representative stressed that UN-Habitat programmes should be better aligned with national priorities and called for more information on the successes achieved and challenges faced by UN-Habitat in joint activities with the United Nations Development Programme, in particular in Latin America.

26. In response, the representative of the secretariat affirmed that, in line with the “Delivering as one” approach, UN-Habitat was endeavouring to be more supportive of national planning and, to that end, working with the United Nations Development Assistance Framework process. Comparable efforts were being made to improve coordination with the World Bank through the poverty reduction strategy papers.

## **G. International guidelines on access to basic services for all**

27. The representative of the secretariat, drawing attention to the international guidelines on access to basic services for all, as contained in document HSP/GC/22/2/Add.6, pointed out that the proposed guidelines complemented those adopted in 2007 on decentralization and the strengthening of local authorities and suggested that the two sets should be seen as a package or universal framework that could be adapted to any individual context. He expressed the belief that the three main needs of the urban poor were the provision of services, land and housing, which also formed the core of targets 10 and 11 of Millennium Development Goal 7.

28. One representative said that her Government had been actively involved in the drafting of the guidelines on decentralization and had worked with many experts to promote the strengthening of local authorities and to encourage central, local and regional authorities to communicate with civil society and vulnerable groups in particular. She expressed the belief that the core function of local authorities was to provide basic services for all and suggested that there was a strong link between the guidelines on decentralization and those on the provision of basic services. She indicated that the new guidelines meant that there was important work to be undertaken in partnership.

29. Another representative expressed the belief that the improvement of universal access to basic services was a fundamental component in the attainment of the Millennium Development Goals but an ambitious objective that could be achieved only through sustained and lasting efforts. He expressed the belief that the guidelines represented great progress, pointing to a flexible approach that recognized the needs of individual countries.

30. One representative drew attention to the important role played by parliamentarians in encouraging Governments to forge policies that ensured slum eradication and the provision of decent housing for their people. She suggested that the prevailing concerns of the global crisis had meant that the housing problem had been cast to one side and called upon parliamentarians to work towards the establishment of policies that would provide genuine help to those who were most in need.

## **H. UN-Habitat country-level activities**

31. Drawing attention to the concept paper on UN-Habitat country-level activities, as contained in document HSP/GC/22/2/Add.7, the representative of the secretariat pointed out that such activities were central to the organization’s work. Following a combined needs-based and commitment-based approach, 26 priority countries showing a strong commitment to the development of sustainable settlements and improvement of housing had been identified for the implementation of country programmes. It was hoped that that number would eventually increase to 40.

32. In response to a request for clarification of the criteria for selection, he identified the following as crucial: first, thematic consistency with the UN-Habitat focus area; second, functional consistency between normative and operational approaches; and, third, financial and political commitment between Governments and their partners. The level of UN-Habitat involvement varied greatly by country, with the emphasis laid on least developed countries, he said, drawing attention to the difficulty of finding sufficient funding to finance individual projects.

33. One representative commended UN-Habitat on having established an office in her country. Expressing acknowledgement to that country as one of the developing countries that had contributed to the UN-Habitat budget, the representative of the secretariat noted that the distinction between donors and non-donors had been abolished and replaced by the concept of development partners. UN-Habitat offices had recently been established in the Middle East, all of which, he noted, had been funded by the host countries.

34. On the question of pilot countries, he said that the concept had emerged at the time of the “Delivering as one” initiative, but all countries were viewed as places in which the United Nations agencies could work together in a coordinated fashion as a United Nations family, rather than as competing organizations, enabling resources to be mobilized in a coordinated manner. He pointed out that the high transaction costs involved in such a process were difficult for a small agency such as UN-Habitat to meet.

## **I. Report of the work of the Committee of Permanent Representatives during the intersessional period**

35. The representative of the secretariat drew attention to the report on the work of the Committee of Permanent Representatives, as contained in document HSP/GC/22/3, which gave a summary of the meetings of the Committee of Permanent Representatives in 2008, together with the two meetings that had already taken place in 2009 in preparation for the current session.

36. The Committee took note of the report.

## **J. Procedural considerations**

37. At its 3rd meeting, on the afternoon of Wednesday, 1 April 2009, the Committee of the Whole began its consideration of six draft resolutions contained in conference-room papers that had been submitted since its last meeting. The draft resolutions were on a third session of the United Nations conference on housing and sustainable urban development; affordable housing finance; cities and climate change; strengthening the development of urban young people; the governance of the United Nations Human Settlements Programme; and the Habitat Awards.

38. The Chair said that draft resolutions were required to be submitted by noon on the second day of any session of the Governing Council in order to be considered by that session; all the draft resolutions under discussion had been submitted prior to that deadline. The Committee of the Whole would formally forward the draft resolutions to the drafting committee, thus fulfilling the procedural requirements.

39. The representative of one member State registered the support of her country for the draft resolution on cities and climate change which had been submitted by an observer State.

40. A number of representatives requested clarification of the rules of procedure relating to the submission of draft resolutions by observer States of the Governing Council. They emphasized the importance of ensuring consistency in the application of rules of procedure.

41. The representative of the secretariat noted that, according to paragraph 2 of rule 61 of the rules of procedure, States with observer status were permitted to submit a draft resolution for the consideration of the Council, which may be put to a decision at the request of a member of the Governing Council.

42. One representative expressed his concern regarding the possible gradual erosion of compliance with the rules of procedure and requested the secretariat to ensure that the correct legal procedure was being followed for the submission of draft resolutions by observer States.

43. Another representative expressed her concern regarding the procedure followed for the submission of the draft resolution on cities and climate change. While she had no objection to the content of the draft resolution, she was of the view that the sponsorship of any such draft resolution should be expressed prior to the deadline of noon on the second day of the session, which had not occurred in the case under discussion.

44. The representative of the secretariat suggested that the sponsorship of the draft resolution by a member State of the Council could occur at any time prior to the closure of the session and that the deadline applied only to the submission of the draft resolution. In response, the representative of the member State supporting the draft resolution under discussion noted that her country had supported the draft resolution from the time of its initial drafting.

45. One representative expressed her dissatisfaction with the explanation by the representative of the secretariat, noting that the rules of procedure should be applied equally to all delegations. Another representative observed that, wherever possible, preference should be given to rules of procedure over tradition.

46. The Committee of the Whole agreed to forward the six draft resolutions to the drafting committee subject to clarification by the secretariat of paragraph 2 of rule 61 of the rules of procedure and agreement that the requirements relating to the draft resolution on cities and climate change had been fulfilled.

## **II. Work programme of the United Nations Human Settlements Programme and budget of the United Nations Habitat and Human Settlements Foundation for the biennium 2010–2011 (agenda item 7)**

47. The Committee took up the agenda item at its 2nd meeting, on the morning of Tuesday, 31 March 2009. The Executive Director introduced the draft work programme and budget for the biennium 2010–2011, as contained in document HSP/GC/22/5, together with the report of the Advisory Committee on Administrative and Budgetary Questions and the gender equality action plan, as contained in documents HSP/GC/22/5/Add.1 and Add.2.

48. Recalling resolution 21/2, by which the Governing Council had approved a six-year medium-term strategic and institutional plan for the period 2008–2013, which was being implemented in an incremental approach and on which the work programme and budget for 2010–2011 were based, the Executive Director pointed to the significant progress that had been made in that regard and drew attention to document HSP/GC/22/2/Add.2, which summarized the progress reports submitted to the Committee of Permanent Representatives on a quarterly basis. She further drew attention to the structure of the work programme and budget for 2010–2011, pointing out that three new sections had been included to demonstrate focus in relation to the medium-term strategic and institutional plan, the UN-Habitat comparative advantage and gender integration. She explained the salient points relating to each of the four subprogrammes: shelter and sustainable human settlements development; monitoring the Habitat Agenda; regional and technical cooperation; and human settlements financing. She mentioned that, in implementing the medium-term strategic and institutional plan, UN-Habitat would strive to strike a regional balance of programmes and project activities, and facilitate the exchange of knowledge and lessons on a South-South basis.

49. Following a brief consideration of the three main sources of funding to UN-Habitat: regular budget appropriations, United Nations Habitat and Human Settlements Foundation contributions (both general purpose and special purpose) and contributions towards technical cooperation activities at the country level, the Executive Director put forward the proposed budget allocations for the biennium 2010–2011. In the light of the substantial increase in funding to UN-Habitat activities since 2000, the proposed expenditure budget was projected at \$356 million, an increase of 10 per cent on the revised budget for the biennium 2008–2009.

50. In the ensuing discussion, one representative, speaking on behalf of a regional economic integration organization, welcomed the work of the secretariat in constructing the work programme and budget in line with the medium-term strategic and institutional plan, but expressed concern that on occasions the process might not have been as transparent as it could have been and called for partners to be kept fully informed of all developments in the process. Two representatives called for a working group of the Committee of Permanent Representatives to be established to monitor progress made on the implementation of each expected accomplishment of the work programme on a six-monthly basis.

51. A number of representatives acknowledged that the increase in donor funding was a sign of confidence, but requested caution in planning activities, owing to possible funding shortfalls, in particular in the context of the global economic crisis. Several representatives warned that the budget forecasts were ambitious in the light of the current financial crisis and urged prioritization of activities. One representative said that it was unlikely that the level of voluntary contributions would be met and his own country would not be in a position to respond to requests for increased contributions. Another representative urged UN-Habitat to draw up realistic budgets that were attainable in the plan period, while a third representative drew attention to the report of the Advisory Committee on Administrative and Budgetary Questions (HSP/GC/22/5/Add.1) and requested the secretariat to inform the Committee of Permanent Representatives as soon as possible on the follow-up to the Advisory Committee's recommendations, in particular those relating to the establishment and redeployment of posts, contained in paragraph 21 of the report. One representative stated that his delegation supported a general analysis of the organizational structure of UN-Habitat and the proposal that the creation of new senior posts should be reviewed and recommended that their functions should be covered by existing positions where possible, citing the prevailing financial circumstances.

52. A representative of local authorities appealed for the budget to provide for assistance to street children and single mothers in need.

53. Responding to the comments made, the Executive Director emphasized that the budget was an indicative budget that would give UN-Habitat the authority to spend money if it was forthcoming. While welcoming the proposal for a six-monthly working group meeting, she pointed out that there were already four meetings of the Committee of Permanent Representatives scheduled annually, at which quarterly financial reports were presented, and that additional meetings would have budgetary implications. She also pointed out that a trend analysis of budgetary contributions showed an encouraging positive growth.

54. The Deputy Executive Director subsequently drew attention to document HSP/GC/22/5/Add.2 on the gender equality action plan. She noted that the plan provided the means to promote women's rights and empowerment through participation and gender mainstreaming in human settlements development. She also noted that, in line with the priorities of the 2005 World Summit Outcome, UN-Habitat had considerably strengthened its seminal work in the areas of women, land and housing and equal access by all to water and sanitation.

55. In the ensuing discussion, one representative commended the secretariat on the consultation process that had taken place in developing the action plan and noted that the plan had improved remarkably during the process. Her delegation was pleased to note the inclusion of a review of the function, capacity and placement of the Gender Unit within UN-Habitat as what was termed a "quick win" to be undertaken in 2009. In concluding the discussion of the sub-item, the Chair expressed the overall approval of the Committee for the gender equality action plan.

56. At its 5th and final meeting, the Committee was informed that the working group established to consider the item had reached consensus on a draft resolution on the item. The Committee endorsed the draft resolution and agreed also that it should be transmitted to the President for submission to the Governing Council meeting in plenary session. The draft resolution was adopted by the Governing Council as resolution 22/7.

### **III. Provisional agenda and other arrangements for the twenty-third session of the Governing Council (agenda item 8)**

57. The Committee took up the item at its 4th meeting, on the morning of Thursday, 2 April 2009. The representative of the secretariat outlined the proposed agenda for the twenty-third session of the Governing Council, to be held in April 2011, as contained in document HSP/GC/22/6. In response to a query about the inclusion of an agenda item reviewing the achievements of UN-Habitat during the intersessional period, the representative of the secretariat said that that was covered under agenda item 5 of the provisional agenda. The Committee of the Whole agreed to forward the draft provisional agenda to the Governing Council for possible adoption.

58. The Committee endorsed the provisional agenda for the twenty-third session for adoption by the Governing Council.



**Annex VI****List of documents before the Governing Council at its twenty-second session**

<b>Agenda item</b>	<b>Symbol</b>	<b>Item</b>
		Notification by the Executive Director
		Addendum: Notification by the Executive Director
4	HSP/GC/22/1	Provisional agenda
4	HSP/GC/22/1/Add.1	Addendum: Annotations to the provisional agenda, including organization of work: Note by the secretariat
4	HSP/GC/22/INF/1	List of documents before the Governing Council
5	HSP/GC/22/2	Activities of the United Nations Human Settlements Programme: Report of the Executive Director
5	HSP/GC/22/2/Add.1	Addendum: Report of the Executive Director on the fourth session of the World Urban Forum
5	HSP/GC/22/2/Add.2	Addendum: Progress report on the implementation of the medium-term strategic and institutional plan for the United Nations Human Settlements Programme for the period 2008–2013
5	HSP/GC/22/2/Add.3	Addendum: Efficiency and effectiveness of the governance structure of the United Nations Human Settlements Programme: Note by the Executive Director
5	HSP/GC/22/2/Add.4	Addendum: Joint progress report of the Executive Directors of the United Nations Human Settlements Programme and the United Nations Environment Programme
5	HSP/GC/22/2/Add.5	Addendum: Cooperation with agencies and organizations within the United Nations system, intergovernmental organizations outside the United Nations system and non-governmental organizations
5	HSP/GC/22/2/Add.6	Addendum: International guidelines on access to basic services for all
5	HSP/GC/22/2/Add.7	Addendum: Concept paper on UN-Habitat country-level activities
5	HSP/GC/22/3	Report of the work of the Committee of Permanent Representatives during the intersessional period: Note by the secretariat
5	HSP/GC/22/3/Add.1	Report of the work of the Committee of Permanent Representatives during the intersessional period: Note by the secretariat: Addendum: Draft resolutions prepared by the Committee of Permanent Representatives

<b>Agenda item</b>	<b>Symbol</b>	<b>Item</b>
5	HSP/GC/22/INF/2	Report of the fourth session of the World Urban Forum: Note by the secretariat
5	HSP/GC/22/INF/3	Country activities report 2009: Note by the secretariat
5	HSP/GC/22/INF/6	Global Report on Human Settlements 2009: Note by the secretariat
6	HSP/GC/22/4	Dialogue on the special theme for the twenty-second session of the Governing Council: Report by the Executive Director
7	HSP/GC/22/5	Draft work programme and budget for the biennium 2010–2011: Report by the Executive Director
7	HSP/GC/22/5/Add.1	Addendum: Report of the Advisory Committee on Administrative and Budgetary Questions: Note by the secretariat
7	HSP/GC/22/5/Add.2	Addendum: Gender equality action plan
7	HSP/GC/22/INF/4	Status of voluntary contributions to the United Nations Habitat and Human Settlements Foundation as at 28 February 2009: Note by the secretariat
7	HSP/GC/22/INF/5	United Nations Habitat and Human Settlements Foundation: Financial report for the biennium ended 31 December 2007 and report of the Board of Auditors: Note by the secretariat
8	HSP/GC/22/6	Provisional agenda and other arrangements for the twenty-third session of the Governing Council

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