



Twenty-third session
Nairobi, 11–15 April 2011

Draft report of the Committee of the Whole (*continued*)

- I. Activities of the United Nations Human Settlements Programme, including coordination matters (agenda item 5) (*continued*)**
 - A. Report of the Executive Director on the activities of the United Nations Human Settlements Programme (*continued*)**
 1. [*To be completed*]
 - B. Report on the work of the Committee of Permanent Representatives during the intersessional period (*continued*)**
 2. [*To be completed*]
 - C. Cooperation with agencies and organizations within the United Nations system, intergovernmental organizations outside the United Nations system and non-governmental organizations (*continued*)**
 3. [*To be completed*]
 - D. Joint progress report of the executive directors of the United Nations Human Settlements Programme and the United Nations Environment Programme on activities in the field of the urban environment over the reporting period 2009–2010 (*continued*)**
 4. [*To be completed*]
 - E. Coordinated implementation of the guidelines on access to basic services for all and the guidelines on decentralization and strengthening of local authorities (*continued*)**
 5. [*To be completed*]
 - F. Fifth session of the World Urban Forum and lessons learned from previous sessions of the Forum (*continued*)**
 6. [*To be completed*]
 - G. Third United Nations conference on housing and sustainable urban development (*continued*)**
 7. [*To be completed*]
 - H. Review of the governance structure of the United Nations Human Settlements Programme (*continued*)**
 8. [*To be completed*]

II. 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 (agenda item 7)

9. The Committee took up the agenda item at its 2nd meeting, on the morning of Tuesday, 12 April 2011.

A. Proposed work programme and budget for the biennium 2012–2013

10. The Executive Director introduced the proposed work programme and budget for the biennium 2012–2013 set out in document HSP/GC/23/5, and the report of the Advisory Committee on Administrative and Budgetary Questions set out in document HSP/GC/23/5/Add.1. He explained that the work programme and budget had been prepared in close collaboration with, and endorsed by, the Committee of Permanent Representatives and had been recommended for Governing Council approval by the Advisory Committee on Administrative and Budgetary Questions in New York. The budget had been developed along the six cross-cutting focus areas of the medium-term strategic and institutional plan and prioritized in line with Governing Council resolution 22/7 of 3 April 2009. Work was under way to streamline UN-Habitat, increasing productivity at headquarters to enhance flexibility, adaptability and accountability. He underscored the need to strengthen programmes and projects and to be flexible in responding to financial constraints. He explained the salient points relating to executive direction and management and to each of the four subprogrammes: shelter and sustainable urban settlements development; monitoring the Habitat Agenda; regional and technical cooperation; and human settlements financing.

11. He stressed that, while financing from technical cooperation and bilateral agreements was increasing, funding of the Foundation was decreasing. In the meantime the Programme's overall resource requirements for the biennium were projected at \$393.2 million, which represented a 10 per cent increase over the previous biennium. The organization would therefore strive to enhance productivity and efficiency at headquarters to do more with less. He reiterated the crucial role that Governments continued to play in the success of UN-Habitat work and the effective delivery of its mandate.

12. One representative expressed appreciation for the work and efforts of the secretariat and the Committee of Permanent Representatives in preparing the work programme and budget and satisfaction at the submission of differentiated budget scenarios based on various income alternatives. He made a number of key suggestions, including that the Executive Director should consider a new organizational structure to achieve better alignment with the focus areas of the medium-term strategic and institutional plan; that a unified planning and reporting system for decision-making, resource mobilization and reporting to all donors should be established to avoid expensive overlapping systems; that specific criteria and a process for the allocation of scarce resources among competing priorities should be established; that strategic planning, performance monitoring and reporting should be coordinated by a central strategic management section at the highest level of the organization and directed and supported by the Executive Director; that an independent evaluation function should be established to undertake an evaluation of the work programme for presentation to the Governing Council and whose recommendations would be submitted to the Governing Council; that the gender mainstreaming unit should be relocated to the Office of the Executive Director; that the focus of the medium-term strategic and institutional plan should be diverted from policy and technical administrative reform to focus on staff composition, competency and commitment at all levels.

13. Another representative welcomed the Executive Director's report, acknowledging the work of the secretariat in formulating a realistic and modest budget taking into account the particular importance of field projects to the organization's future work.

14. One representative, speaking on behalf of a group of countries, welcomed the work programme and budget document as presented, which was the product of intense discussions between the secretariat and member States. She commended the Executive Director for having shaped the work programme according to his new priorities so soon after assuming his post at UN-Habitat. The new priorities were, she said, highly relevant to the urban agenda and the medium-term strategic and institutional plan. She welcomed the Executive Director's initiative to conduct an organizational review and encouraged him to provide updates on progress in that regard to member States through the Committee of Permanent Representatives. She expressed satisfaction with the prioritization of activities, which would be helpful in the event of an income shortfall and subsequent reallocations, and with the Executive Director's awareness of the need to respond to the organization's new economic

realities. In closing, she said that she looked forward to being updated on progress made in the realignment of the organizational structure with the medium-term strategic and institutional plan. The Executive Director thanked the representatives for their comments, which were in line with changes under way within UN-Habitat, and expressed satisfaction that the secretariat and member States shared a common vision for the organization's future.

15. In response to a request for clarification regarding a special allocation of \$3.9 million to cater for the budgetary implications of the review of the organization's structure, the Executive Director said that the amount would be used in the event that the review resulted in the reorganization of UN-Habitat. He also explained that were a shortfall in income to be experienced the special allocation would be decreased by the same proportion as would the allocations for other activities. There were currently 258 Professional staff members working on 400 projects; it was important to clarify the relationship between projects and Professional staff members, which was likely to require some restructuring. It was to be hoped that the full amount of the special allocation would not be required.

16. *[To be completed]*

B. Reports on progress in the implementation of the medium-term strategic and institutional plan for the period 2008–2013 and on the mid-term review of the medium-term strategic and institutional plan

17. The representative of the secretariat introduced the reports on progress in the implementation of the medium-term strategic and institutional plan for the period 2008–2013 (HSP/GC/23/5/Add.2) and on the midterm review of the medium-term strategic and institutional plan (HSP/GC/23/5/Add.3). She said that the first report was based on eight progress reports that had been discussed and approved by the Committee of Permanent Representatives and evaluations conducted by independent consultants over the period 2008–2010. The report revealed significant achievements in implementation of the medium-term strategic and institutional plan and marked improvement in internal management processes meeting the three objectives set in 2007: better focusing of UN-Habitat activities, improved efficiency, and better integration of operational and normative activities. Collaboration between divisions had been tightened to deliver organization-wide results in areas such as improved access to land, housing, security of tenure and slum improvement in 32 countries. Efforts to achieve further improvements would continue.

18. Regarding the mid-term review of the implementation of the medium-term strategic and institutional plan, the representative said that the findings, lessons learned and recommendations of the review had been discussed with the Committee of Permanent Representatives and that an action plan to implement accepted recommendations was being implemented. Efforts to achieve further improvements would continue.

19. *[To be completed]*

C. Evaluation of the experimental reimbursable seeding operations programme

20. The representative of the secretariat introduced the evaluation of the experimental reimbursable seeding operations programme (HSP/GC/23/5/Add.4). She suggested that in the current financial climate UN-Habitat could not be a lender and therefore needed to concentrate on establishing partnerships with financial institutions to strengthen the comparative advantages of its normative function in the arena of urban economy, particularly in respect of job creation and leveraging financing for urban upgrading and housing for the poor. Such partnerships could also lead to future lending, loan guarantees and financial advisory services. Based on the evaluation, she requested the Governing Council to consider transferring the experimental reimbursable seeding operations portfolio and the technical management of the Slum Upgrading Facility to appropriate partners.

21. Two representatives expressed agreement with the proposals set out in the documents and reflected in the relevant draft resolution. The experimental reimbursable seeding operations clearly showed that the upgrading of slum infrastructure, housing and services required greater attention. They agreed with the proposal to move direct lending operations to an external partner and stressed that, while there was a need to identify the most appropriate institution, in consultation with the Committee of Permanent Representatives, it should not result in a loss of UN-Habitat normative involvement.

22. *[To be completed]*

D. Opportunities Fund for Urban Youth-led Development

23. The representative of the secretariat introduced the documentation on the Opportunities Fund for Urban Youth-led Development (HSP/GC/23/5/Add.5), recalling that the fund had been established at the twenty-first session of the Governing Council with financing from Norway. The evaluation in the report suggested narrowing the number of participant countries and concentrating on projects that fell within the UN-Habitat focus areas. It further recommended greater involvement by UN-Habitat programme managers and regional offices to streamline management, disbursement and monitoring.

24. One representative welcomed the report and expressed support for its recommendations.

25. *[To be completed]*

E. Progress in the implementation of the gender equality action plan

26. The representative of the secretariat introduced the documentation on progress in the implementation of the gender equality action plan (HSP/GC/23/5/Add.6), highlighting a number of specific information, capacity-building, demonstration and financing activities aimed at implementing the action plan in several important areas: advocacy and monitoring gender equality in cities; urban planning, governance and management; land and housing; access to environmentally sound urban services; financing for human settlements development; and strengthening of gender mainstreaming. She concluded by proposing that implementation and monitoring of the gender equality action plan should be aligned with the medium-term strategic and institutional plan framework and that institutional arrangements for gender mainstreaming should be improved.

27. One representative expressed support for the views stated in the report, noting that a resolution on gender issues had been submitted. Another said that there was a need for gender equality performance indicators that could be applied by local authorities.

28. *[To be completed]*

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

29. The Committee took up the item at its 3rd meeting, on the morning of Thursday, 14 April 2011. The representative of the secretariat outlined the proposed agenda for the twenty-fourth session of the Governing Council, to be held in 2013, as set out in document HSP/GC/23/6. The Secretary to the Governing Council explained that the dates had yet to be finalized, as the secretariat was awaiting confirmation of meetings of the General Assembly, the Economic and Social Council and the United Nations Environment Programme scheduled for 2013. It was hoped that the dates would be available in time for consideration by the Governing Council at its final plenary meeting.

30. In response to a request by one representative to avoid scheduling the session in April 2013, given that that month was a festive period in his country, the representative of the secretariat took note of the request, but stressed that, in a body comprising member States from all over the world, there was bound to be some conflict of dates.

31. The Committee endorsed the provisional agenda for the twenty-fourth session for adoption by the Governing Council.
