



Annual Progress Report 2014

Implementation of the Strategic Plan (2014 - 2019)

JANUARY - DECEMBER 2014

UN HABITAT
FOR A BETTER URBAN FUTURE

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Implementation of the Strategic Plan

(2014 - 2019)

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Abbreviations

AGG	Advisory Group on Gender Issues	GLII	Global Land Indicators initiative
AfDB	African Development Bank,	GLTN	Global Land Tool Network
AMCHUD	African Ministerial Conference on Housing and Urban Development	GPS	Global Positioning System
APMCHUD	Asia-Pacific Ministerial Conference on Housing and Urban Development	HLCF	High-Level Committee on Programmes
ASUD	Achieving Urban Sustainable Development	HUDCC	Housing and Urban Development Coordinating Council
AusAID	Australian Agency for International Development	HSUP	Housing and Slum Upgrading
BOA	Boar of Auditors	HRBA	Human Rights Based Approach
BRT	Bus rapid transit	IASC	Inter-Agency Standing Committee
CARICOM	Caribbean Community	ICLEI	International Council for Local Environmental Initiatives
CCCI	Cities and Climate Change Initiative	ICT	Information and Communication Technology
CoFLAS	Costing and Financing Land Administration Services	IFAD	International Fund for Agricultural Development
CDCs	Community Development Committees	IIRR	International Institute of Rural Reconstruction
COP	Conference of Parties	ILO	International Labour Organization
CPI	City Prosperity Index	IMDIS	Integrated Monitoring, Documentation and Information System
CRAterre	Centre international de la construction en terre	IMIS	Integrated Management Information System
DFID	United Kingdom Department for International Development	INBAR	International Network for Bamboo and Rattan
DiMSUR	Technical Centre for Risk Reduction Management, Sustainability and Urban Resilience in Southern Africa	IPCC	Intergovernmental Panel on Climate Change
ECLAC	Economic commission for Latin America and Caribbean	IPSAS	International Public Sector Accounting Standards
ECOSOC	UN Economic and Social Council	ISUD	Integrated Strategic Urban Development
EGM	Expert Group Meeting	ITC	International Trade Centre
EMPRASA	Empresa Paulista de Planejamento Metropolitano	JPLG	UN Joint Programme on Local Governance
EU	European Union	KMC	Kathmandu Metropolitan City
FAO	Food and Agriculture Organization of the United Nations	LAMP	Land Administration and Management programme
FSACP	Future Saudi Arabia Cities Programme	LED	Local Economic Development
GC	Governing Council	LV-WATSAN	Lake Victoria Region Water and Sanitation Initiative
GDP	Gross Domestic Product	LSP	Local Shelter Planning
GEMI	Global Expanded Water Monitoring Initiative	MCCA	Multi-year Climate Change Alliance
GFDRR	Global Facility for Disaster Reduction	MCUR	Medellin Collaboration for Urban Resilience
GIS	Geographical Information systems	MEK-WATSAN	Mekong Water and Sanitation Initiative
GIZ	Gesellschaft für Internationale Zusammenarbeit	MINURVI	Ministers of Housing and urban Development of the Latin American region
GHS	Global Housing Strategy		

MTSIP	Medium-Term Strategic and Institutional Plan	UNDAF	United Nations Development Assistance Framework
NPUDEC	National Programme for Urban Development and Empowerment of Cities	UNDESA	United Nations Department of Economic and Social Affairs
NSP	National Spatial Plan	UNDP	United Nations Development Programme
OECS	Organisation of Eastern Caribbean States	UNECA	United Nations Economic Commission for Africa
OHCHR	Office of the High Commissioner for Human Rights	UNEP	United Nations Environment Programme
OIOS	Office of Internal Oversight Services	UNESCAP	United Nations Economic and Social Commission for Asia and the Pacific
PAAS	Project Accrual and Accounting System	UNFCCC	UN Framework Convention on Climate Change
PILaR	Participatory and Inclusive Land Readjustment project	UNFPA	United Nations Population Fund
PSU	Participatory Slum Upgrading Programme	UNHCR	United Nations High Commissioner for Refugees
RAMA	Network of Metropolitan Areas of the Americas	UNICEF	The United Nations Children's Fund
RBM	Results-based Management	UNISDR	United Nations International Strategy for Disaster Reduction
RCMRD	Regional Centre for Mapping of Resources for Development	UNMISS	United Nations Mission in South Sudan
SDG	Sustainable development goals	UNON	United Nations Office in Nairobi
SIDS	Small Island Developing States	UNOPS	United Nations Office for Project Services
SLoCAT	Partnership on Sustainable Low-Carbon Transport	UN-Women	The United Nations Entity for Gender Equality and the Empowerment of Women
STDM	Social Tenure Domain Model		
SUSTRAN	Sustainable Transport	UPDB	Urban Planning and Development Branch
SWAP	System Wide Action Plan on Youth	USAID	United States Agency for International Development
UBSB	Urban Basic Services	UTI	Urban Training and Studies Institute
UCLG	United Cities and Local Governments	WASH	Water Sanitation and Hygiene
UEB	Urban Economy	WATSAN	Water and Sanitation
ECLAC	UN Economic commission for Latin America and Caribbean	WHO	World Health Organization
UN	United Nations	WUC	World Urban Campaign
UNDA	United Nations Development Account	WUF	Session of the World Urban Forum

1.0 Executive summary

I. Introduction

This is the first annual progress report on implementation of the six year strategic plan for 2014-2019, which was approved by the Governing Council of UN-Habitat during its twenty-fourth session. It is implemented through three successive biennial work programmes and budgets for 2014-2015, 2016-2017, and 2018-2019. Implementation of the plan started in January 2014, and it builds on the lessons learned and the achievements of the medium-term strategic and institutional plan, 2008-2013. This report has been prepared in accordance with Governing Council resolution 24/15 of April 2013 that request the executive director to “report annually to Governments through the Committee of Permanent Representatives and to Governing Council at its twenty-fifth session on progress made in the implementation of the strategic plan and the work programme activities” The report analyses and presents progress made towards achievement of results (expected accomplishments/outcomes) through the contributions of UN-Habitat and its partners, comprising governments, local authorities, the private sector, other United Nations agencies and other Habitat Agenda partners, supported by donors. UN-Habitat, like other United Nations agencies and development partners, contributes to the results or changes observed. Within UN-Habitat, the work programme is implemented in a matrix manner, with branches, regional offices and country offices contributing to the focus areas, which are fully aligned with the subprogrammes.

The Annual Report 2014 presents detailed analytical information on progress towards the results and expected accomplishments for each of the focus areas at global, regional and country levels. The report also presents the status of financial resources, in terms of what was planned, allocated and utilized by each focus area or office in 2014. This report, which is prepared in line with results-based management principles, indicates what progress has been made towards achieving the indicator targets, how that progress is demonstrated and, what UN-Habitat and partners have done to contribute. It also indicates progress made towards delivery of the biennial work programme outputs in 2014. Progress in the implementation of the strategic plan and work programme and budget is assessed at output, indicator of achievement, expected accomplishment and strategic result levels. Outputs are monitored continuously through the Integrated Monitoring, and Document Information System (IMDIS), a centrally managed United Nations Secretariat-wide system that tracks delivery of work programmes. Expected accomplishments and indicators of achievement of the strategic plan and work programme are reported on annually, while the strategic results are reported on biennially. This report has been strengthened by a results-focused performance measurement plan of the strategic plan which has indicator baselines and targets for all the expected accomplishments of each focus area, thus notably enhancing programme planning, monitoring and reporting processes in UN-Habitat.

This report includes Executive direction and management, Programme Division and the Office of Management for the first time – in addition to the focus areas. It also tries as much as possible to acknowledge and name the partners that contributed to the results achieved and progress reported.. The report has been strengthened by reflecting on how crosscutting issues of gender, human rights, climate change and youth are being mainstreamed during programme implementation in each of the focus areas. It informs Member States, development partners and other stakeholders of what is being achieved in the many countries where UN-Habitat and its partners are working. For that reason, it includes brief narratives on what is happening in countries through its normative and operational work. The report is largely based on assessments made by UN-Habitat staff of their contribution, and that of partners. Demonstrating results achieved can only be done through evaluations that objectively verify and validate what has been reported. Evaluations conducted in 2014 have been used to support what has been reported in this document whenever possible.

The report has six substantive chapters. It begins with the executive summary, which includes an introduction comprising the following: the mandate and methodology of the report; UN-Habitat's strategic approach to urbanization; the management of the programme; the "three legged approach" in action; innovative tools; and areas in which UN-Habitat is excelling and those that require improvement. There is a summary of programme and budget performance for the whole work programme. Chapter 2 provides progress made under Executive direction and management; chapter 3 is a detailed analysis of programme and financial performance for each of the seven focus areas; chapter 4 covers cross cutting issues of gender, youth, climate change and human rights; chapter 5 is on the work of the Programme division; chapter 6 covers the Office of management; and chapter 7 is on Habitat III and the Post-2015 Development Agenda process. Annexes have been included that provide detailed information on all projects implemented by region, and includes project title, value, donors, implementing partners, duration and countries where the projects are being implemented.

Strategic approach to urbanization

UN-Habitat has made significant progress in its quest to become an effective, efficient programme of the United Nations in the area of sustainable urbanization. It has expanded its conceptual approach to address the needs of urbanization in all areas of human settlements, from villages and market towns, through to the great cities and megalopolises of the world. It has completed its reform programme and programmatic realignment delivering results in line with the strategic plan adopted by member states. While challenges remain to be overcome in addressing shortfalls in its core budget, UN-Habitat has made significant strides in adapting to the current funding environment, while above all delivering more and better, on its core mandate.

Within the framework of the strategic plan 2014-2019, UN-Habitat adopted a more strategic and integrated approach to addressing the challenges and opportunities of 21st century cities and human settlements, than was the case with past approaches, which could sometimes address the symptoms of urbanization challenges in a piecemeal way. This new strategic approach is based on two premises. The first premise is the empirically verified positive correlation between urbanization and development. Given this, it is clear that urbanization can be used as a powerful tool for transforming production capacities and income levels in developing countries. However, this requires a mindset shift on the part of policy makers, away from viewing urbanization as a problem, towards viewing urbanization as a tool for development.

The second premise is that the major challenges facing cities and human settlements today are an outcome of the inadequacy of the fundamental systems underlying the efficient and effective functioning of cities and human settlements, in particular urban legislative, design and financial systems. These challenges, which cannot be overcome without addressing the underlying systems, include unemployment, especially among youths; social and economic inequalities, often manifested in the emergence of slums and proliferation of the informal sector; unsustainable energy consumption patterns; urban sprawl; and increasing emissions of greenhouse gases. Past approaches tended to address only the symptoms of these challenges rather than the underlying systemic inadequacies.

The strategic and integrated approach adopted by UN-Habitat in the implementation of the new strategic plan for 2014-2019 is thus more systemic rather than symptomatic; is integrated, rather than sectoral; is transformative rather than piecemeal; and links urbanization and human settlements to sustainable development by focusing on prosperity, livelihoods and employment, especially among youths. A three-legged approach has been adopted that places emphasis on urban legislation; urban planning and design; and urban finance and economy. These elements correspond to the first three focus areas of the strategic plan for 2014-2019, which may be seen as the levers for the transformation of cities and human settlements towards greater environmental, economic and social sustainability. A fourth focus area or subprogramme, urban basic services, has also been the subject of investment and development, as large numbers of urban dwellers in developing countries still lack access to adequate basic services, especially water and sanitation, as well as reliable waste management services, sustainable public transport and safe domestic energy.

UN-Habitat continued to work in the other three focus areas of the strategic plan, building on its past success: housing and slum upgrading; risk reduction and rehabilitation; and research and capacity development. In all seven areas, UN-Habitat focuses its work on clearly defined strategic issues and actions that have a potential for triggering or catalysing change at the urban level. The emphasis is on assisting local authorities and central government departments responsible for urban and human settlements development to put in place more effective policies, strategies, plans and implementation systems, so as to meet the needs of the urban poor more efficiently and equitably. To achieve this, the catalytic role of UN-Habitat is being strengthened, as is the creation of partnerships at both the national and local levels.

UN-Habitat's basic business model is to leverage its normative work at field level. As a result, significant new programmes and projects for implementing the new strategic and integrated approach were initiated or intensified during 2013 and 2014, including: the Achieving Sustainable Urban Development programme; the Future Saudi Cities programme; and three sustainable urban development projects at the state level in Nigeria.

Management of the programme

A major achievement in the implementation of the strategic plan has been the complete alignment of the Organization's structure with its substantive work. The new seven thematic branches are fully aligned with the six-year strategic plan, the two-year strategic framework, and the two-year work programme and budget. Each subprogramme is fully aligned to the corresponding focus area of the strategic plan and is delivered by a branch and all regional offices in a matrix approach. For example, the Urban Basic Services Branch and all the regional offices are responsible for implementing the urban basic services subprogramme in the two-year work programme and budget. The head of the branch is responsible for coordinating implementation of the subprogramme. This complete alignment has significantly streamlined monitoring and reporting, and has enhanced accountability and transparency.

UN-Habitat also continued to implement its new matrix approach, which is linked to the project approach. The project approach means that all of UN-Habitat's work, both normative and operational, is implemented in the form of projects. Each project has a clear beginning and a clear end, a clear budget, and a clear allocation of human resources for the duration of the project. A matrix approach is followed in allocating human resources to projects. This involves establishing, for each project, a team of staff members selected from any part of the organization on the basis of competences relevant to the project. This ensures more efficient use of available human resources.

UN-Habitat has made notable progress in strengthening its effectiveness and efficiency in the period since the last Governing Council. It has managed to do more with less, and has developed strongly its core business model of leveraging its normative work in the field, and using those results to further the normative work. In bringing about this transformation, however, it has become clear that the management and administrative tools available to UN-Habitat are not fully fit for purpose, and put UN-Habitat at a significant operational and cost disadvantage compared to its sister agencies in the United Nations., and competitors outside the organization. As UN-Habitat continues to develop its business model, it wishes to consider the needs of member states, local authorities and other partners in developing a more suitable set of procedures and processes to deliver faster, better, cheaper.

Three-legged approach in action

Achieving Sustainable Urban Development

The Achieving Sustainable Urban Development programme is one of UN-Habitat's most important means for addressing the urbanization process within the new strategic paradigm. The programme's working methodology focuses on three key areas that need to be addressed simultaneously as an integrated three-legged strategy in advancing sustainable urbanization and human settlements: urban legislation, urban design and urban finance. The programme builds on the potential for properly managed urbanization as a powerful transformative force towards environmentally, economically and socially sustainable development. The programme started in five pilot countries: Colombia (focusing on finance and economy); Egypt (also focusing on finance and economy); Mozambique (focusing on urban legislation and governance); the Philippines (focusing on planning and design) and Rwanda (focusing on urban legislation and governance).

Future Saudi Arabia Cities Programme

Future Saudi Arabia Cities Programme is another significant programme initiated by UN-Habitat as part of its new strategic and integrated urbanization approach. The purpose of the programme is to contribute to sustainable urbanization in Saudi Arabia through evidence-based analysis and the development of policy options, followed by actions leading to realization of the benefits of the new strategic and integrated approach promoted by UN-Habitat. The programme entails a fundamental shift in how Saudi cities are managed, in line with the future vision for their sustainability. The programme encourages participatory planning, creates more opportunities for partnerships, and equips governments of 17 small, medium and larger cities to understand and identify problems, and to design and implement urban planning options for the future. A key philosophy of the programme is consideration of the city as a whole, rather than from the more common sectoral perspective. It also looks at cities in their regional contexts.

Programmes at state level in Nigeria

During the reporting period, UN-Habitat launched three programmes at the state level in Nigeria, all of which are designed on the basis of UN-Habitat's new strategic approach to urbanization: in the Socio economic and Urban Renewal Programme for Ondo state; the City Structure and Urban Planning Programme for Kogi state; and the Socio-economic status and Urban Planning Programme for Zamfara state. The overall objective of these programmes is to enhance the socio-economic and quality of life of the population of the three states, specifically focusing on providing participating cities with capacities to improve: city development strategies for guiding their long-term growth; urban policies and strategies that are supportive of local economic development; land management policies; instruments and tools that facilitate the negotiated supply of serviced urban land and slum upgrading; land use and land-based finance; availability and accessibility of urban data and information for planning and budgeting; and economic opportunities by harnessing local assets, resources and the entrepreneurship capacities of young men and women.

Tools

UN-Habitat has also developed new tools for facilitating the implementation of the three-legged approach, including the Urban Planning and Design Laboratory, the City Prosperity Index and UrbanLex, the urban law database.

Urban planning and design laboratory

An important initiative developed by UN-Habitat to facilitate the implementation of the new strategic approach to urbanization is the Urban Planning and Design Laboratory. The laboratory responds to demand from local, regional and national governments for assistance in sustainable urban planning. It offers, parallel to the normative work of the agency, a project-oriented approach to develop urban planning proposals that can be implemented locally. These proposals showcase UN-Habitat's principles of sustainable urban development and assist in putting them into practice.

The laboratory has taken up several assignments of high relevance for testing and disseminating UN-Habitat's sustainable urban development principles and approaches. In particular, it has been directly involved in developing concept plans for planned city extensions in the Philippines (Silay, Iloilo and Cagayan de Oro), Rwanda (Nyagatare and Rubavu), Colombia (Santa Marta) and Kenya (Kisumu); city-wide strategies in China (Wuzhou); and planned city infills in Colombia (Medellin). The laboratory has also been active in developing the concept for a new generation of new towns in Egypt (El Alamein). In addition, the laboratory has conducted advisory missions to Ghana, India, Myanmar, South Africa and Turkey. Further, the laboratory has developed

plan assessment tools and used them in the assessment of the master plans of Kigali (Rwanda), Lusaka (Zambia) and Lima (Peru), as well as those of secondary cities in Myanmar.

City prosperity index

Since the last session of the Governing Council, UN-Habitat has been implementing its City Prosperity Index in line with the new strategic approach. The index measures the current status of cities along five dimensions of prosperity – productivity, infrastructure, quality of life, equity and environmental sustainability. The City Prosperity Index provides an indication of how strong or weak the prosperity factors of a city are, thus enabling policymakers to identify opportunities and potential areas of action for advancing towards prosperity. Currently, UN-Habitat is working with 50 partner cities and national Governments to produce city prosperity indexes for these cities so as to assist decision makers in designing evidence-based policy interventions.

UrbanLex

UN-Habitat has also developed UrbanLex, an urban legislation database whose purpose is to serve as a tool to fill the knowledge gap on urban legislation. Its specific objective is to achieve enhancement of the legal framework in urban areas by developing a research tool featuring urban legislation from all of the United Nations Member States. The database presents information on seven critical areas of urban law that are essential to the sustainability and development of urban areas. The laws can be searched by theme, region or country. Each law is associated with searchable keywords and is described by a short explanatory digest. The digests give important added value as they increase the accessibility of instruments by describing their core functions and mechanisms of relevance to urban law. Currently, 40 countries across six continents are represented in the database.

Areas in which UN-Habitat is excelling

Global Land Tool Network (GLTN)

The Global Land Tool Network has grown to 66 partners and 2,115 individual members. The increased responsibility for implementing the GLTN agenda has been taken up by clusters (urban civil society, rural civil society, multilateral/bilateral organisations, international professional bodies, and international research and training institutions), who are increasingly working jointly and in a more coordinated manner.

Over the years, the Global Land Tool Network has developed many pro-poor and gender responsive tools, frameworks and approaches which have been used in more than 40 countries. Three tools have been used at scale: Social Tenure Domain Model, participatory enumerations and Gender Evaluation Criteria. Nine tools/approaches have been finalised and are to be implemented in 2015: continuum of land rights framework, participatory and inclusive land readjustment (PILaR), pro-poor land records, land indicators, costing and financing land administration services (CoFLAS), land based financing, Youth Responsiveness Criteria on Land, Youth Issues Guide on Land, non-state actors mechanism for land policy reform, and capacity assessment tools for policy implementation at the country level. The development of six other tools started: UN system wide guide on land and conflict, customary land tools, valuation of unregistered land, land readjustment for slum upgrading, land use planning for tenure security, and land tenure for women in the Muslim world.

Full scale engagement took place in Uganda and Democratic Republic of Congo. In Uganda, 89 informal per-urban settlements were profiled for better provision of services and improved tenure security. In rural Uganda, information on 500 farmers in Kalangala District was systematically to reduce land disputes and improve tenure security. In Democratic Republic of Congo, coordination platforms were strengthened for implementation of land reform and nationally led review of legal and customary frameworks for women's access to land was catalyzed.

Cities and Climate Change Initiative (CCCI)

Through UN-Habitat's advocacy and engagement in the United Nations Framework Convention on Climate Change, the issue of cities and climate change is now recognized globally while the role of local authorities in tackling the issue of climate change is increasingly being recognized. Since the launch of its flagship programme, Cities and Climate Change Initiative" (CCCI) in 2008 with four pilot cities, it has dramatically

expanded its scope and impact into a global programme involving over 40 cities. The CCCI is facilitating a growing number of partner cities to develop and implement pro-poor and innovative climate change policies and strategies that address the impact of climate change and help reduce greenhouse gas emissions.

Through the on-going pilot project 'promoting low emission urban development strategies' (Urban-LEDS), UN-Habitat is working with participating cities in four emerging economies to develop plans to reduce their greenhouse gas emissions. UN-Habitat spearheaded the launch of two global multi-partnership initiatives at the 2014 Climate Summit to mobilize and accelerate global action on the issue of climate change in cities. The "global mayors' compact" is aimed at: enabling cities to publicly commit to drastically reduce greenhouse gas emissions (GHG); make existing targets and plans public; and report on their progress annually, using a newly-standardized measurement system that is compatible with international practices. The "cities climate finance leadership alliance" on the other hand will catalyze and increase flow of additional resources to boost investment in low-carbon and climate-resilient infrastructure in urban areas.

Risk reduction and rehabilitation

UN-Habitat and partners have made significant progress in field operations in both post-conflict and post-natural disaster countries, encompassing, reconstruction of housing, water and sanitation infrastructure, community centres, schools and also land conflict mediation activities, rehabilitation of local government, increased tenure security, and livelihood creation opportunities for IDPs and refugees. The value of UN-Habitat's work is manifested in the growing demand for its interventions and support, which are helping to examine more closely the nexus between humanitarian activity and durable, sustainable, resilience-building recovery in human settlements. UN-Habitat and partners with the critical support of donors are working in Syria, Iraq, Lebanon, occupied Palestinian territories, Somalia, South Sudan, Democratic Republic of Congo, Central African Republic, Mozambique, Pakistan, Philippines, Afghanistan, Sri Lanka, Haiti and the West Africa Ebola crisis.

Afghanistan has had a long history of conflict resulting in a large number of refugees, internally displaced persons (IDPs) and migrants from rural areas. The displaced come to cities to seek better security and improved economic livelihood opportunities. These people have been displaced due to the ongoing conflict and remain extremely vulnerable, with their lives constricted by poverty, limited access to infrastructure and services and very low and unstable incomes. UN-Habitat has been spearheading the resettlement of internally displaced persons, providing additional tenure security, provision of basic services, and livelihood opportunities. UN-Habitat has also been improving tenure security and municipal revenues through property taxation. Since 2013, 33,000 properties were registered through UN-Habitat and partners programme on property registration/taxation for increased municipal revenues. In 2014, 2000 households internally displaced families benefited from improved tenure security and access to basic services.

In 2014, UN-Habitat's portfolio in the Arab States almost tripled compared with 2013 with new country programmes in Syria, Jordan and Iraq. UN-Habitat was able to step up its humanitarian recovery efforts for the Syria crisis affected countries, through assisting municipal authorities in the provision of water and sanitation for host communities; supporting host families in the provision of shelter; and working with banks and investors to increase the supply of affordable housing that can serve refugee and host populations. UN-Habitat has also been supporting the reconstruction and stabilization process in the Democratic Republic of Congo affected by decades of civil war with huge population of displaced and vulnerable. With more than 6000 land conflicts documented, UN-Habitat and partners are implementing a program to mitigate land conflicts, build the capacity of the land administration and promote a comprehensive land reform process. A National Land Reform Commission was set up in to spearhead the land reform process with support from UN-Habitat.

Supporting increased employment, livelihoods and opportunities for urban youth and women

The key objective of UN-Habitat's Youth Programme is to assist in the design and implementation of economic and social empowerment models for young men and women in urban areas of developing countries. Urban youth were empowered and their capacities were strengthened through small grants, technical assistance and capacity building through the Urban Youth Fund with financial support from the Government of Norway. A total of 277 youth-led groups (based in 65 countries and 175 cities) so far have benefited from small grants

for project implementation. To enhance the sustainability of funded activities, UN-Habitat has introduced a mentorship programme using e-learning in collaboration with, Samsung in Republic of Korea and BASF in Germany. There are 11 active mentors who help raise awareness of UN-Habitat work on urban youth issues, including through the Urban Youth Fund. For example, one of the youth fund mentors, Alexia Parks, who was recognized as “one of the 50 people who matter most on the Internet” by Newsweek magazine, has written articles about the Urban Youth Fund in her online blogs.

Habitat University Network Initiative (UNI)

Collaboration with universities is part of the strategy to bring knowledge, research and practice closer to UN-Habitat programming and implementation, as well as to city and national governments. With the long-term goal of creating a new generation of urban practitioners, Habitat University Network Initiative (UNI), a partnership between UN-Habitat and the academia, is steadily engaging with Universities and knowledge based institutions. In 2014 the number of urban practitioners partnership increased from 1336 (in 2013) individual partners to 1473 by end of 2014 and from 148 in 2013 to 162 institutional members (universities). UNI has increased open access to higher education lectures on sustainable urbanization, including the Global Urban Lecture Series, a popular hit on UN-Habitat’s website (about 3000 hits in less than a month). UN-Habitat partners have acknowledged the importance of university-city cooperation, engagement of universities with communities and the need for facilitating knowledge and research reaching urban decision-makers as evidenced during the roundtables of Universities and Researchers, which gathered more than 400 participants at the seventh session of the World Urban Forum.

Participatory Slum Upgrading Programme (PSUP)

UN-Habitat is the lead agency for the implementation of the Millennium Development Goal 7 c and d. Through the Participatory Slum Upgrading Programme, there is increased awareness and knowledge of the slum challenge and the need for pro-poor housing. There is increased political will for slum upgrading and pro-poor housing in Africa. About 85 per cent of countries have established national budget lines on pro-poor housing and urban poverty reduction is a priority in the United Nations Development Assistance Framework of 31 countries. In addition to the commitments made in the Rabat and Kigali Declaration the PSUP is expanding helped by South-South Cooperation. The impact of the programme is demonstrated by 55 policy changes made by countries over the last three years.

UN-Habitat has established a network with 160 cities, 200 communities and 35 countries in the African, Caribbean and Pacific region alone, all implementing city-wide slum upgrading strategies. The World Bank has endorsed the PSUP approach and is mainstreaming the methodology in the World Bank Programme Kenya Municipal Programme. More and more countries increasingly consider slums and cities’ strategic planning as investment and development.

Preparedness for implementation of the International Public Sector Accounting Standards (IPSAS)

In January 2014, UN-Habitat was able to shift to the International Public Sector Accounting Standards (IPSAS). This necessitated upgrading of UN-Habitat financial systems, practices and human resources in order to meet international best practices set by IPSAS. The key activities carried out were: internal and external training of staff to attain the required capacities; establishment of a mechanism for compiling and reviewing all agreements with donors; and strengthening of asset management controls and systems capturing when goods and services are delivered (delivery principle). In October 2014, the UN Board of Auditors, UN-Habitat external auditors, completed a special audit of the transition to IPSAS. The audit gave an overall positive rating of UN-Habitat transition to IPSAS with a few recommendations for minor improvements which have been addressed in coordination with UNON.

Preparedness for implementation of the Umoja Enterprise Resource Planning system

UN-Habitat completed most of the preparations in readiness for the deployment of the Umoja Enterprise Resource Planning system which is now scheduled for June 2015. This entailed data cleansing, data validation, collection of new data, training of key staff and simulation exercises were carried out in 2014. This is a major initiative, achieved within existing resources and involving the whole organization in a business transformation that will lead to improved efficiency, streamlined business processes, better internal controls

and greater transparency. Implementation of IPSAS enables UN-Habitat to report its financial information using a publicly recognized standard which significantly enhances accountability, transparency, credibility and comparability with other public sector organizations.

Areas that require strengthening

Non-earmarked income

UN-Habitat, like other United Nations agencies, is experiencing declining funding, especially non-earmarked extra budgetary resources which are insufficient and unpredictable. Non-earmarked funding is supposed to cover core activities in the approved programme of work, as well as human resources. This is a priority issue and in addressing it, UN-Habitat has adopted a multi-pronged approach that starts with strengthening its resource mobilization strategy and, among other things, targeting new and former traditional donors, as well as the private sector.

UN-Habitat website

The UN-Habitat website needs to be improved to make it more accessible and user friendly. Locating documents and opening them has proved to be a challenge, including to some members of the Committee of Permanent Representatives. UN-Habitat is addressing this issue as a matter of urgency, especially as most of the documents for the twenty-fifth session of the Governing Council documents will need to be downloaded from the website.

Project monitoring

UN-Habitat delivers its work programme through projects, in line with its project-based management system. All projects are now derived from the approved biennial work programme which that is itself fully aligned to the six-year strategic plan for 2014-2019. The projects are all linked to the results chain and logframe of the work programme and outputs, thus ensuring that all projects developed in UN Habitat are contributing to expected accomplishments. Programme advisory groups are supposed to ensure that proposed projects are technically and financially viable, results focused and reflect UN-Habitat's core values, including cross-cutting issues. However, systematic monitoring of projects during implementation needs to be further strengthened.

II. Summary of programme and financial performance in 2014

a) Progress made in the implementation of the 2014-2015 work programme

UN-Habitat made considerable progress towards achievement of expected accomplishments as demonstrated by contributions made at global, regional and country levels in all the focus areas. Table 1 shows progress made in 2014 towards achievement of the indicator targets of all expected accomplishments of the biennial work programme for 2014–2015. To assess progress made towards indicator targets, this report uses a three-level colour code system to depict the status of the indicators, see table 1. The rating of progress made towards indicator targets compares the actual status of the indicator at the end of 2014 against the midpoint between the baseline for 2013 and the target at the end of 2015. Green means that the indicator is at midpoint or above and is on course to meet the target at the end of 2015. Orange means that the indicator is below the midpoint in 2014. Red means that the target is well below the midpoint and may not meet the target at the end of 2015. The actual indicator targets could not be reflected in table 1 due to space constraints but are provided in chapters 2, 4 and 5.

UN-Habitat made good progress towards the achievement of the indicator targets. As shown in table 2, 84 per cent of them were on course to be achieved by the end of 2015, 12 per cent were slightly behind schedule, and 4 per cent were well below the midpoint and may not be met. The indicators that are lagging behind pertain to: partner countries that undertake awareness raising activities to promote sustainable urbanization; amount of core income mobilized by UN-Habitat; and inadequacy of technology to ease communication without posted offices.

Table 1: Progress made towards indicator targets for each Focus Area as of end of 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 2: Progress towards indicator targets

Expected Accomplishment (EA)	Indicator of achievement	Rating
Executive Direction and Management		
EA (a): Enhanced policy coherence in the management of human settlements activities in the UN system	Number of reports by the Secretary-General to the General Assembly, the Economic and Social Council, and other key United Nations system-wide documents integrating UN-Habitat inputs	
EA (b): Improved use of performance information from evaluations to influence decision-making and performance	Percentage of accepted evaluation recommendations implemented within planned time	
	Percentage of programme and project managers reporting improved performance at the project level as a result of evaluation findings and recommendations	
EA (c): Reduced exposure of UN-Habitat to risks, legal liabilities and claims	Percentage of agreements and legal instruments which expose UN-Habitat to unnecessary risks and liabilities	
EA (d): Enhanced engagement of all Habitat Agenda partners and the United Nations system in sustainable urban development	Number of new agreements signed with various Habitat Agenda partners, including World Urban Campaign partners	
	Number of evidence-based initiatives of other UN agencies or contributing to the promotion of sustainable urban development	
	Number of partners actively contributing to and participating in the preparatory formal process for Habitat III	
EA (e): Enhanced awareness and mobilization of the public and the media on sustainable urban development	Number of media articles and electronic debates on sustainable urbanization, UN-Habitat and its platforms and events, and on Habitat III	
	Number of hits on and downloads from UN-Habitat websites	
	Percentage of updated information on UN-Habitat websites, including the portfolio of the organization	
	Number of key partner countries that undertake awareness-raising activities to promote sustainable urban development	
EA (f): Increased core income of UN-Habitat	Amount of core income received by UN-Habitat (Foundation general purpose)	
Focus area 1: Urban Legislation, Land and Governance		
EA 1.1: Increased capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance	Number of (new or ongoing or both) consultative legal reform processes to improve urban extension, densification, urban planning and finance	
EA 1.2: Increased capacity of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities	Number of programmes to improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities implemented by partner local and national governments and other Habitat Agenda partners	
EA 1.3: Local, regional and national governments and other Habitat Agenda partners improve policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety	Number of partner local and national authorities and other Habitat Agenda Partners that have adopted guidelines on decentralization and access to basic services for all	
	Number of partner local and national authorities that have adopted crime prevention strategies	
Focus area 2: Urban planning and design		
EA 2.1: Improved national urban policies and spatial frameworks for compact, integrated and connected cities adopted by partner metropolitan, regional and national authorities	Number of partner metropolitan, regional and national authorities that have adopted national urban policies or spatial frameworks that support compact, integrated and connected cities	
EA 2.2: Improved policies, plans and designs for compact, integrated and connected cities and neighbourhoods adopted by partner cities	Number of partner cities that have adopted policies, plans and designs for compact, integrated and connected cities and neighbourhoods	

EA 2.3: Improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities	Number of partner city, regional and national authorities that have adopted policies, plans and strategies that contribute to climate change mitigation and adaptation	
Focus area 3: Urban Economy		
EA 3.1: Improved capacity of partner cities to adopt strategies supportive of inclusive economic growth	Number of partner cities that have prepared local economic development plans	
	Number of partner cities that have prepared set priorities based on local economic assessment	
EA 3.2: Improved capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities, and with focus on urban youth and women	Number of partner cities that have adopted programmes supportive of increased employment opportunities and livelihoods, with focus on urban youth and women	
EA 3.3: Improved capacity of partner cities to adopt policies, plans and strategies for improved urban and municipal finance	Number of partner cities that have adopted programmes and strategies for improved urban and municipal finance	
Focus area 4: Urban Basic Services		
EA 4.1: Improved policies and guidelines on equitable access to sustainable urban basic services implemented by local, regional and national authorities	Increased number of partner local, regional and national authorities implementing policies and the International Guidelines on Decentralization and Access to Basic Services for All	
EA 4.2: Increased flow of investment into urban basic services catalyzed by UN Habitat programmes in partner countries with a focus on the urban poor	Amount of investment in urban basic services catalyzed by UN Habitat programmes in partner countries	
EA 4.3: Increase in the use of sustainable urban basic services in partner cities	Percentage of consumers in partner cities with access to sustainable water and sanitation services	
	Percentage of households in partner cities using sustainable energy supply	
	Percentage of population in partner cities using sustainable modes of transport	
Focus area 5: Housing and Slum Upgrading		
EA 5.1: Global Housing Strategy for inclusive housing, slum upgrading and slum prevention formulated	Number of local, regional, national and supranational authorities and partners that have responded favorably to interventions within the context of the Global Housing Strategy	
	Number of partner countries that are working towards the progressive realization of the right to adequate housing as a component of the right to adequate standard of living, particularly the reduction of unlawful forced evictions	
	Number of countries that are implementing sustainable building codes and regulations	
EA 5.2: National housing, slum upgrading and prevention strategies and programmes integrating the Global Housing Strategy vision and principles are formulated and implemented	Number of national housing, slum upgrading and prevention strategies and programmes aligned to the Global Housing Strategy vision and principles formulated and implemented	
	Increased number of partner national authorities commencing implementation of slum upgrading programmes	
EA 5.3: National housing, slum upgrading and prevention strategies and programmes integrating Global Housing Strategy vision and principles are mainstreamed and implemented at city and community level	Number of city and community development plans formulated and implemented based on the national housing, slum upgrading and prevention strategies and programmes	
Focus area 6: Risk Reduction and Rehabilitation		
EA 6.1: Improved urban risk reduction policies, strategies and programmes adopted for greater resilience of cities and other human settlements	Number of local, regional and national governments and partners that have included urban risk reduction and management in their plans	
EA 6.2: Improved settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements	Percentage of partner cities and other human settlements that have implemented sustainable urban reconstruction programmes, including risk reduction	
	Percentage of UN-Habitat emergency interventions integrating long-term development and risk reduction	
EA 6.3: Shelter rehabilitation programmes in crisis response have contributed to sustainable and resilient cities and other human settlements	Percentage of shelter rehabilitation programmes of partners contributing to disaster-resilient permanent housing	
	Percentage of shelter rehabilitation programmes of UN-Habitat contributing to disaster-resilient permanent housing	

Focus area 7: Research and Capacity Development		
EA 7.1: Improved monitoring of urban conditions and trends	Number of urban observatories using UN-Habitat monitoring tools, methods and data	Green
	Number of partner national statistical offices producing urban data and indicators	Yellow
EA 7.2: Improved knowledge of sustainable urbanization issues at the local, national and global levels	Number of local and national governments that have used UN-Habitat flagship publications and best practice database for policy formulation	Green
	Number of partner countries producing national cities reports to enhance local and national policy planning	Green
EA 7.3: Improved capacity of national and local authorities and partners to formulate and implement informed policies and programmes	Number of partner local and national authorities that have improved capacity to formulate informed policies and programmes	Green
	Increase in the number of policies and programmes utilizing evidence-based information	Green
Programme Division		
EA (a): Improved value and quality of UN-Habitat project portfolio	Level of collaboration and coordination between organizational units	Green
	Increased financial value of human settlements programmes and projects under implementation	Green
	Percentage of projects that deliver planned outputs and outcomes within the planned project period	Yellow
	Percentage of project documents that meet prescribed project at-entry quality standards	Yellow
	Percentage of projects and programmes that are contributing significantly to the focus area strategic results	Green
EA (b): Improved gender sensitivity & the empowerment of women in UN-Habitat projects and programmes	Increased percentage of key strategic events that reflect gender sensitivity in line with the gender checklist	Green
	Increased percentage of human settlements programmes and projects reflecting gender and other cross-cutting issues	Yellow
	Increased number of partnerships promoting gender equality in sustainable urbanization issues as per gender checklist with assistance from UN-Habitat	Green
EA (c): Increased corporate resources	Increased number of cooperation agreements providing funding to UN-Habitat	Green
	Increased amount of earmarked and non-earmarked funding raised	Green
EA (d): Improved reflection of urban development issues in the UNDAF at country level	Increased number of United Nations Development Assistance Frameworks incorporating urban development	Green
Office of management		
EA (a): Improved financial accountability and efficiency	Increased percentage of projects compliant with financial policies and procedures in PAAS	Green
	Increased percentage of mandatory reports streamlined and automated	Green
	UN-Habitat financial statements comply with IPSAS	Green
EA (b): Staff skills aligned with organizational priorities	Percentage of staff whose skills are aligned to organizational priority areas	Green
EA (c): Results-based management principles applied	Programmes derived from the six-year strategic plan	Green
	Percentage of staff applying resultsbased management skills in their work	Green
	Percentage of accepted audit and inspection recommendations on UN-Habitat implemented within the required time frame*	Green
EA (d): Increased efficiency in the completion of key business processes	Number of days taken for project approval	Yellow
	Percentage of out posted offices with easy access to UN-Habitat corporate administrative and internal communication systems	Red

* There were 21 audit recommendations due for implementation during 2014; 12 issued by OIOS and 9 by BOA. UN-Habitat implemented 10 internal and 8 external recommendations. Two internal audit recommendations on finalization of a new Secretary-General Bulletin (SGB) and Umoja are awaiting finalization by the UNHQ Department of Management before final closure of these recommendations. If these are excluded, UN-Habitat has an overall implementation rate of 95 per cent.

Figure 1: Overall Status of implementation of the programme of work for 2014-2015

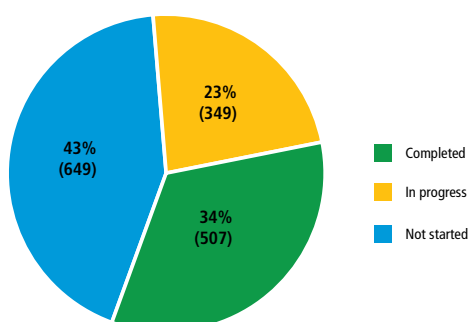


Figure 2: Overall Status of implementation of the programme of work 2014

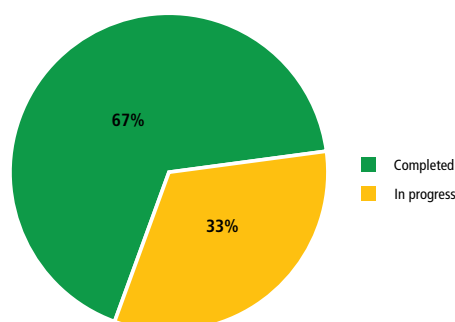


Figure 1 shows the status of progress made in the implementation of the approved work programme for 2014-2015 as reflected in the Integrated Monitoring and Documentation Information System (IMDIS) as of January 29th. Figure 1 shows progress assessed against work planned for the whole biennium, while figure 2 shows progress assessed against the work plan for 2014 only. By the end of 2014, 34 per cent of the outputs of the whole biennial work programme had been completed, 23 per cent were in progress while 43 per cent had not been started. Figure 2 shows that 67 per cent of the work programme for 2014 was completed and 33 per cent was still in progress. Both diagrams show that progress made in implementation is behind what would be expected by the end of the first year of the biennium. However, as a large number of the outputs are in progress in most of the focus areas, it is likely that the rate will increase and approximate that of 2012-2013 which was 92 per cent overall for the biennium.

b) Budget performance and status of implementation

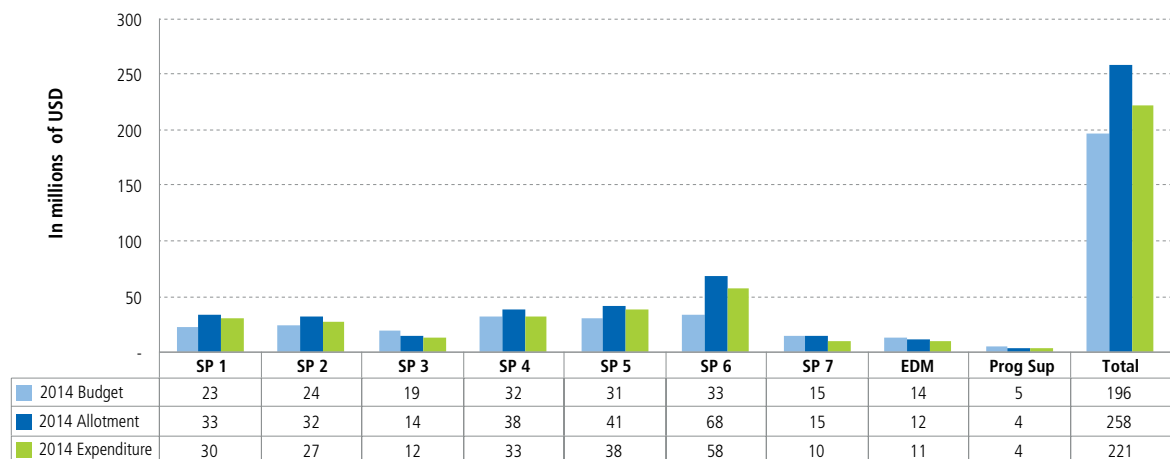
Table 3 and figure 3 present the approved work programme budget for the 2014-2015 biennium, the budget for 2014, the allotment for 2014 and the expenditure for the year. The budget is the same as the one in the work programme and budget document as approved by the Governing Council in April 2013. The allotment is authorized expenditure based on updated income and resource requirement projections at the beginning of 2014, and the expenditure shows the resources used to implement the programme of work during the year as at 31 December 2014, based on preliminary figures which are subject to change until the financial closure of the annual accounts.

Table 3: Resource requirements for the work programme (2014-2015) by source of funding (USD millions)

Category	2014-2015 Budget	2014 Budget	2014 Allotment	2014 Expenditure
Foundation general purpose	45,617	22,809	9,755	9,920
Regular budget	21,141	10,571	10,521	11,574
Foundation special purpose	123,188	61,594	68,210	54,559
Technical cooperation	202,482	101,241	171,435	147,564
Total	392,428	197,274	259,921	223,617

Note: regular budget, allotment and expenditure figures exclude Habitat III

Figure 3: Overall planned budget and expenditure for 2014



The initial total budget planned for 2014 of USD 197.2 million is equivalent to 50 per cent of the approved budget for the 2014-2015 biennium and is composed of: Foundation general purpose fund USD 22.8 million or 12 per cent of the total budget; United Nations regular budget USD 11.6 million or 6 per cent; Foundation special purpose fund USD 61.6 million or 31 per cent; and technical cooperation fund USD 101.2 million or 51 per cent of the total budget.

The total allotment for 2014 was increased to USD 259.9 million, exceeding the planned budget of USD 197.2 million by USD 63 million or 32 per cent, to accommodate a higher level of earmarked project portfolio implementation than originally planned. Accordingly, the allocation for technical cooperation of USD 171.4 million was USD 70.2 million or 69 per cent more than the planned budget of USD 101.2 million; while that for the Foundation special purpose account was set at USD 68.2 million, representing an increase of USD 6.6 million or 11 per cent over the original budget. The allotment for the Foundation general purpose account of USD 9.8 million is USD 13 million is 57 per cent lower than the original budget of USD 22.8 million in line with projected levels of voluntary non-earmarked income for this account. The United Nations regular allotment was in line with the budget.

The overall expenditure in 2014 amounted to USD 223.6 million representing a rate of utilization of the allocated resources of 86 per cent. The utilization rates of 110 per cent for the regular budget and 102 per cent for the Foundation general purpose fund are slightly higher than the allotments due to the payment of personnel costs for core staff. The utilization rate for the Foundation special purpose fund was 80 per cent and for technical cooperation 86 per cent.

The overall financial utilization rate of 86 per cent is higher than the rate of programme implementation of 67 per cent for 2014 completed (and 33 per cent in progress) as shown in figure 2. This is partly because those activities that are still in progress may be near completion and so have low levels of pending expenditure. Variations in financial utilization rates across individual focus areas, which range from 63 per cent to 102 per cent, are analyzed under each area.

III. Summary of progress made in implementation of the six-year plan

Executive direction and management

Progress has been made towards achievement of five of the six expected accomplishments, but little progress was made on mobilizing core income. Ten of the twelve indicators of achievement are likely to meet the target by the end of 2015, while two are behind schedule.

There have been improvements in policy coherence among the United Nations system organizations on human settlements, reflected in United Nations Economic and Social Council 2014 integration segment which was on the theme of urbanization, and the High level Committee on Programmes, whose urban agenda initiative is led by UN-Habitat. The proposal for a sustainable development goal on cities and human settlements issues in the post-2015 development agenda is an indication of the growing recognition of the role of cities in sustainable development both within and outside the United Nations.

The level of evaluation use in UN-Habitat reflects an emerging evaluation culture following the establishment of an Independent Evaluation Unit in 2012, adoption of the UN-Habitat evaluation policy in 2013, use of the updated tools and improved knowledge of results-based management. Evaluation findings are increasingly being used to inform performance improvement and management decision-making.

There was a notable reduction in the exposure of UN-Habitat to risks, legal liabilities and claims by the end of 2014 due to a number of factors, including timely intervention; increased adherence to UN-Habitat's policy and procedures for legal clearance of agreements and instruments; awareness of the relevant United Nations regulations and rules; and use of updated tools. UN-Habitat won the six legal cases brought against it.

There has been considerable increase in the level of engagement of Habitat Agenda partners and the United Nations system on the issue of sustainable urban development as shown by their participation in the Habitat III preparatory processes for the third United Nations Conference on Housing and Sustainable Urban Development (Habitat III) to take place in Quito, Ecuador, October 2016, and in the post-2015 development agenda processes. Engagement of Habitat Agenda partners was highest during the seventh session of the World Urban Forum, in Medellin, Colombia, April 2014. Over 450 agreements were signed with Habitat Agenda partners in 2014. There is increased awareness of the public and media on sustainable urbanization, particularly arising from such large global events as the World Urban Forum, World Habitat Day and World Cities Day. The seventh session of the World Urban Forum demonstrated yet again that it is the premier conference for cities and an advocacy platform for learning and networking on sustainable urbanization. About 22,000 people attended from 140 countries, including a wide range of Habitat Agenda partners. The indicator on partner countries promoting sustainable urbanization is below what is expected is behind schedule.

UN-Habitat continued to enhance transparency in its programme and project delivery and management by putting its documents on the website of the International Aid Transparency Initiative. With regard to the indicator on increasing the core income of UN-Habitat, there was a decline from USD 15.3 million in 2013 to USD 5.8 million in 2014. Much is being done to try to increase the core resources, including, a strengthened resource strategy, mobilizing new non-traditional donors, and decentralizing resource mobilization efforts.

Focus area 1: Urban legislation, land and governance

Progress was made towards achievement of all three expected accomplishments of this focus area through the catalytic efforts of UN-Habitat and partners. All the indicator targets are on course to be met by the end of 2015. There is increased capacity, awareness and knowledge on enabling legislation for improving urban extension, densification, planning and finance and the need for improving legal urban frameworks, as evidenced by the growing number of requests for support. The number of legal reform processes increased from 12 to 21 in 2014. This has been achieved through UN-Habitat support involving capacity development of partners, testing of normative tools, promoting evidence-based planning and advocacy. Nine new reforms were initiated

in, Kenya, Myanmar, Nigeria, the Philippines and Saudi Arabia. The 'Future Cities' project for Saudi Arabia is assessing the legal framework for urban planning and development and for the formulation of new primary legislation and regulatory instruments at the national, provincial and local levels.

Considerable progress was made towards strengthening capacities, knowledge and awareness of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including youth and women at global, regional, national and local levels. The Global Land Tool Network equipped partners with skills in policy formulation and engaged in land reform processes in many countries, including the Democratic Republic of the Congo and Uganda, and tenure issues in post-conflict contexts. It continued to work on the continuum of land rights and on global land indicators. Several national Governments and other partners have established or strengthened national platforms for inclusive land sector discussions. In addition, the Global Land Tool Network has scaled up implementation of the Social Tenure Domain Model and the gender evaluation criteria land tool, while increasingly embracing pro-poor gender sensitive land administration and management concepts. This has enabled national partners to generate more resources for implementation of land reform programmes.

There was progress in the enhancement of policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety, with the number of partner local and national governments that adopted the international guidelines on decentralization and access to basic services for all rising from 30 to 37 and from 12 to 15, respectively. The formulation and implementation of the São Paulo Macro Metropolitan Action Plan has enabled identification of roles for macro-metropolitan actors and the design of the macro-metropolitan dialogue model, including consultations at sub-regional level. In Rio de Janeiro, Brazil, a new governance model for the metropolitan region resulted in federal legislative action to address metropolitan challenges. In Medellin, Colombia, strengthened capacities of the city have resulted in the formulation of the *Metropolitan Land-Use Strategic Plan*. Awareness, knowledge and capacities were strengthened on crime prevention in Africa, the Asia-Pacific region, and Latin America and the Caribbean with support from UN-Habitat and partners, including United Nations Children's Fund and UN Women.

Focus area 2: Urban planning and design

Progress was made towards the achievement of all expected accomplishments and the indicator targets are on course to being met at the end of 2015. The capacities of local and national governments to adopt improved national policies and spatial frameworks for compact, integrated and connected cities were enhanced. This was done with tested approaches, guidelines and tools for urban growth and improved sustainability, efficiency and equity through planning and design at all levels and scales. The number of partner metropolitan, regional and national authorities that adopted national urban policies that support compact, integrated and connected cities increased from 10 in 2013 to 25 by the end of 2014. UN-Habitat support for the development of the national urban policy diagnostic framework has placed emphasis on the use of the three-legged approach – the legal, urban design and financial pillars of urbanization. This approach has been tested successfully in Colombia, Egypt, Mozambique, the Philippines and Rwanda, resulting in social inclusion (ensuring gender balance and the inclusion of disadvantaged groups) and, where possible, respect for locally and regionally defined urban planning and design traditions.

Notable progress has been made towards improving policies, plans and designs for compact, integrated and connected cities and neighbourhoods. The number of partner cities that have adopted policies, plans and designs for compact, integrated and connected cities and neighbourhoods increased from a baseline of 10 in 2013 to 25 by the end of 2014. A notable achievement has been the development of the international guidelines on urban and territorial planning, which constitute a global framework for improving policies, plans, designs and implementation processes for more compact, socially inclusive, better integrated and connected cities and territories that foster sustainable urbanization. A growing number of countries (Burkina Faso, Madagascar, Rwanda, Somalia and South Sudan) are reviewing their policies and spatial frameworks with UN-Habitat technical support. In the Philippines, UN-Habitat and its partners are addressing limitations in the building codes and promoting the contribution of social housing legislation in reinforcing the spatial segregation of cities.

Improvements in policies, plans and strategies have contributed to the mitigation of and adaptation to climate change by partner cities and regional, national and local authorities. In 2014, 14 cities finalized climate change vulnerability assessment documents. In addition, climate change action has been mainstreamed into statutory plans in Apia, Davao, Cagayan de Oro, Iloilo and Olongapo, and other cities (Honiara, Kathmandu and Port Vila) are developing specific climate action plans. UN-Habitat has played an important role in enhancing action on climate change and contributed to the United Nations Climate Summit in New York, September 2014, where four city initiatives were launched. The Executive Director led the “cities” work stream of the summit.

Focus area 3: Urban economy

Progress was made towards achievement of the three expected accomplishments and all indicator targets are on course to be achieved by the end of 2015. The capacities of partner cities to develop urban plans and policies supportive of inclusive economic growth were enhanced. This is demonstrated by the increasing number of partner cities that prepared local economic development plans, in line with the first indicator under this expected accomplishment, including Bogota in Colombia, Silay City in the Philippines and Akure in Nigeria. Progress has been made in building awareness, knowledge and capacities for enhancing municipal finance and creation of decent urban jobs and livelihoods that increase economic empowerment, particularly for youths and women. The number of partner cities that have set priorities based on local economic assessments increased from zero to four cities (Bogota, Silay, Akure and the Greater Cairo region) in 2014.

More effective urban strategies and policies supportive of urban financing were formulated and implemented, with the number of partner cities that set priorities based on local economic development increasing from zero in 2013 to three in 2014. UN-Habitat supported several initiatives on livelihoods for youths and women aimed at enhancing the capacity of cities for adopting municipal financing. The number of partner cities that have adopted programmes supportive of increased employment opportunities and livelihoods, with a focus on urban youths and women, increased from 7 to 16 in 2014. The new cities are Akure, Nigeria; Raipur, India; São Paulo, Brazil; Sana'a, Yemen; Harare, Zimbabwe; Kathmandu, Nepal; Medellin, Colombia; Dar es Salaam, United Republic of Tanzania; Nairobi, Kenya; Bishkek, Kyrgyzstan; and Ramallah, Occupied Palestinian Territory.

Opportunities for urban youths and women through multisectoral partnerships with national and local governments, non-governmental organizations, youth civil society groups and multilateral agencies were strengthened. The capacities of partner cities to identify options to finance city extension plans have improved, as evidenced by the number of partner cities that have adopted programmes and strategies for improved municipal and urban finance, which rose from 8 to 15 in 2014. The six new cities are Berbera, Borama and Sheikh in Somaliland, and Bander Beyla, Eyl and Jariiban in Puntland. The different options piloted included assisting local authorities to implement various land-based financing tools and to mobilize additional financial resources from capital markets by issuing municipal bonds. The seventh session of the World Urban Forum in Medellin and the African Ministerial Conference on Housing and Urban Development (AMCHUD) meeting in Chad significantly contributed to knowledge and awareness on the urban economy and municipal finance.

Focus area 4: Urban basic services

Progress was made towards the achievement of the three expected accomplishments. All the indicator targets are on course to being met and some have even been exceeded. Progress was made towards implementation of policies and guidelines on equitable access to sustainable urban basic services, as evidenced by the increase in the number of authorities taking relevant action in 2014 – from 165 to 186 for local authorities, 27 to 28 for national authorities, and 5 to 6 for regional authorities, with the support of UN-Habitat and partners. There was improvement in the capacities of local and national institutions and entities for the provision of urban basic services for all, as shown by the increase in the number of people accessing improved water and sanitation, including in the fragile States of Somalia and South Sudan. There was also improved awareness among the urban poor of the need to demand better basic services from providers. User rights were entrenched in policies and guidelines developed or implemented by partner local and national governments.

Progress was made towards increasing the flow of investment into urban basic services in partner countries. The amount of investment in urban basic services catalysed by UN-Habitat's work reached USD53.5 million, up from a baseline of USD40 million in 2013. The increase is attributed to partnership with financial institutions and development partners, including the 104-million-euro Mwanza Water Project (part of the Lake Victoria Region Water and Sanitation Initiative), USD8.5 million secured from the Department of Foreign Affairs, Trade and Development (Canada) for the project on water, sanitation and hygiene in disaster-prone communities in northern Ghana, and USD140,000 from Lane Xang Minerals to upgrade a water treatment plant in Vilabouly district in Lao People's Democratic Republic.

To contribute to the goal of limiting the rise in global temperature to 2°C, UN-Habitat launched an action platform – the Urban Electric Mobility Initiative – at the United Nations Climate Summit in September 2014. The initiative aims to reduce dependency on vehicles using conventional sources of fuel and increase the global market share of electric vehicles to 30 per cent by 2030 in the context of better urban planning. The capacities of partners to increase efficiency in the use of urban basic resources, including review of the energy and resource efficiency building code for tropical countries in Africa, were enhanced. The percentage of consumers in partner cities with access to sustainable water and sanitation services increased from 60 per cent (approximately 1.6 million people) to 63 per cent (1.685 million people) in 2014. The increase is attributed to water and sanitation projects initiated in Kenya, Lao People's Democratic Republic, South Sudan and the United Republic of Tanzania. An estimated 1 million people are expected to benefit from the first demonstration bus rapid transit corridors in Addis Ababa, Nairobi and Kampala.

Focus area 5: Housing and slum upgrading

Progress was made on the three expected accomplishments and their indicator targets are on course to being achieved by the end of 2015. There was enhanced awareness, capacity and knowledge for formulating and implementing improved housing policies and plans, and much of this was promoted through the Participatory Slum Upgrading Programme processes. Following the completion of their housing profiles, Senegal and Uganda requested assistance to formulate inclusive housing, slum upgrading and slum prevention policies. The number of partner countries working towards progressive realization of the right to adequate housing as a component of the right to adequate standard of living, including the reduction of unlawful forced evictions, rose from 6 to 10 in 2014, while 9 partner countries are implementing sustainable building codes with support from UN-Habitat and partners.

The Participatory Slum Upgrading Programme catalysed growing action and investment in slum improvement and prevention in 35 countries and over 150 cities across African, Caribbean and Pacific States. Advocacy for slum upgrading and prevention, as well as poverty reduction in tandem with sustainable urban development, contributed to improved knowledge and visibility of the challenge of slums internationally, and especially within the United Nations system. The number of city and community development plans formulated and implemented increased from 8 to 9 only in 2014, against a target of 34 to be met by the end of 2015.

Focus area 6: Risk reduction and rehabilitation

Progress was made towards achieving the expected accomplishments and all the indicator targets are on track to being achieved by the end of 2015. There were improvements in urban risk reduction policies, strategies and programmes for greater resilience of cities and other human settlements, as manifested by the increased number of countries that included urban risk in their disaster resilience plans. In 2014, the number of local and regional governments, and national governments and partners, that have included urban risk reduction and management in their plans rose from 76 to 95 and from 5 to 17, respectively. For example, in Sri Lanka, a wide range of disaster prevention measures for improving knowledge on disasters were institutionalized, while in Sudan relevant planning policies were adopted. In southern Africa, the Technical Centre for Risk Reduction Management, Sustainability and Urban Resilience (DiMSUR) was established to strengthen regional capacity for making cities more resilient to disasters.

As a long-term measure, UN-Habitat made progress in terms of increased urban resilience plans, launching of recovery and rehabilitation plans, and development of urban frameworks that promote the new urban agenda. In response to typhoon Haiyan, community-driven shelter development through the “People’s Process” was used during the construction of more than 700 permanent houses, more than 20 community infrastructure projects and training for more than 1,000 people on construction skills, project management and financial management. Institutionalization of disaster management was a major milestone, evidenced by the launch of DiMSUR, the adoption and enforcement of better land-use planning and building codes and facilitation of compliance through training and capacity-building.

Progress was made towards building sustainable and resilient cities and other human settlements. The percentage of shelter rehabilitation programmes of partners contributing to disaster-resilient permanent housing increased from 40 per cent in 2013 to 42 per cent in 2014. The percentage of shelter rehabilitation programmes of UN-Habitat contributing to disaster-resilient permanent housing rose from 80 per cent in 2013 to 85 per cent in 2014. For example, partner cities in Chile, Islamic Republic of Iran, Jamaica, Lebanon, New Zealand, Nigeria, the Philippines, Spain, Sri Lanka and the United Republic of Tanzania are embracing the integrated forward-planning multi-stakeholder approach to measure and monitor urban resilience to all plausible hazards, and implement strategic, evidence-driven resilience action plans. UN-Habitat’s interventions contributed to improved lives among communities affected by human and natural disasters through improved tenure security and housing for internally displaced people and returnees in Iraq, Sri Lanka and Syria; and improved access to basic services such as water and sanitation in Afghanistan, the Occupied Palestinian Territory and South Sudan. Some of the displaced people benefited from long-term initiatives, such as the Affordable Housing Programme in Jordan, improved construction skills of housing beneficiaries in Sri Lanka and the creation of disaster management structures in the Philippines and southern Africa.

Focus area 7: Research and capacity development

Progress was made towards achievement of the three expected accomplishments and the six indicator targets are on course to being met by the end of 2015. There was improvement towards monitoring of urban conditions and trends, as evidenced by the number of urban observatories using UN-Habitat monitoring tools, methods and data, which increased from a baseline of 274 to 288 in 2014. The number of partner national statistical offices producing urban data and indicators has increased and is on course to meeting the target, having risen from 15 to 19 in 2014. The UN-Habitat Global Urban Observatory has become a reference point for local observatories in the world, which benefit through improvement in methodologies and exchanges with other observatories. In 2014, 14 local and national urban observatories (Addis Ababa, Bogota, Guadalajara, Cairo, Riyadh, Lima, Guayaquil, Fortaleza, Hanoi, Tijuana, Quito, Damman, Medellin and Lagos) implemented UN-Habitat’s methodologies and tools for data collection and analysis and supported their Governments in the formulation of more informed policies.

There were notable improvements in knowledge of sustainable urbanization issues at the local, national and global levels, particularly on monitoring of urban conditions and trends using dedicated platforms and tools such as the City Prosperity Index and related indicators (with spatial dimensions). Since the launch of the City Prosperity Index in the *State of the World’s Cities* report of 2012–2013, 288 cities have requested UN-Habitat support to implement the City Prosperity Index. Currently, UN-Habitat is working with 50 partner cities and national Governments to produce city prosperity indexes to assist decision makers design evidence-based policy interventions. A recent external evaluation¹ confirmed that UN-Habitat’s flagship reports are providing useful evidence-based knowledge on human settlements, urban trends and challenges. The reports have become important tools for awareness raising and policy advocacy at global, regional, national and city levels, and partner cities and countries are producing reports with support from UN-Habitat and partners.

The international community is increasingly aware of the importance of sustainable urban development. UN-Habitat and its partners are creating knowledge through flagship reports, engagement in international forums and in the post-2015 development agenda, and regional and country reports and other knowledge products

¹ Evaluation of UN-Habitat’s flagship reports: *Global Report on Human Settlements and State of the World’s Cities Report*, by Michael Cohen and Willem van Vliet assisted by Desiree Lavecchia and Tizai Mauto, 2014.

that show the transformative power of cities and urbanization. The capacity of national and local authorities and partners to formulate and implement informed policies and programmes that promote sustainable urbanization was notably enhanced, with the number rising from 10 to 100 in 2014. This was achieved through training and capacity development initiatives and provision of innovative knowledge in the urban sector, with many of the training materials being translated into several languages. To this end, the number of partnerships with universities and knowledge-based institutions of excellence grew from 148 to 162 in 2014.

Cross-cutting issues

Mainstreaming of the four cross-cutting issues of climate change, gender, youth and human rights has been institutionalized in UN-Habitat and takes place at both programme and project levels. The cross-cutting issues are systematically mainstreamed in all projects reviewed by the programme advisory groups. Focal points for cross-cutting issues support mainstreaming during programme delivery and implementation, provide tools for and build capacities of partners, and raise awareness in their respective areas.

Gender

UN-Habitat has made progress towards the strengthening of capacity for mainstreaming gender issues in all areas of work, with support from the Gender Unit and the Urban Youth Fund, which has taken into account gender considerations in its projects. Gender tools have been used in thematic areas of work, including through the Issues Guides on urban research and capacity development and on risk reduction and rehabilitation, and the World Urban Campaign gender toolkit.

Further, gender mainstreaming in UN-Habitat's work on urban risk reduction has been successfully integrated into the assessment and action plans, and into UN-Habitat's work on urban planning and design, as evidenced by the Public Space Programme, which continued in 2014 to pay special attention to the safety of women and the engagement of women and youths in public space design and management.

UN-Habitat has promoted gender equality and women's empowerment in sustainable urban development through engagement in various international advocacy platforms, including the Commission on the Status of Women conference and the seventh session of the World Urban Forum, where issues of gender in the context of the New Urban Agenda were discussed, including during the gender equality assembly. The City Prosperity Index incorporates gender indicators in the structure of the index and related indicators, and facilitates collection of data disaggregated by gender.

Youth

UN-Habitat contributed to raising awareness through inputs to the first *Report on the United Nations System-wide Action Plan on Youth (SWAP) survey*, published by the Inter-Agency Network on Youth Development. UN-Habitat also contributed to the Colombo Declaration on Youth: "Mainstreaming youth in the post-2015 development agenda", which is frequently referred to in deliberations on youth issues in relation to the post-2015 development agenda and preparations for Habitat III. A draft report on the role of youths in the New Urban Agenda has been prepared based on the engagement of the Youth Advisory Board in different forums. During the seventh session of the World Urban Forum in Medellin, the Youth Advisory Board held the World Urban Youth Assembly, where Habitat III and youth inclusion were discussed.

Through the Youth-led Development Programme, the participation and leadership of youths in the social and economic life of their communities has been enhanced through the Urban Youth Fund. Since 2008, the fund has supported 277 youth groups located in 65 developing countries and 175 cities with small grants for youth-led community development projects aligned with UN-Habitat's thematic areas. The One Stop Youth Centre Model has been scaled up to support the East African Community and the Southern African Development Community to implement regional youth policies and strategies. The High-level Taskforce on Youth 21, with representatives drawn from Brazil, Nigeria, Somalia, South Africa and Sri Lanka, was launched during the Asker Conference on Youth and Governance in 2014. UN-Habitat co-hosted the conference in partnership with the Norwegian Children and Youth Council and the municipality of Asker, Norway.

Climate change

Climate change is mainstreamed into UN-Habitat's thematic areas, with the aim of contributing to resilient cities. The Cities and Climate Change Initiative, launched in 2008, has remained the driving force for UN-Habitat's work on climate change in the urban environment. The United Nations system continues to acknowledge the contribution of the urban sector to climate change, as evidenced by the 2014 Climate Summit, where "cities" was a major theme, and the UN-Habitat Executive Director led the "cities" work stream leading up to the summit. As a result, four strategic multipartner city initiatives were launched at the Climate Summit (Compact of Mayors Initiative, Cities Climate Finance Leadership Alliance, Urban Electric Mobility Initiative and Resilient Cities Acceleration Initiative) to fast-track progress on the cities and climate change agenda.

In 2014, UN-Habitat achieved a global-level impact in terms of enhancing knowledge via inputs to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC), with the urban adaptation chapter containing more than 40 citations of UN-Habitat publications or articles recently authored by UN-Habitat staff. In addition, the capacity of over 30 academic institutions from Africa and Latin America on the issue of climate change in urban areas was strengthened with tools partly developed under the Cities and Climate Change Initiative.

Human rights

Progress has been made towards mainstreaming the human rights-based approach to ensure that the process of urbanization follows human rights principles of equality and non-discrimination, inclusion and participation, accountability and the rule of law. The city is supposed to meet specified human rights standards, such as adequate housing, access to water and sanitation, health and education services, work, and participation in decisions that affect city inhabitants, or any other rights codified in the human rights treaties ratified by the country in question.

Various guidance and information materials have been developed, including the Universal Periodic Review. Preparation of a language guide on human rights and urbanization issues is in progress, as is preparation of a human rights handbook. Other publications released that are relevant to the human rights portfolio include a revised factsheet on forced evictions (by UN-Habitat and the Office of the United Nations High Commissioner for Human Rights), a handbook on assessing the impact of forced evictions, a document entitled *Women and housing: the infrastructure of everyday life*, and the UN-Habitat-supported *Handbook on realizing the human rights to water and sanitation*. Mainstreaming of human rights is becoming stronger, as evidenced by an on-going human rights project intended to guide the Human Rights Policy and Strategy during implementation of the current strategic plan for 2014–2019.

Programme division

Progress was made towards the achievement of the expected accomplishments, including on improved collaboration and coordination within the organization. There is increasing joint programming, implementation and monitoring of projects. The most important achievement is that all the projects and programmes are now fully aligned to the strategic plan and approved work programme and budget and contribute significantly to the achievement of the planned results. Out of the 11 indicators, seven of them are on course to being met by the end of 2015, while three are behind schedule. The demand for UN-Habitat expertise, products and services continues to grow, as demonstrated by the sustained increase of the value of the project portfolio (technical cooperation) under implementation in 2014 which rose from USD 140 million in 2013 to USD 197 million by the end of 2014.

Mainstreaming of gender equality, empowerment of women and other cross-cutting issues into projects and programmes has been improving. Training and updated tools have been provided to organizational units as well as Habitat Agenda partners to strengthen their capacities in mainstreaming. More needs to be done to enhance mainstreaming of all cross-cutting issues as the indicator is slightly behind schedule. The indicator on partnerships promoting gender equality is behind schedule. The UN-Habitat Advisory Group on Gender Issues (AGGI) continues to advocate for gender equality for sustainable urbanization.

UN-Habitat projects are all derived from the approved work programme, deliver approved outputs and contribute to work programme expected accomplishments, and mainstream core values of UN-Habitat. However, the indicators on the quality of projects at entry and the rate of project delivery are behind schedule, partly due to some administrative issues that management is working on addressing. The Project Accrual and Accountability System is strengthening project and programme coherence, alignment and results focus. Although training in results-based management is ongoing, systematic monitoring of programme/projects during implementation is essential in order to achieve planned results and also meet the indicator targets by the end of 2015.

By the end of 2014, core and non-core income received by UN-Habitat amounted to USD322million which exceeds that target for the year. This is based on a cash rather than accrual basis before the targets were set before implementation of the International Public Sector Accounting Standards (IPSAS). UN-Habitat signed new contribution agreements and agreement extensions amounting to USD 138 million and mobilized new voluntary non-earmarked contributions of USD5.8 million. In line with its strengthened resource mobilization strategy UN-Habitat has adopted a multi-pronged approach to the challenge of declining Non-earmark resources.

United Nations country teams are increasingly mainstreaming urban development issues in their United Nations Development Assistance Frameworks and the target for this indicator was exceeded by 100 per cent, having increased from 7 to 22 in 2014. This reflects that Member States are embracing issues of urban development in their national plans.

Office of management

Progress was made towards achievement of expected accomplishments. Out of the nine indicators, seven are on course to meet the target by the end of 2015. One indicator, on improving communication systems for out posted offices is behind schedule. This is because the project was postponed so as to take into account the requirements for implementing Umoja.

The major achievements in 2014 are implementation of the International Public Sector Accounting Standards (IPSAS) and preparations for the Umoja Enterprise Resource Planning system. Implementation of IPSAS enables UN-Habitat to report its financial information using a publicly recognized standard that supports greater accountability, transparency, credibility and, comparability with other public sector organizations, which should enhance the confidence of stakeholders, including donors. The bulk of the preparations for deployment of Umoja, including data cleansing, data validation, collection of new data, training of key staff and simulation exercises were carried out in 2014. This is a major initiative, achieved within existing resources, and, involving the whole organization in a business transformation that will lead to improved efficiency, streamlined business processes, better internal controls and greater transparency.

The Project Accrual and Accountability System (PAAS) was enhanced in 2014 to enable alignment of all projects with the new 2014-2019 strategic plan and facilitate reporting on outputs. Staff skills are more aligned with organizational priorities following training in Umoja, IPSAS, PAAS, results-based management, gender mainstreaming and, human rights, and dialogues on UN-Habitat's strategic thematic areas.

Notable progress was made in institutionalizing results-based management in the organization and embedding a culture of results through: the annual senior management retreat; bi-annual senior management programme performance reviews; establishment of a performance measurement plan for the strategic plan; full alignment of the strategic plan, the strategic framework and the work programme and budget; improved annual progress monitoring and reporting; continuous training and coaching; and updated tools.

IV. Opportunities, challenges and lessons learned

Opportunities

1. Using International Guidelines on Urban and Territorial Planning as an important lever to highlight the importance of sustainable urbanization in the post-2015 development agenda, as well as Habitat III, will provide an opportunity for advancing more sustainable urban planning and design.
2. The City Prosperity Index, particularly its spatial indicators and other variables that are strongly linked to the New Urban Agenda, provides a clear technical and knowledge niche for UN-Habitat, and contributes to raising its visibility as a global normative organization.
3. Continued and sustained engagement in the IASC Principals' meetings, IASC Working Group and IASC Emergency Director's Group provides an important opportunity for UN-Habitat to have significant strategic influence in humanitarian action and recovery.
4. Umoja will be a critical driver for improving business processes and enhancing integrated and efficient delivery of programmes and projects, and enabling more informed decision making for improved management.
5. Implementation of IPSAS enables UN-Habitat to report its financial information using a publicly recognized standard that supports greater accountability, transparency, credibility, and comparability and thereby enhanced stakeholder confidence.

Challenges

1. Meeting the growing demand for the GLTN tools by various countries and partners is a challenge. More resources are required in order to provide support to all actors who would like to implement the tools.
2. Application of UN Secretariat administrative rules and regulations have an impact on business processes particularly the time it takes to recruit personnel and procure goods and services and this impacts the competitiveness of UN-Habitat in achieving efficient delivery particularly for operational programmes.
3. Low bandwidth, limited investment in ICT infrastructure, and changing requirements associated with organizational and system change contributed to challenges in accessing some centralized systems particularly from out posted offices. Improvement of the ICT infrastructure was postponed to take into account with Umoja user access requirements.
4. UN-Habitat, like other UN agencies, is experiencing problems of insufficient and unpredictable non-earmarked extra-budgetary resources to cover core activities of their programmes of work, as well as human resources.
5. Timely implementation of audit recommendations was affected by the postponement of the Umoja deployment date and finalization of the Secretary General's Bulletin that is pending final decision by the Secretary General.

Lessons learned

1. Involving communities in managing slum upgrading and prevention interventions increases the chance for UN-Habitat-supported interventions to access government funds available to special groups, including youths and women.
2. Improved collaboration and cooperation between the branches and the regional offices enhances the matrix approach of the organization.

2.0 Executive direction and management

The strategic result of the executive direction and management is: “To lead and ensure effective implementation of the UN-Habitat mandates and compliance with United Nations policies and procedures in the implementation of the strategic plan for 2014–2019 through the biennial work programme and budget, and in the management of human and financial resources; to raise awareness across the world of sustainable urban development issues; and to broaden support for the participation of Habitat Agenda partners”. The expected accomplishments are as follows: (a) enhanced policy coherence in the management of human settlements activities in the United Nations system; (b) improved use of performance information from evaluations to influence decision-making and performance; (c) reduced exposure of UN-Habitat to risks, legal liabilities and claims; (d) enhanced engagement of all Habitat Agenda partners and the United Nations system in sustainable urban development; (e) enhanced awareness and mobilization of the public and the media on sustainable urban development; and (f) increased core income of UN-Habitat.

Overall assessment

Progress has been made towards achievement of five of the six expected accomplishments (see table 5). Moderate progress has been made on addressing expected accomplishment on core income. This has been done through, among other things, implementing a strengthened resource mobilization strategy, identification of non-traditional donors, and working with former donors and the private sector. However, the results of this work will take some time to be realized. Targets for 10 of the 12 indicators of achievement are likely to be achieved by the end of 2015, while two are behind schedule.

There is notable improvement in policy coherence among the United Nations system organizations on human settlements, partly due to the contribution of UN-Habitat through policy papers to United Nations Economic and Social Council events, such as the 2014 integration segment on urbanization and the High-Level Committee on Programmes, whose urban agenda initiative is led by UN-Habitat. The inputs of UN-Habitat and its partners to the discussion on the post-2015 development agenda contributed to the proposal by Member States for a sustainable development goal on cities and human settlements, while UN-Habitat’s role in the climate change discussion and events also contributed to the decisions taken by Member States.

The current level of evaluation use in UN-Habitat reflects an emerging evaluation culture following the establishment of an Independent Evaluation Unit in 2012, adoption of the UN-Habitat Evaluation Policy in 2013 and improved results-based management. UN-Habitat evaluations have identified areas of improvement, improved accountability, influenced management decision-making, and contributed to programme and project improvement and learning. UN-Habitat has made strong progress on implementing evaluation recommendations, across the board. A survey of senior management on the utility of evaluations confirmed that the evaluation recommendations inform decision-making on programme implementation. A majority have demonstrated that real time evaluations have improved project results, but UN-Habitat needs to do more to develop the methodology on tracking results in this area. In particular, a new mechanism has been developed to review evaluation recommendations, and adopt changes as soon as recommendations are made. New tools have improved the tracking of implementation of accepted evaluation recommendations.

There was a notable reduction in the exposure of UN-Habitat to risks, legal liabilities and claims by the end of 2014, due to timely intervention; increased adherence to UN-Habitat’s policy and procedures for legal clearance of agreements and instruments; increased awareness of the relevant United Nations regulations and rules, administrative instruction and resolutions, and UN-Habitat’s policies and procedures; and increased use of updated legal agreements and instrument templates, contributing to the reduced number of potential disputes and misunderstandings. For example, the Legal Unit successfully defended UN-Habitat on six cases brought before the United Nations Dispute Tribunal, while one was withdrawn.

There has been a considerable increase in the engagement of Habitat Agenda partners and the United Nations system in sustainable urban development, as evidenced by their participation in the preparatory processes for the third United Nations Conference on Housing and Sustainable Urban Development (Habitat III) and the post-2015 development agenda processes. Over 457 agreements were signed with a range of partners. Engagement of Habitat Agenda partners was highest during the seventh session of the World Urban Forum. The World Urban Campaign provides continuous interaction among Habitat Agenda partners. World Urban Campaign partners are increasing, and include local governments, academia, civil society organizations, the private sector and the media. Media articles and electronic debates on sustainable urbanization, UN-Habitat and its platforms and events, and Habitat III increased from 42,000 in 2013 to 44,300 in 2014.

There is increased awareness of the public and media on sustainable urban development, particularly emanating from large global events, such as the World Urban Forum, World Habitat Day and World Cities Day. The Habitat III preparations and the post-2015 development agenda have provided further opportunities for strengthening publicity through UN-Habitat websites and the social media.

Table 4: Progress made towards indicator targets for Executive Direction and Management by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 5: Trends on indicators of achievements for Executive Direction and Management

Expected Accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA a): Enhanced policy coherence in the management of human settlements activities in the UN system	Number of reports by the Secretary-General to the General Assembly, the Economic and Social Council, and other key United Nations system-wide documents integrating UN-Habitat inputs	40	45	44	On/above the midpoint
	Percentage of accepted evaluation recommendations implemented within planned time	60%	80%	72%	On/above the midpoint
EA b): Improved use of performance information from evaluations to influence decision-making and performance	Percentage of programme and project managers reporting improved performance at the project level as a result of evaluation findings and recommendations	50%	65%	55%	Slightly below the midpoint
	Percentage of agreements and legal instruments which expose UN-Habitat to unnecessary risks and liabilities	5%	0%	2%	On/above the midpoint
EA c): Reduced exposure of UN-Habitat to risks, legal liabilities and claims	Number of new agreements signed with various Habitat Agenda partners, including World Urban Campaign partners	305	335	457	On/above the midpoint
	Number of evidence-based initiatives of other UN agencies or contributing to the promotion of sustainable urban development	30	50	47	On/above the midpoint
	Number of partners actively contributing to and participating in the preparatory formal process for Habitat III	50	250	223	On/above the midpoint

EA e): Enhanced awareness and mobilization of the public and the media on sustainable urban development	Number of media articles and electronic debates on sustainable urbanization, UN-Habitat and its platforms and events, and on Habitat III	42,000	45,000	44,300	
	Number of hits on and downloads from UN-Habitat websites	2,400,000 downloads; 600,000 reads	2,800,000 downloads; 1,000,000 reads	2,700,000 downloads; 800,000 reads	
	Percentage of updated information on UN-Habitat websites, including the portfolio of the organization	50%	90%	95%	
	Number of key partner countries that undertake awareness-raising activities to promote sustainable urban development	90	100	50	
EA f): Increased core income of UN-Habitat	Amount of core income received by UN-Habitat (Foundation general purpose)	15.3 million	USD 46 million	USD 5.8 Million	

Figure 4: Status of implementation of the programme of work for 2014-2015 for EDM

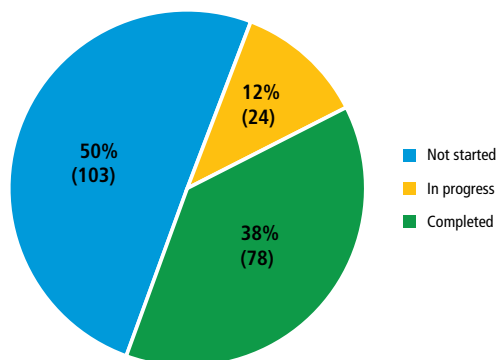
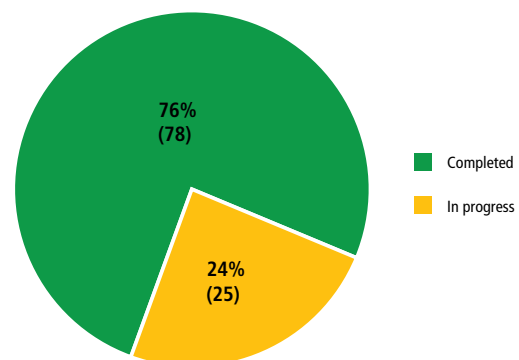


Figure 5: Status of implementation of the programme of work 2014 for EDM



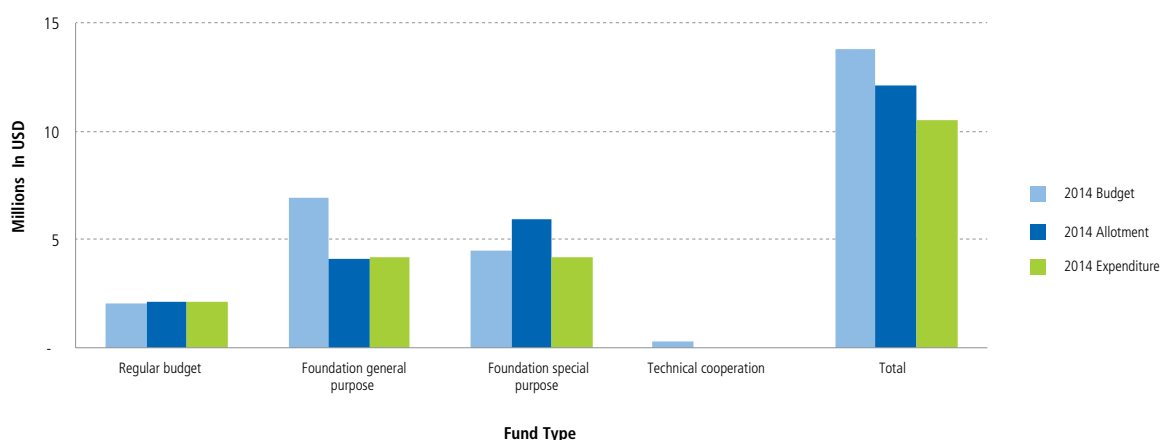
* N/A = not applicable. The actual figure cannot be estimated. The contract with Lexus Nexus, the tool for determining downloads and visits to the website was not renewed from 2013 as it was no longer appropriate for the indicator

Figures 4 and 5 present the status of implementation of the work programme and budget for the 2014–2015 biennium and for 2014 respectively. The rate of programme implementation for the biennium stood at 38 per cent completed, 12 per cent in progress, and 50 per cent not started. The implementation of the work programme for 2014 only is 76 per cent completed and 24 per cent in progress. Programme implementation is behind schedule, considering that a comparable load has to be delivered in 2015 in order to complete the approved work programme. The rate of programme implementation at 76 per cent is slightly lower than the rate of resource utilization which is at 87 per cent by the end of 2014. More will have to be done to enhance both the rate of resource utilization and programme delivery in order to meet the targets in 2015.

Table 6: Planned budget and expenditure for EDM (USD millions)

Category	2014-2015 Budget	2014 Budget	2014 Allotment	2014 Expenditure
Foundation general purpose	13,776	6,888	4,086	4,169
Regular budget	4,085	2,042	2,099	2,135
Foundation special purpose	9,028	4,514	5,927	4,206
Technical cooperation	605	302		
Total	27,493	13,746	12,112	10,510

Figure 6: Planned, allocated budget and expenditure



Financial analysis

Table 6 and figure 6 present the planned budget, allocated resources and expenditure for 2014 from the different sources of funding. From the initial budget of 2014 of USD 13.7 million, USD 12.1 million was allocated and the final expenditure for 2014 was USD 10.5 million representing a utilization rate of 87 per cent. The allotment for the Foundation general purpose was significantly lower than the original budget in line with income projections for this account which relies on voluntary non-earmarked contributions. The functions relating executive coordination, policy, legal and evaluation work and servicing of governing bodies are funded largely by regular budget and the foundation general purpose whilst some partnership and advocacy functions including the World Urban Forum were funded by earmarked contributions to the foundation special purpose account.

Expected accomplishment (a): Enhanced policy coherence in the management of human settlements activities in the United Nations system

Progress has been made towards meeting this expected accomplishment. There is more policy coherence on human settlements issues within the United Nations system organizations, with sustainable urbanization and cities being perceived as critical to sustainable development. This was achieved partly through the contributions of UN-Habitat and partners and is manifested in various events and forums, including ECOSOC, the High-Level Committee on Programmes, the post-2015 development agenda processes and the Climate Change Summit. A good example is the proposed stand-alone sustainable development goal, to “Make cities and human settlements inclusive, safe, resilient and sustainable” (July 2014). Another good example is the first-ever integration segment of ECOSOC, held in May 2014 in New York, on the theme of “sustainable urbanization”. The inclusion of a proposed sustainable development goal on cities and human settlements is a culmination of efforts by various Habitat Agenda partners and local authority associations with the support of UN-Habitat.

At the twenty-seventh session of the High-Level Committee on Programmes (HLCP) of the United Nations Chief Executives Board, held in Santiago in March 2014, UN-Habitat successfully introduced the New Urban Agenda into the work of the HLCP.

A draft report titled “Urbanization and sustainable development: the United Nations system’s input to a New Urban Agenda”, prepared through a HLCP working group with substantive inputs from 19 other organizations in the United Nations system, was favourably reviewed and discussed at the twenty-eighth session of the HLCP on 10 October 2014. The recommendations of this report will be considered by the Chief Executives Board in December 2015 before submission to Habitat III as an input of the United Nations system organizations. UN-Habitat’s successful engagement with the international community is manifested in the increased number of reports by the United Nations Secretary-General to the General Assembly, the ECOSOC and other key United Nations system-wide documents integrating UN-Habitat inputs, which increased from 40 in 2013 to 44 by the end of 2014. The indicator target is on course to being met by the end of 2015 (table 5).

Expected accomplishment (b): Improved use of performance information from evaluations to influence decision-making and performance

Some progress was made towards expected accomplishments. Evaluation findings have led to strengthened management decision-making, enhanced accountability, programme and project improvement, and increased learning, as the rate of evaluation recommendations implemented increased from 60 per cent in 2013 to 72 per cent by the end of 2014. This development points to an evolving evaluation culture in UN-Habitat, which can be attributed to the creation of an Independent Evaluation Unit in 2012, adoption of the Evaluation Policy in 2013 and improved results-based management capacity through hands-on training. During the reporting period, four of the planned evaluations were completed, four evaluations were in progress and two had not started. One of the indicators is on course to being achieved while the other is slightly behind.

Evaluation use can be seen by the number of evaluation recommendations implemented, which increased from 125 (60 per cent) in 2013 to 150 (72 per cent) in 2014. The increase can be attributed to good practice in the follow-up to management responses and implementation of action plans using an online evaluation recommendation tracking system. The tracking system is integrated into the Project Accrual and Accounting System (PAAS) and helps to generate information and disaggregated analysis on implementation of evaluation recommendations, providing opportunity for follow up with responsible officers to implement accepted recommendations.

Based on the evaluation findings and recommendations from the evaluation of UN-Habitat’s role in Pakistan, 2013, UN-Habitat is building capacity to respond to humanitarian crises. The evaluative information from UN-Habitat’s flagship reports is being used to ensure better coordination between and wide coverage of UN-Habitat staff. Based on evaluative information from UN-Habitat’s role in joint programming for delivery of the Millennium Development Goals in Latin America and the Caribbean, UN-Habitat is addressing issues of cost-effective support from UN-Habitat headquarters, sustainability strategies and implementing standard operational procedures.

Improved use of performance information has been enhanced following introduction of an online evaluation mechanism that systematically tracks the implementation of recommendations. In 2014, out of a total of 208 accepted and partially accepted recommendations, 150 (72 per cent) were implemented. The tracking system is integrated into the PAAS for internal use. The website <http://unhabitat.org/evaluation/> serves as a platform for external users and contains evaluation reports, evaluation briefs and other evaluation tools.

Expected accomplishment (c): Reduced exposure of UN-Habitat to risks, legal liabilities and claims

There has been a reduction in the exposure of the organization to risks, legal liabilities and claims, largely due to robust action by the Legal Office. Measures are also being taken to prevent corruption and fraudulent activities among partners. The indicator target is on course to being met (see table 5). UN-Habitat’s Legal Office

was able to effectively defend the organization and won six cases brought against UN-Habitat in the United Nations Dispute Tribunal and the United Nations Appeals Tribunal, and one other case was subsequently withdrawn. There are currently no UN-Habitat cases before the United Nations Dispute Tribunal.

The improved knowledge, skills and capacities among staff using updated templates for legal agreements and instruments has contributed to the reduced number of potential disputes and misunderstandings. Increased adherence to UN-Habitat's policy and procedures for legal clearance of agreements and instruments, with 80 per cent of UN-Habitat's legal agreements and instruments reviewed by the Legal Office, has led to less exposure to risks and claims. There is improved awareness of the relevant United Nations regulations and rules, administrative instructions and resolutions, and of UN-Habitat's policies and procedures, through the increased provision of legal guidance, advice and support to UN-Habitat's senior management, staff and partners on complex substantive and procedural issues. Matters covered include administrative management, institutional support, procurement and other operational modalities relative to the implementation of UN-Habitat activities and the realization of UN-Habitat's mandate.

Timely intervention of the Legal Office in disputes relating to staff rights and entitlements has significantly reduced complaints and claims relating to staff selection, assignment, non-extensions and non-renewals, and other entitlements. In line with recommendations of the United Nations Office of Internal Oversight, and with support from the Swedish International Development Cooperation Agency (Sida), UN-Habitat is undertaking an initiative to prevent corruption and fraudulent activity of implementing partners in UN-Habitat projects through a comprehensive risk management approach. The initiative includes focused activity in the areas of anti-corruption, anti-fraud, audit and overall risk management. The anti-corruption project is leveraging the expertise of prominent international players in the field and, though in its initial stages, will probably include an organizational risk assessment, development and reform of relevant policies and procedures, and capacity-building of staff and implementing partners. Through these concerted efforts UN-Habitat aims to build upon the best practices within the international development arena, and to become one of the leading UN agencies in the field of anticorruption.

Expected accomplishment (d): Enhanced engagement of all Habitat Agenda partners and the United Nations system in sustainable urban development

There has been increased engagement of all Habitat Agenda partners and the United Nations system in sustainable urban development, as evidenced by the participation of partners in the Habitat III preparatory process and the post-2015 development agenda, and the increased number of new agreements signed with various Habitat Agenda partners, including World Urban Campaign partners. There has also been an increased number of evidence-based initiatives of other United Nations agencies contributing to the promotion of sustainable urban development.

UN-Habitat in 2014 made a concerted effort to participate in coalitions with partners, and leverage the strengths of partners on the path towards Habitat III and the post-2015 development agenda. The effect is manifested in indicator 1 under this expected accomplishment, on new agreements signed with partners, for which the target has been exceeded. The targets for Indicators 2 and 3 are on track and will be achieved by the end of 2015 (see table 6).

UN-Habitat partnerships and coalitions for implementation of its work programme and promotion of the New Urban Agenda continue to expand. This is evidenced by the new agreements and participation with a range of partners in key initiatives. In 2014, UN-Habitat signed a total of 457 new agreements with a range of partners, including women and youth groups. Overall, 81 agreements were signed with civil society, followed by local authorities (47), academia and research organizations (28) and the private sector (26).

By the end of 2014, UN-Habitat had successfully mobilized 143 partner entities in 10 countries in Africa (Botswana, Burkina Faso, Burundi, Central African Republic, Comoros, Ghana, Lesotho, Rwanda, Sudan and Zambia) for the Habitat III preparatory process and the post-2015 development agenda. Key partners include the United Nations Economic Commission for Africa (UNECA), United Cities and Local Govern-

ments of Africa , the African Centre for Cities, and the Secretariat of the African Ministerial Conference on Housing and Urban Development (AMCHUD), now a cluster of the African Union Specialized Technical Committee on Public Service, Local Government, Urban Development and Decentralization.

Using UN-Habitat guidelines provided to Governments and Habitat Agenda partners, Member States have contributed to mobilization of national actors to ensure their active participation in Habitat III. The Habitat III national reports that have been prepared reflect national context of urban issues for contribution towards the Habitat III outcome document. In addition, World Habitat Day, held on 6 October 2014, provided an excellent opportunity to highlight key human settlement issues. The theme was “voices from slums”, which aimed to acknowledge the hardships of life in slums by giving voice to slum dwellers to air their own experiences, providing the affected persons with an opportunity to share their knowledge and ideas about improving their living conditions, and highlighting the efforts made towards the achievement of the relevant Millennium Development Goals.

Engagement of all Habitat Agenda partners was highest during the World Urban Forum. The seventh session of the World Urban Forum held in April 2014, in Medellin city demonstrated that WUF remains the world’s premier conference on cities and an advocacy platform for learning and networking on sustainable urbanization issues. The Medellin Declaration, the key outcome document of the session, focused on equity as a foundation of sustainable development, the city as an opportunity, the need to promote a New Urban Agenda, and the need to contribute to the future through deliberations on the post-2015 development agenda and Habitat III. The session was attended by more than 22,000 persons from more than 140 countries from a wide range of Habitat Agenda partners. With UN-Habitat guidance, the forum agreed on the promotion of a New Urban Agenda. Other outcomes of the seventh session of the World Urban Forum included:

- Recognition of Habitat III as a unique opportunity to develop a New Urban Agenda that could contribute to harnessing urbanization as a positive force for present and future generations, and to advancing the quest for equity and shared prosperity;
- Consensus to include key aspects of sustainable cities and human settlements in the post-2015 development agenda in order to harness the transformational power of cities to achieve and advance sustainable development.

The World Urban Campaign provided an opportunity for continuous interaction among Habitat Agenda partners. The World Urban Campaign is the advocacy and partnership platform for cities in the 21st century, first recognized in 2010 during the fifth session of the World Urban Forum. It has more than 75 partners and members, representing the major constituencies and umbrella organizations with large global outreach. It is coordinated by UN-Habitat and is driven by a large number of committed partners worldwide. Its partners are critical to UN-Habitat’s efforts to promote urbanization issues and solutions, as they act as multipliers in terms of dissemination of key messages.

In 2014, the World Urban Campaign had a total of 22 official partner organizations, and produced many original publications and toolkits. It also officially launched the process of defining a partners’ position for Habitat III to be held in 2016. World Urban Campaign partners through a consensus-building process have defined a shared vision for a new urban paradigm, as evidenced by the campaign’s 88 organizations and networks, including local governments, research and academia, civil society organizations, women, parliamentarians, children and youths, the private sector and the media. The different events conducted in 2014 have extended the World Urban Campaign platform to a larger audience and strengthened “The city we need” process as a contribution of non-governmental partners to Habitat III.

Expected accomplishment (e): Enhanced awareness and mobilization of the public and the media on sustainable urban development

There is increased awareness and mobilization of the public and the media on sustainable urban development as evidenced by the increased of media articles and electronic debates on sustainable urbanization, which rose from 42,000 in 2013 to 44,300 in 2014. The number of hits on and downloads from UN-Habitat websites

increased from 2.4 million and 600,000 in 2013 to 2.7 million and 800,000 by end of 2014, respectively. Proposed inclusion of an urban goal in the sustainable development goals in July 2014 is also evidence of increased awareness. Three of the four indicators are on course to being met, while one on key partner countries that undertake awareness raising to promote sustainable urbanization declined from 90 to 50 in 2014. Although the indicator is behind schedule, twelve countries celebrated the first World Cities Day, five countries held national urban forums, while 33 Countries celebrated the World Habitat Day.

UN-Habitat has used various forums and media to achieve this expected accomplishment, including its global, regional and country organized events, and its participation in international and United Nations forums. Among the most effective forums are: the seventh session of the World Urban Forum; the Climate Summit; the first World Cities Day; AMCHUD; and the Asia-Pacific Ministerial Conference on Housing and Urban Development (APMCHUD). These events are covered elsewhere in this report. The month of October 2014 was particularly remarkable, with World Habitat Day on 6 October; the Urban Thinkers Campus during 15–18 October in Caserta, Italy; and World Cities Day on 31 October in Shanghai, China. There were also several city-level, national and regional events organized by Habitat Agenda partners around the world. There has also been an increased level of attendance and interest of the media at the various events. The seventh session of the World Urban Forum alone generated 20 press conferences and a huge number of press releases disseminated around the world.

These achievements were outcomes of a series of synergetic efforts exerted by UN-Habitat and its partners. For example, effective activities to mobilize the public and the media on sustainable urban development were implemented as part of the preparation for the World Urban Forum. The World Urban Campaign was an important partners' platform in raising awareness and using various campaign approaches, such as "I'm a city changer", to mobilize a growing number of new partners who joined the campaign in 2014. On-going preparations for Habitat III also contributed to additional awareness activities and involvement of Member States and other partners, triggering media participation. Internally, UN-Habitat enhanced the use of social media following strengthening of its corporate website.

Expected accomplishment (f): Increased core income of UN-Habitat

There was no progress made on this expected accomplishment – the core income of UN-Habitat decreased in 2014. Overall, a total of USD 5.8 million of the Foundation general purpose fund has been mobilized against a target of USD 7.5 million by the end of 2014. Contributions to this budget have declined significantly, affecting UN-Habitat's capacity to deliver all the core normative outputs and results in the programme of work. UN-Habitat launched a strengthened resource mobilization strategy in 2013, and while this has succeeded in enhancing earmarked income, contributions to the general purpose account have continued to decline.

In 2014, new and former traditional donor countries and other donor countries have joined the Foundation general purpose account, and emerging donor countries have consolidated their core contributions. While in 2013 three donor countries were sharing around 91 per cent of total core contributions, in 2014 the number of donor countries sharing the same percentage has risen to eight. Agreements on new contributions and increases in existing contributions have been achieved with Canada, China, Germany, Haiti, India, Myanmar, Rwanda and the United States. However, these gains have not offset a major core contribution reduction, resulting in a decline in non-earmarked resources from USD 6.1 million in 2013 to USD 5.8 million in 2014. Falling exchange rates of the euro and other European currencies against the U.S. dollar have also had an impact in reducing the contribution value in 2014.

From an institutional perspective, progress has been achieved in defining and addressing partner priority countries for core contributions in close cooperation with regional offices. Further, decisions have been agreed upon to increase the efficiency of the resource mobilization efforts between the main offices involved, and to employ a more targeted approach to priority core donor countries.

Measures have been taken to strengthen the corporate resource mobilization and approach to donors. UN-Habitat's resource mobilization strategy and action plans have been strengthened. In addition the regional

offices have identified priority potential contributors to the core resources of the organization and are engaging with them in an effort to expand the core donor base. The corporate strategy and coordination of the decentralized fundraising system have been supported with the approval and development of roles and responsibilities of the main offices involved in the resource mobilization of UN-Habitat. A strategy with the private sector has been initiated, given the increasing importance of this donor category in the total contributions to UN-Habitat, and the positive influence on the engagement of donor countries with UN-Habitat in terms of earmarked and non-earmarked contributions.

Opportunities, challenges and lessons learned

Opportunities

1. The concurrence of the preparations for Habitat III and the post-2015 development agenda process present a unique opportunity for significantly enhancing the visibility of UN-Habitat's work, raising awareness and mobilizing support for sustainable urban development.

Challenges

1. The pace of mobilization of non-earmarked resources has remained slower than projected but some progress has been made in attracting new donors. Resource mobilization continues to be strengthened through a multi-pronged approach including enhancing alignment of resource mobilization plans with strategic plan priorities, with extra emphasis on mobilizing resources for underfunded aspects of the work programme. The global resource mobilization action plan has also been enhanced to include regional resource mobilization strategies and plans. UN-Habitat is also part of a United Nations-wide working group to address the challenge faced by many United Nations organizations of insufficient and unpredictable non-earmarked extra budgetary resources to cover core activities of their programmes of work.
2. The number and scope of evaluations conducted are not fully representative of the broad mandate and areas of UN-Habitat's work. Efforts are being made to enforce compliance to the Evaluation Policy throughout the organization as a key strategy for addressing this challenge. Mandatory self-evaluation has been introduced for all closing projects and this step is expected to increase the overall scope and coverage of evaluations. Funding for impact evaluations is also being explored.

Lesson learned

1. Well-planned independent impact evaluations of major programmes and projects are necessary for demonstrating the results of UN-Habitat's work, especially at the country level.

3.0 Assessment of progress made in each focus area



Focus area 1: Urban legislation, land and governance

The strategic result of focus area 1 is: “City, regional and national authorities have adopted enabling legislation and established systems for improved access to land, effective decentralized governance and urban safety that foster sustainable urban development”. Its three expected accomplishments are (1.1) increased capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance; (1.2) increased capacity of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities; and (1.3) local, regional and national governments and other Habitat Agenda partners improve policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety.

Overall assessment

Satisfactory progress was made towards the achievement of all three expected accomplishments. At the current pace of performance, all the indicator targets will be met in 2015 (see Table 8). The detailed analyses below demonstrate the results achieved and the contribution of UN-Habitat and partners.

On expected accomplishment 1.1, the capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance was strengthened. There is increasing awareness of the need for improvements in urban legal frameworks. Nine new legal processes on normative planning and legislation frameworks are on-going in Kenya, Myanmar, Nigeria, the Philippines and Saudi Arabia.

The improvements noted at the expected accomplishment level were achieved through the catalytic efforts of UN-Habitat and its partners. UN-Habitat’s approach to urban law gained traction, as evidenced by the growing number of requests (including from other United Nations agencies) for technical support on global urban legal challenges. UN-Habitat is working with several international partners, including the World Bank, Cities Alliance and the Rule of Law Coordination and Resource Group on issues including legislative quality, building codes and land and conflict. The indicator targets are on course to be met fully, with the number of legal consultative processes rising from 12 in 2013 to 21 in 2014, against a target of 23 in 2015.

With regard to expected accomplishment 1.2, considerable progress was made in enhancing the capacity, knowledge and skills of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities. Capacity development and joint learning with partners were the underlying elements of the land tool development and implementation. For example, over 265 potential change agents, including government representatives, existing champions, representatives of grass-roots organizations, technical experts, academicians and youth groups from 43 countries had their capacities enhanced on the use of land tools through the Global Land Tool Network (GLTN). Access to knowledge products and information on land was enhanced through the updated GLTN website and the launch of a dedicated website for the Social Tenure Domain Model. Progress towards the indicator target of this expected accomplishment is on course and will probably be met in 2015. In 2014, the number of programmes for improving security of tenure for vulnerable groups implemented by partner local governments rose from one to three; those implemented by partner national Governments rose from two to four; and those implemented by other Habitat Agenda partners rose from five to six (see Table 8).

On expected accomplishment 1.3, there were improvements in the policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety. UN-Habitat and its partners strengthened the capacities of partner local and national authorities for decentralized governance and inclusive urban management through training, political dialogue and participatory and inclusive processes. Local capacities were strengthened and strategic partnerships were fostered to contribute towards safer cities. Considerable support was provided to associations of local government to help them engage in the post-2015 sustainable development goal process, thereby highlighting UN-Habitat's role as the voice of local government in the United Nations system. This was done primarily through the Global Task Force of Local and Regional Governments. The number of partner local and national governments that adapted the international guidelines on decentralization and access to basic services for all rose from 30 to 37 and from 12 to 15 respectively. As shown in Table 8, both indicator targets are on course to be fully met in 2015.

Table 7: Progress made towards indicator targets for focus area 1 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 8: Progress on indicators of achievement for focus area 1

Expected accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 1.1: Increased capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance	Number of consultative legal reform processes to improve urban extension, densification, urban planning and finance	12	23	21	On/above the midpoint
EA 1.2: Increased capacity of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities	Number of programmes to improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities implemented by partner local and national governments and other Habitat Agenda partners (HAPs)	Local: 1	Local: 5	Local: 3	On/above the midpoint
		National: 2	National: 6	National: 4	On/above the midpoint
		HAPs: 5	HAPs: 7	HAPs: 6	On/above the midpoint

EA 1.3: Local, regional and national governments and other Habitat Agenda partners improve policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety	Number of partner local and national authorities and other Habitat Agenda partners that have adopted guidelines on decentralization and access to basic services for all	Local: 30	Local: 40	Local: 37	
		National: 12	National: 18	National: 15	
		HAPs: 16	HAPs: 31	HAPs: 25	
	Number of partner local and national authorities that have adopted crime prevention strategies	Local: 77	Local: 90	Local: 90*	
		National: 4	National: 7	National: 7	

* The target was reached in the first year of the biennium. What could this be attributed to? Will you continue to do the same things in 2015 (some of the queries likely to be raised by the CPR)

Figure 7 shows progress made in delivering the planned work programme for focus area 1 for the biennium 2014–2015. As of 29 January 2015, 28 per cent of activities had been completed while 18 per cent were in progress and 53 per cent were yet to be started. Assessing progress against the work programme for 2014, as shown in figure 8, 55 per cent are completed, 37 per cent in progress and eight per cent not yet started. Implementation is lagging behind and will have to be accelerated, in order for the work programme of this focus area to be completed by the close of 2015.

Figure 7: Status of implementation of the Work programme or 2014-2015 for focus area 1

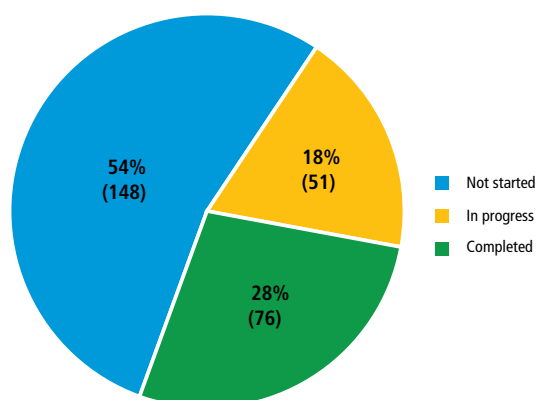


Figure 8: Status of implementation of the work programme in 2014 for focus area 1

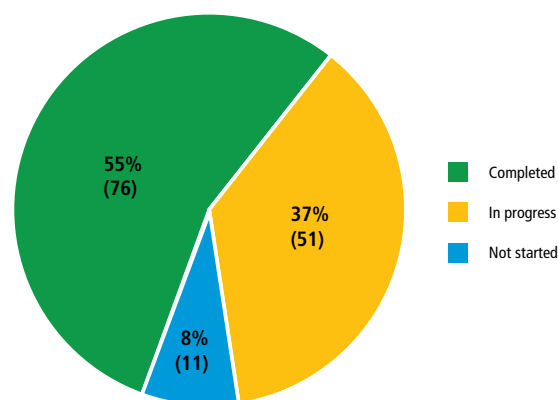
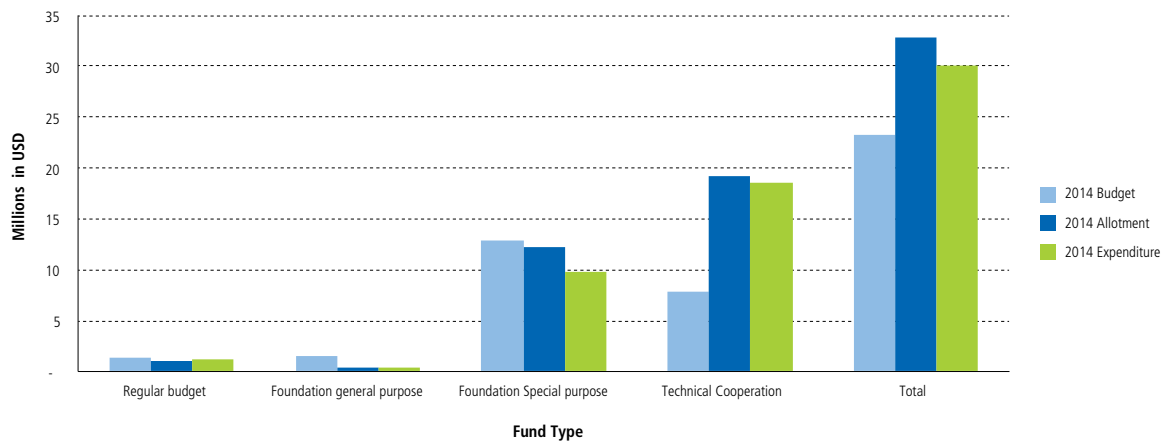


Table 9: Planned budget and expenditure for focus area 1(USD millions)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	3,113.2	1,556.6	383.8	446.9
Regular budget	2,626.3	1,313.2	1,063.4	1,178.0
Foundation special purpose	25,720.6	12,860.3	12,294.8	9,539.1
Technical cooperation	15,531.3	7,765.7	19,130.3	18,515.1
Total	46,503.7	23,251.8	32,872.4	29,992.4

Figure 9: Planned budget and expenditure for focus area 1



Financial analysis

Table 9 and Figure 9 present the planned budget, allotment and expenditure for 2014 under the different sources of funding. From an initial budget of 2014 of USD 23.3 million, the allotment for 20-14 was increased to USD 32.9 million to accommodate a higher level of technical cooperation activities which make up 61.7 per cent of total implementation. The final expenditure at USD 30.0 million represents a utilization rate of 91 per cent. The rate of programme implementation include 55 per cent completed, 37 per cent in progress and 8 per cent yet to start.

Expected accomplishment 1.1: Increased capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance

Satisfactory progress was made towards increasing the capacity of local and national governments and other Habitat Agenda partners to implement enabling legislation for improving urban extension, densification, planning and finance. New legal processes were undertaken and the knowledge and skills of partners on urban legal processes were strengthened. Several countries are analysing their urban laws with a view to improving them with the support of UN-Habitat and its partners. The indicator target is on course and will probably be met. The number of consultative legal reform processes to improve urban extension, densification, urban planning and finance rose from 12 to 21 in 2014, against the set target of 23 for 2015.

Global achievements

UN-Habitat supported nine new urban legal processes for normative planning and legislation frameworks, in Egypt (1), Kenya (3), Myanmar (1), Nigeria (1), the Philippines (2) and Saudi Arabia (1). The Future Cities project for Saudi Arabia is assessing its legal framework for urban planning and development with a view to formulating new primary legislation and regulatory instruments at the national, provincial and local levels. Building on experience of reviewing Kenya's urban planning laws completed in 2013, UN-Habitat trained six county governments in Kenya on urban planning in 2014.

The capacity of local and national governments and other partners to promote urban legislation through the development and testing of essential normative tools was strengthened. In collaboration with experts and strategic partner institutions, UN-Habitat developed two legal frameworks to facilitate work on participatory land readjustment. Results were realized within a global pilot initiative, the Participatory and Inclusive Land Readjustment (PILaR) project, which is testing a participatory, inclusive and financially viable approach to land readjustment, with the practical component in Medellin City (Colombia). UN-Habitat's urban legal methodology informed a baseline study and concept plan for a pilot project for Medellin City officials.

UN-Habitat continued to play a catalytic role in the development of urban law by strengthening its partnerships with the academic community, through which research and training objectives for capacity-building are being advanced. In partnership with the Australian Catholic University (Australia) and the University of Western Cape (South Africa), a global comparative research process on making laws in municipal governments was completed. The process utilized case studies from developing economies (Ghana), emerging economies (South Africa) and developed country contexts (Australia, Portugal and the United Kingdom). With the increasing role of municipal governments as both initiators and implementers of urban projects, this empirical assessment provides critical information on local legislative practices and how to engage urban dwellers in the law-making process.

To promote evidence-based planning grounded in effective legislative frameworks and legislative analysis, advisory work continued on UN-Habitat's Achieving Sustainable Urban Development programme in Egypt, Mozambique, the Philippines and Rwanda. Empirical evidence for incremental legal and policy reform processes gathered across all projects and preliminary legal options facilitated development of pilot activities in the planned city extension and provided inputs into city-level concept plans.

Progress was made towards building global consensus, knowledge and partnerships around urban law, with various flagship initiatives were undertaken. UN-Habitat's new legal database – UrbanLex (a free online library of urban laws) – was launched at the World Urban Forum in Medellin, Colombia. The database is being populated via global partnerships such as those with the Urban and Environmental Planning and Research Centre in Istanbul Technical University, Turkey, Renmin University, China, and the International Islamic University, Malaysia.

Capacity for and awareness of analytical work and tools to improve legal frameworks continues to grow. UN-Habitat held the first Urban Law Day in partnership with the Institute for Advanced Legal Studies, at the University of London. Attended by academic and private sector experts, the event validated the importance of an urban law agenda for learning and practical purposes and explored the principal challenges in urban law in developing country contexts. In addition, the dialogue on “equity in urban law development” during the seventh session of the World Urban Forum was attended by over 800 people, which shows growing interest and awareness of the role of urban legislation in sustainable urban development.

Country achievements

In **Mozambique**, the Achieving Sustainable Urban Development programme has developed a baseline study of the framework for land management and development control. This is being further developed into feasibility studies for specific urban extensions to test the framework and develop recommendations for reform. The context of a land use, as opposed to ownership, dominate tenure system with resource challenges in secondary cities make this a widely relevant pilot study.

In the **Philippines**, under the Achieving Sustainable Urban Development programme, an analysis of national planning laws was undertaken. Draft city-level extension concept plans were developed through an inclusive and participatory process with technical support from UN-Habitat. The findings emphasize the importance of legal analysis and evidence for incremental change and improvement in sustainable urbanization and provided valuable insights for the legal and planning teams in each participating city. They have informed the preliminary legal options provided to government partners, and participating cities are preparing their city extension concept plans. Capacity-building contributed to improved understanding of urban development planning, finance and legal approaches among municipal governments.

In **Colombia**, there is better knowledge of Medellin City's planning, finance and housing laws and regulations following a legal process undertaken in 2014. The process contributed to a baseline study that informed the development of the PILaR project, and provided valuable insights into the planning processes of Medellin City. It also provided valuable case study material for UN-Habitat's PILaR sourcebook, which is being developed to guide country-level approaches to inclusive and sustainable land readjustment.

In **Brazil**, the Brazilian Federal Senate sponsored a bill on the establishment of a National Framework for Metropolitan Planning and Governance in 2014 with UN-Habitat technical support. The bill is aimed at supporting the establishment of minimum criteria for defining metropolitan regions and instruments for city planning.

In **Cuba**, the Government is undertaking reforms in the housing sector, following consultations on the legal reform process and legal framework analysis supported by UN-Habitat. Law Number 232, which came into force in January 2015, will control the implementation of territorial and urban plans, including land use and allocation, regulations of the urban environment, health and hygiene, and water resources, and will thus contribute to more sustainable planning in Cuba.

In **Mexico**, the new national Government supported housing and urban development reforms and implemented strategy changes. This is the outcome of continuous advocacy by UN-Habitat on the need to change the urban paradigm, including the legal frameworks and planning of cities. The Urban Poverty Reduction project has been an important framework for strengthening national Habitat Agenda partners to undertake commitments in this direction.

In **Lebanon**, there is enhanced awareness partly due to the report on housing, land and property issues published by UN-Habitat in August 2014. Reforms to current legislation and housing frameworks have been proposed to support Syrian refugees in Lebanon. Partners in this initiative include the Office of the United Nations High Commissioner for Refugees (UNHCR) and the European Union.

In **Egypt**, the Government produced a draft new National Planning Law, which was a key outcome of the “participatory review of Egyptian law to guide planning for sustainable urban development” supported by UN-Habitat. This is a major milestone, given Egypt’s recent political challenges and the complex nature of the current planning framework. A participatory and inclusive process was adopted by the review, with representatives from government ministries, German Development Cooperation (GIZ), the National Centre for Planning State Land, the National Planning Institute and Cairo University, as well as experts in planning. UN-Habitat’s advisory role has been critical in the legal reforms, stressing the roles of local government and the essence of decentralization and accountability mechanisms. The Government also drafted a new legislative framework for land readjustment. A pilot project implemented in Banha City, where legal and institutional challenges hindered urban expansion over privately owned agricultural land, partly contributed to this outcome.

In **Guinea-Bissau**, building on the seventh World Urban Forum equity dialogue, UN-Habitat supported a meeting of legal experts in partnership with the Bissau Faculty of Law, which deepened the foundational legal and planning frameworks agenda required for sustainable urban development. Mechanisms for further collaboration with the Bissau Faculty of Law and for engagement with the new Government are being developed.

In **Iraq**, a legal reform process initiated by the Government of Iraq through its Iraqi Public Sector Modernization project is being supported by UN-Habitat and partners. This is being achieved through administrative decentralization and devolution; citizen engagement and institutionalization of public participation in governance at the community level; and new basic service delivery models based on the establishment of effective partnerships with the private sector and civil society organizations. UN-Habitat is supporting three governorates to draft legal recommendations for the rationalization of rules and regulations for water distribution in the outskirts of Dohuk and related outreach strategies, including raising awareness of water use through women’s unions and associations, school visits and other dissemination activities.

Mainstreaming cross cutting issues

Gender mainstreaming in UN-Habitat’s work on land is fully institutionalized. Through the Global Land Tool Network, UN-Habitat continued to provide technical support to partners implementing the Gender Evaluation Criteria tool to assess the gender responsiveness of land policies, projects and practices. To date, more than 40 countries have been exposed to learning events, peer-to-peer learning exchanges and with some implementation of the tool. Lessons learned and good practices are currently being documented.

Promoting human rights approach and inclusive participation of citizens in public affairs are key elements of UN-Habitat's approach to work with local government and their associations, assisting them to acquire the necessary resources and capacities to be able to do their job as providers of basic urban services in an inclusive and participatory manner. In 2014, UN-Habitat contributed to the expert consultation for the Special rapporteur on the right to adequate housing, giving specific highlights on the responsibilities of local governments with regards to the implementation of the right to adequate housing.

Expected accomplishment 1.2: Increased capacity of local and national governments and other Habitat Agenda partners to implement programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities

Significant progress was made in strengthening the capacities of local and national governments and other Habitat Agenda partners for implementing programmes that improve security of tenure for vulnerable groups, including women, youth, indigenous people and minorities at global, regional and country levels. The GLTN made significant inroads into strengthening capacities and equipping partners with skills and knowledge, and policy formulation on tenure issues, through its innovative programmes, methodologies, tools and approaches. Progress towards achievement of all three indicator targets for this expected accomplishment is on course to be met in 2015. The number of programmes implemented by local and national governments and Habitat Agenda partners to improve security of tenure increased by two in 2014 (see Table 8). The number of programmes aimed at improving security of tenure for vulnerable groups with the support of Habitat Agenda partners increased from five in 2013 to six by the end of 2014.

Global achievements

Significant progress was made in enhancing capacity in promoting pro-poor and gender-responsive land administration and management arrangements that foster land tenure security for all. Over 265 potential agents of change, including existing champions, representatives of grass-roots organizations, technical experts, government representatives and youth groups from 43 countries (of which around 46 per cent were female and 54 per cent were male), had their capacity to promote and implement various GLTN tools and approaches strengthened.

The significance of land issues in post-conflict contexts has been recognized within the United Nations system, and a process has been initiated to strengthen the capacity of the United Nations to support the international community, Member States and partners to address adequately land issues in conflict contexts at the scale necessary to mitigate and recover from the consequences of the conflict. UN-Habitat, through its successful relationship with the Peacebuilding Fund in Liberia, was appointed to lead this process, and the first phase has been completed. The current status of the land and conflict agenda within the United Nations system has been documented and will be the basis for the development of the United Nations guidance note on land and conflict.

Progress was made towards recognizing the need for affordable pro-poor and gender-responsive land administration approaches. There is growing global acknowledgement that conventional land administration systems are not adequate for developing countries. A global buy-in was achieved when the Fit for Purpose land administration approach was launched by GLTN partners, the World Bank and the International Federation of Surveyors in 2014. The adoption of the Fit for Purpose land administration approach allows GLTN partners to apply more affordable tools and approaches across the continuum of land rights, and to propose the approach to governments. The Fit for Purpose land administration approach was recognized in the Beijing Declaration on Sustainable Development with Geospatial Information, adopted at the Third High-Level Forum on United Nations Global Geospatial Information Management in October 2014 in Beijing.

Steady progress was made towards the implementation of the continuum of land rights approach as the most effective way to provide tenure security at scale. The urgent need for policies and measures to enable, promote and protect a diversity of tenure forms, recognized by the report of the Special Rapporteur on the Right to

Adequate Housing to the United Nations Human Rights Council in December 2013 (A/HR/C/22/46), was formally acknowledged by the United Nations Human Rights Council in March 2014. It encouraged States “to take these guidelines into account when planning and implementing measures to improve the security of tenure for the urban poor” (A/HRC/25/L.18/Rev.1). UN-Habitat’s contribution was through global advocacy efforts. In addition, through GLTN partners, information was gathered on the operationalization of the continuum of land rights at country level in Southern Africa and a theoretical foundation for the approach was developed. This will help Governments to use the approach more robustly, underpinning the work on the Social Tenure Domain Model and customary land tools.

Notable progress was made towards the development of global land indicators to harmonize monitoring efforts in the area of land tenure security and land governance. About 45 institutions, including multilateral and bilateral organisations, farmer organisations, civil society and academia, are involved in the Global Land Indicators initiative (GLII). The initiative was started by the Millennium Challenge Corporation and the World Bank, and is facilitated by UN Habitat, through the Land and GLTN Unit. After reaching the agreement on four land indicators and adopting a road map for accelerating their adoption in 2013, a consensus was reached in 2014 that sustainable development goals should refer to land issues in relation to gender, and the continuum of land rights, including perception on tenure security. A technical guide was developed to provide those involved in land indicator work with a set of tools to assist with the development and reporting of land indicators.

Progress was also made towards integration of the GLTN tools, which will enable decision makers and land practitioners to provide better services to their communities. Innovative thinking on land administration and the change in paradigm, embodied in the continuum of land rights and Fit for Purpose land administration approaches, have formed a basis for the development and further refinement of new tools for Costing and Financing Land Administration Services (CoFLAS) and Participatory and Inclusive Land Readjustment (PILaR). CoFLAS will assist policymakers and land administrators to adopt appropriate technologies and methodologies for the provision of land services most efficiently, cost-effectively and inclusively.

Regional achievements

The implementation of the 2009 Declaration on Land Issues and Challenges in Africa through the Land Policy Initiative Consortium (of the African Union, African Development Bank and United Nations Economic Commission for Africa) gained momentum in 2014. UN-Habitat through the GLTN contributed to this process by providing advisory services as a member of the steering committee, and by assisting Member States with capacity development efforts in the implementation of the declaration, in line with the Framework and Guideline for Land Policy in Africa. Through this support, 46 mid-career land officials and technical personnel from 16 countries had their knowledge of innovative concepts, tools and practices in land administration, and the capacity to implement them, enhanced. This joint learning programme was developed by UN-Habitat and partners, including the Faculty of Geo-Information Science and Earth Observation (ITC) of the University of Twente, the Dutch Cadastre, the Regional Centre for Mapping of Resources for Development and the International Institute of Rural Reconstruction.

The GLTN reviewed the land context programmes supported by the International Fund for Agricultural Development (IFAD) in Kenya, Mozambique, Rwanda, Swaziland and Uganda. The knowledge gathered on the status of current approaches and tools contributes to enhancement of the programmes and improvement in priority thematic areas (mapping, land and water rights, group rights, inclusive business and women’s access to land), and securing land and natural resource rights of poor women and men.

Progress was made in development of a tool to increase access to land and tenure security for women in Muslim contexts, bridging the knowledge gap on land and women in Muslim countries. About 24 key people were empowered to promote and implement these tools in their communities, which is expected to lead to increased access to land for women in the region. UN-Habitat partnered with the University of East London, Arab Union of Surveyors, and Urban Training and Studies Institute to build knowledge and raise awareness of various tenure options among land management and administration practitioners and champions from the Arab region.

The Regional Land Tenure Initiative in the Asia-Pacific intended to improve understanding of land governance and land tenure security issues and the institutional dynamics in the region, and identify entry points for focused policy and programme support in land administration and management. UN-Habitat, the Food and Agriculture Organization of the United Nations (FAO) and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) organized a multi-stakeholder consultation on land tenure in the Asia-Pacific region, and included government agencies, civil society organizations, United Nations agencies and other land stakeholders from 20 countries in the region. The participants recognized a need for a regional platform to address pressing land issues in the region and build partnerships to share knowledge and identify potential solutions and opportunities.

UN-Habitat and the University of the West Indies are supporting the piloting of the Social Tenure Domain Model in Saint Lucia and Saint Vincent and the Grenadines in the context of family lands, to provide increased tenure security to the local communities. As a result of capacity development work with the Organization of Eastern Caribbean States (OECS) and regional representatives of the International Federation of Surveyors' Young Surveyors Network, the OECS Member States developed country issues papers highlighting land challenges at country level and how they can be addressed. Increased recognition and importance was given to cross-cutting issues, especially gender and youth. This recognition is an important step in ensuring the development of pro-poor and gender-responsive land policies in the region. In addition, implementation of a programme on land policy guidelines in Small Island developing States improved urban policies through inclusive consultative processes in Saint Lucia and Saint Vincent and the Grenadines.

Country achievements

Notable achievements were realized at country level that will contribute to reduced land disputes and forced evictions, and strengthen gender responsiveness in the land reform area.

In **Uganda**, Pro-poor and gender-responsive land tools were applied at scale with support from UN-Habitat/GLTN. ACTogether and the Uganda Land Alliance are implementing the Social Tenure Domain Model and gender evaluation criteria land tools with the Ministry of Lands, Housing and Physical Planning, with technical support from UN-Habitat and the National Slum Dwellers Federation. Profiling was completed in 98 informal settlements in Kampala, Entebbe, Mbale, Tororo, Masaka and Arua. Data collection centres in the four municipalities were established in partnership with local governments and managed by slum dwellers' federations. In rural Uganda, the Government and the International Fund for Agricultural Development used the Social Tenure Domain Model to link farm landholdings with the tenure security status and productivity of smallholder farmers in the Vegetable Development Project in Kalangala district. Information for 500 farmers was collected and entered into a customized version of the Social Tenure Domain Model tool. A total of 198 farmers were enumerated using a GLTN participatory enumeration tool, and were trained to take coordinates of their own gardens with global positioning system (GPS) gadgets to determine their size. This contributes to the protection of land tenure rights and revenue streams linked to those rights. The process is expected to reduce land disputes, improve land tenure security and identify further land-related interventions under the management of the farmers' association.

In addition to mapping and enumeration, the National Slum Dwellers Federation added Geographical Information System techniques to further improve the accuracy of maps and make them compatible with local authority planning systems. The slum dwellers have been enabled to map their entire slum area and its services for evidence-based negotiation with local authorities when requesting for the services.

Using a pro-poor land information management system (Social Tenure Domain Model) to gather crucial information is empowering communities

Uganda's National Slum Dwellers Federation and ACTogether (Uganda), with support from UN-Habitat, the Global Land Tool Network, and the Cities Alliance conducted city-wide slum profiling in Entebbe, Mbale, Masaka and Tororo municipalities.

From this profiling, information on the number of taps, public toilets, and health facilities has been collected for use in dialogue between slum dwellers and authorities on finding solutions for slum upgrading. The process has involved building partnerships with municipal councils and the Ministry of Land, Housing and Urban Development.

Uganda is experiencing one of the highest rates of urbanization in Africa, at 5 per cent per annum, much of it characterized by informal settlements. The challenges include inadequate water supply, sewage and drainage systems, poor roads and infrastructure, and poor waste management. Appropriate information on slum settlements is needed for engaging local and central government in transformational initiatives.

The National Slum Dwellers Federation embarked on a pilot project in Mbale municipality to standardize settlement profiles and data management using the Social Tenure Domain Model. People are now using the model after training. Lessons learned in Mbale have been used to inform the same process in Masaka, Entebbe and Tororo.

Ms. Nawumbe Angela, a community development officer in Mbale Municipal Council, says: "the Social Tenure Domain Model is specifically helping us to get detailed information at household level. Before coming up with a need for a facility in the community, we must appreciate that the data in place is enough evidence, that this community is lacking such and such a service." She adds: "Through the profiling reports we are able to identify areas that were lacking water and other services, and we've been able to provide spring water and wells, and some roads have been opened in different areas."

Her sentiments are supported by Ms. Sarah Nambozo of the National Slum Dwellers Federation, who said: "In the community we learn by doing. We have learned data updating and management. We have also learned to generate reports using the software. This software is very easy for anyone to learn and use."

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In **Kenya**, there was improved capacity in the application of the Social Tenure Domain Model by the technical team of Pamoja Trust, a local non-governmental organization (NGO). UN-Habitat assisted in customizing the Social Tenure Domain Model and data entry for use in informal settlements, enabling Pamoja Trust to work in Mashimone informal settlement in Nairobi. An estimated 1,600 households benefited from the interventions in terms of tenure security and improved housing and services. Pamoja Trust is also using the Social Tenure Domain Model in Mnazi Moja informal settlement, Mombasa, where about 1,000 families facing threat of eviction from private individuals and seeking intervention from local administration are set to benefit.

In **Colombia**, UN-Habitat is supporting implementation of the Social Tenure Domain Model to improve tenure security, settlement infrastructure and basic services in Ciudadela Sucre, located in Soacha Municipality, in partnership with Habitat for Humanity International and its local network. Data collected through community mapping workshops in 11 neighbourhoods and household surveys will be entered into the customized version of the Social Tenure Domain Model. An estimated 1,300 households are expected to benefit from the pilot intervention. In addition, the global pilot meant to test the utility of PILaR may enable the city government to facilitate the integration of the project into the local budget process and implementation. In collaboration with the local governments (Asocapitales and Asoareas), UN-Habitat has developed new instruments and models for the formulation of the Master Plan and upgrading of the Land Use Plan.

In **Haiti**, the Government customized the Social Tenure Domain Model tool as an alternative land administration tool in a post-crisis context, with the potential for the Government to use the tool on a wider scale with the support of UN-Habitat. The new version is being reviewed by the Government and partners.

In **Namibia**, progress was made in the implementation of the Flexible Land Tenure Act (Act No. 4 of 2012), which embodies key principles of good land governance, such as the continuum of land rights. In 2014, the foundation was laid for a GLTN technical programme in support of the implementation of this innovative act and to learn lessons for possible replication. Draft regulations and a road map for implementation of the act have been developed and will be finalized in early 2015.

In **Morocco**, a strategic urban framework was adopted and offers an opportunity for fostering gender mainstreaming and gender equality, and a common and shared vision on urban development. This is a participatory process, involving a bottom-up approach integrating civil society engagement and accountability of elected officials and institutional partners. Together, the different criteria facilitate a new role for women, especially through women's associations.

In **Iraq**, there is improved knowledge and expertise of relevant institutions due to technical support provided by UN-Habitat to the Land Tenure Steering Committee under the Prime Minister's Advisory Commission in Baghdad. A process for a new approach to land has been promoted, as demonstrated by the comprehensive land tenure report submitted to the Prime Minister's Office in July 2014. The report covers (a) mapping of State and other land; (b) development of a more efficient land information registration and management system aimed at enhancing accessibility of all stakeholders, particularly the most vulnerable; (c) institutional strengthening of the land dispute resolution system; and (d) strengthening of the Civil Code and enacting complementary laws and regulations. UN-Habitat/GLTN are reviewing progress made in the land reform process, assessing the level of interest by local actors and (re-)engaging key champions (including government civil society, the private sector and development partners), redefining the strategic priorities for the reform process, and developing a road map with clear roles and responsibilities. In addition, a resource mobilization strategy is on-going.

In **Afghanistan**, residents in both formal and informal settlements received occupancy ownership of their properties, and are now paying taxes to the municipalities as part of the Community-Based Municipal Support Programme in four regional cities. The target municipalities have surveyed and registered over 30,000 properties and land parcels, with UN-Habitat facilitating the process in collaboration with the Afghanistan Housing, Land and Property Task Force.

In **Indonesia**, the National Development Planning Agency incorporated secure land tenure into the National Midterm Development Plan, 2014–2019. This was achieved through inclusive consultative processes and advocacy efforts of local leaders, academics and international experts supported under the “Post-conflict assistance to West Timorese women and indigenous communities” programme concluded in 2014. The programme promoted the use of national consultations on secure tenure for indigenous communities and has built the capacity of local governments to assist displaced communities to enjoy secure land tenure with support of UN-Habitat and partners.

In **Angola**, the Government took preliminary steps towards formulating and implementing a National Urban Policy in 2014. This process will improve the management of intersectoral urban issues, focusing on key areas such as urban and regional planning and support for improvement of related rules and regulations, with clear implementation mechanisms and strategic interventions.

UN-Habitat facilitated resolution of land disputes, including:

- In **Somalia**, through the United Nations Joint Programme on Local Governance and Decentralized Service Delivery, a Land Dispute Tribunal was established and expanded. This is an administrative court helping with urban land disputes resolution in Somaliland and Puntland. The facility has been expanded to the districts of Berbera and Borama (in Somaliland) and Garowe (in Puntland).
- In **Liberia**, the Land Commission, through the “Support to the establishment of a land disputes prevention and resolution system in Liberia” programme, improved capacities and awareness on land law, land rights and land alternative dispute resolution mechanisms among urban and rural landholders, including women. Of the target population, 27 per cent are women who are aware of their land rights and prefer

to use alternative dispute resolution methods to resolve land disputes. Out of 256 cases reported, 34 were resolved, compared to 148 cases, with 17 resolved, in 2013.

- In **Bangladesh**, in 2014, the capacity of local governments to engage community groups in negotiation on secure tenure and land readjustment were strengthened through the ongoing Urban Partnerships for Poverty Reduction programme, whereby the Ministry of Local Government, in collaboration with the United Nations Development Programme (UNDP), has engaged more than 5,000 community groups in urban informal settlements (98 per cent female members) and reached 388,900 households.
- In **Myanmar**, awareness on land tenure issues is improving as grass-roots women's groups are now sharing their problems of land use and access to resources using information generated through the Catalytic Support of Land Issues project supported by UN-Habitat. A series of consultations on land use planning was conducted at national, district and local levels, engaging 2,236 persons (794 women and 1,442 men) by the end of 2014.

Mainstreaming cross-cutting issues

The youth dimension is crucial when it comes to strengthened inclusive management of local authorities as youth constitute the main constituency in most cities. UN-Habitat works at improving relationships between local governments and their youth. Our research and pilot projects are exploring ways of engaging youth in urban governance, making sure that local administration and leaders take into consideration their concerns and promoting the use of ICT as a tool for mobilizing and engaging youth. In addition, youth has been put on the land agenda and youth champions from 5 countries (Kenya, Zimbabwe, Brazil, Nepal and Yemen) have strengthened their capacity to advocate for youth to be included in land policies and programmes. The knowledge base on youth and land has been significantly increased with the GLTN Issues Guide on Youth and Land for policy makers and practitioners, which can be replicated to various contexts in different regions and countries.

In terms of gender mainstreaming, every effort is made to ensure that any activity counts with the adequate representation of women. Women representation in all panels and events is encouraged and where possible, participation of women to UN-Habitat events is supported through sponsorship. Findings from recent surveys on urban governance highlight the role of women leadership and recommended that disaggregated data be collected on the participation of women in public affairs. In addition, women access to land has been increased through the use of the gender evaluation criteria in various contexts in 40 countries.

Expected accomplishment 1.3: Local and national governments and other Habitat Agenda partners improve policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety

Progress was made towards the improvement of policies, plans and strategies that strengthen decentralized governance and inclusive urban management and safety. There is a notable increase in the number of partner local and national authorities and other Habitat Agenda partners that have adopted guidelines on decentralization and access to basic services for all. The capacities of many local and national governments to formulate and implement plans and strategies for addressing security and governance issues are improving. Countries such as Afghanistan, Brazil, Egypt, Jamaica, Kenya, Mozambique and Nigeria have made progress in this respect. The indicator targets for this expected accomplishment are very likely to be met by the end of 2015 (see Table 8).

The number of partner local and national governments that adapted the international guidelines on decentralization and access to basic services for all rose from 30 to 37 and from 12 to 15 respectively. The number of Habitat Agenda partners that participated in the creation of structured platforms of dialogue between the different administrations and actors who influence the management of the city increased from 16 to 25 in 2014. Similarly, the number of partner local and national authorities that adopted crime prevention strategies increased from 77 to 90 and from 4 to 7 in 2014, respectively.

The efforts of UN-Habitat and partners were focused on strengthening the capacities of local and national authorities and other partners to enable them to engage effectively in the post-2015 sustainable development agenda processes, and supporting cities in the prevention of urban crime and the enhancement of urban safety strategies. UN-Habitat's effective partnerships and advocacy campaign strategies on the centrality of safety in sustainable urbanization, especially through common platforms such as the Global Network on Safer Cities, contributed to the noted improvement.

Global achievements

UN-Habitat strengthened the capacity of local authorities to engage in the post-2015 sustainable development agenda process. The role of local and regional governments as active implementers of the post-2015 agenda was emphasized during the debates on the matter and, local and national governments together agreed on a common position and proposals to ensure the localization of sustainable development goals. UN-Habitat supported local government associations to participate in the debates through the newly formed Global Task Force of Local and Regional Governments for the post-2015 development agenda with UNDP (www.gtf2016.org). The Global Task Force brings together major global associations of about 450,000 local and regional government bodies.

UN-Habitat co-organized in 2014 the global consultation on the localization of the post-2015 international agenda, together with UNDP and the Global Task Force. The process resulted in an eight-month multi-stakeholder consultation, mobilizing more than 4,200 participants from 80 countries in a series of dialogues at local, national and regional levels and including local and national institutions, local governments, civil society organizations, academia, trade unions and the private sector. The key messages of the final report – “Delivering the post-2015 agenda: opportunities at national and local level” – increase the visibility of local governments as international development actors, contributing to their reinforcement and strengthening resources and capacities in the future distribution of priorities.

The UN-Habitat Safer Cities Programme established a Partners Consultative Group to enhance structured dialogue with international, intergovernmental and non-governmental organizations. The initiative is leveraging resources to stakeholders for consolidating urban safety tools to support municipal plans for safety through technical working groups on various safety at work streams, including the confluence of safety and peace building with the Geneva Peace building Platform; safety and smart cities with SAP France Co and related private sector actors; safer cities promising practices with the International Centre for the Prevention of Crime (Canada) and the European Forum for Urban Safety based in Paris; and safety and gender with the Advisory Group on Gender.

The capacities of local and national authorities and other Habitat Agenda partners have improved following the establishment of permanent secretariats of regional forums for urban safety in Durban (for Africa) and Seoul (for Asia and the Pacific) to support dialogue on city safety policies, plans and strategies. Regional strategies are being developed to support the development and implementation of the United Nations guidelines on safer cities. In addition, a pilot demonstration project is being developed in Mexico with the Ministry of Security.

During the seventh session of the World Urban Forum in Medellin, UN-Habitat together with the International Crime Prevention Centre and the European Forum for Urban Security presented a draft of the first set of promising practices on safer cities gathered over the past 19 years.

The Urban Safety Hub, established as part of the Habitat Partner Universities Initiative and the Global Network on Safer Cities, is promoting centres of excellence and regional and national forums for exchange of knowledge. The partnership with academic and research institutions is enhancing analysis and dissemination of best practices, and important lessons learned at policy, planning and implementation levels, to facilitate and encourage uptake of the findings through exchange between “leading cities” and “take-up cities”.

To accelerate effective implementation of the Safer Cities Programme and associated Global Network on Safer Cities (Governing Council resolution 24/6), UN-Habitat continues to support cities and build capacity on the prevention of urban crime and enhancement of urban safety in Argentina, Chile, Kenya, Mexico and South Africa under the framework of the Global Network on Safer Cities.

To fast-track effective implementation of the Safer Cities Programme and its associated Global Network on Safer Cities, UN-Habitat is working with the government of Iraq, bringing together Erbil, Basra and Amara cities in a conflict and post-conflict scenario. In the Asia-Pacific region, UN-Habitat, the United Nations

Children's Fund (UNICEF) and UN Women are promoting "safe and friendly cities for all" in the Philippines, one of the eight pilot countries. In Latin America and Caribbean and Africa, UN-Habitat is supporting Argentina, Chile, Paraguay, Kenya and South Africa towards the consolidation of country agreements under the Global Network on Safer Cities. Further, UN-Habitat is advancing a new policy framework through which multi-sectoral interventions could be planned in line with the new urban agenda.

Progress was achieved in the systematization of best practices on metropolitan governance, together with metropolitan government associations. National, local and territorial governments took part in round-table consultations to identify and set up inclusive mechanisms of multilevel governance in the city (Brazil, Colombia).

Regional achievements

The capacity of local and national authorities and other Habitat Agenda partners to promote urban safety was enhanced following the establishment of permanent secretariats of regional forums for urban safety in Durban (for Africa) and Seoul (for Asia and the Pacific). The regional secretariats enhanced interregional collaboration and synergy to support dialogue on city safety policies, plans and strategies.

A workshop for representatives of local authorities from the Gulf States, organized in Kuwait, addressed the methodology and framework for decentralization in the Arab region and identified key challenges.

In the Latin America and the Caribbean region, urban dialogues were held to strengthen cooperation with regional and local institutions, associations and networks for promoting the new urban agenda. The partners committed to support the advancement of the new urban agenda in the region and to promote the participation of Member States and local governments in the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in Quito, Ecuador, October 2016. Progress was made in improving metropolitan governance.

The formulation and implementation of the São Paulo Macro Metropolis Action Plan enabled identification of roles for macro-metropolitan actors and the design of the macro-metropolitan dialogue model, including consultations at sub-regional level. In Rio de Janeiro, a new governance model was established for the metropolitan region, resulting in federal legislative action to address the metropolitan challenges. In Medellín, strengthened capacities of the city resulted in the formulation of the Metropolitan Land-Use Strategic Plan. The creation of a new network, the Network of Metropolitan Areas of the Americas, bringing together the metropolitan authorities of South America, Central America and North America, was achieved with the support of UN-Habitat and partners.

Country achievements

Satisfactory progress was made at country level on improving urban governance and urban safety. In **Brazil**, stakeholders actively discussed instruments for the enforcement of the future bill on metropolitan planning and governance for the Ministry of Cities. The process aims to develop methodology for the formulation and implementation of Brazilian policies for metropolitan governance, legal aspects, planning and management. Representatives from five metropolitan areas and experts held their first meeting in August 2014. In São Paulo, the Urban Youth Fund contributed to positive results at the social level, including increased gender equality, decreased crime rate and increased youth participation in governance (BASF Evaluation Report, 2014).

In **Jamaica**, urban governance was strengthened through decentralization policies and tools. The process towards the adoption of the international guidelines on decentralization and access to basic services for all enabled local and national stakeholders (Ministry of Local Government and Community Development, Association of Local Government Officers, Ministry of Transport, Works and Housing, and Social Development Commission) to consult on the actions to be taken. Effective dissemination of the guidelines was instrumental in the review of existing policies, contributing to reform of regulatory frameworks and updating mechanisms for improved decentralized governance.

In **Mozambique**, the capacity increased for implementing policies, plans and strategies for decentralized governance, and inclusive urban management policies of local and national governments and other Habitat Agenda partners. Under the Achieving Sustainable Urban Development Programme, an accurate review of the Mozambican urban legal and institutional framework, as well as an assessment of the governance and regulatory conditions to conduct a planned city extension, was undertaken in Nampula and Nacala (including creation of public space, plotting and building regulations, building rights and building codes).

In **Kenya**, to promote inclusive participation of youths and the urban poor in urban management, an e-participation tool is being piloted in Mtwapa in the framework of a slum upgrading initiative, bringing together community leaders, the Ministry of Lands, Housing and Urban Development, and the Kilifi County Council through the use of information and communications technology.

In **Nigeria**, capacity-building and training on participatory planning and design for youths was conducted in Lokoja, Kogi state. A participatory planning model, with the potential to go to scale in other UN-Habitat programmes, is being evaluated. The project builds on cutting edge research done on youth matters and governance, employing information and communications technology, reflected in the newly released version of the Global Youth-Led Development Series report.

In **Afghanistan**, five municipalities empowered their citizens in 160 community development councils for the delivery of basic infrastructure and services. This improved governance capacities and inclusive urban management through large-scale slum upgrading and integration of informal housing areas. Four municipal advisory boards implemented 13 city-level service delivery projects and USD 6.9 million was mobilized as a community contribution. About 352,000 community beneficiaries gained improved infrastructure and basic services. The quality of urban governance was improved through the establishment of municipal advisory boards in four secondary cities with support from UN-Habitat and the Independent Directorate of Local Governance. Municipal structures of the four cities were enhanced for effective service delivery, and a Municipal Law developed by the Independent Directorate of Local Governance.

In **Haiti**, a national communication strategy for safer and better housing was developed to promote better construction practices with support from UN-Habitat and the Ministry of Public Works. New training materials and quality assurance tools were produced to monitor reconstructions. A new department to assess safety of schools and health facilities provided technical recommendations on housing retrofitting. UN-Habitat is supporting 51 engineers and support staff of the technical office for building assessments, in partnership with the European Union and the World Bank.

In the **Occupied Palestinian Territory**, 36 action plans on investment priorities to enhance resilience and the future development of the vulnerable communities were prepared by village councils and mainstreamed as planning practice throughout Palestine. Further, the design process for turning undefined or underused spaces within a village into habitable and sustainable places was tested in nine planned localities, with direct participation of youths and women in the planning process and realizing practical designs for community implementation. The number of beneficiaries reached more than 4,600 inhabitants (over 820 families).

In **Morocco**, the national process of decentralization is being enhanced through the Advanced Regionalization Project. This initiative is providing the country with a more powerful territorial architecture, in response to the challenges of achieving development, competitiveness and complementarity across the various territories. The project is reviewing the territorial configuration and vocations within the framework of a territorial planning policy, improving articulation between the regions and the development of integrated spaces.

In **Lebanon**, the capacities of the unions of municipalities in strategic planning were enhanced with support from UN-Habitat, UNHCR and UNICEF. UN-Habitat supported the establishment of regional technical offices in selected municipalities, which spearheaded emergency response and planning.

In **Egypt**, the Government adopted a revised approach for strategic planning to strengthen decentralized governance and inclusive urban management. In the case of the greater Cairo region, a socioeconomic impact assessment identified priority action areas and pilot interventions while considering the socioeconomic impacts of their implementation on the local communities. The Minister of Housing formed a committee for drafting a new Urban Planning Law to govern the process of undertaking strategic plans for cities and villages. The committee elaborated the scenarios for reform, based on lessons learned from UN-Habitat work in the preparation of strategic plans for 50 cities, city regions and governorates.

Mainstreaming cross-cutting issues

The Public Space programme which is part of the ‘City’ Initiatives takes into consideration the cross cutting issues in every step from planning to implementation. For example, safety of women, women and youth engagement in public space design and management are integrated. Public space as a right – “the right to the city” is one of the considerations. Further, scope for improving the programme delivery strategy taking into consideration the concerns of people with disabilities has been identified and will be explored.

The Minecraft training events for designing public spaces have always prioritized youth group to empower and engage them in decision making processes. In all training events, more than 80 per cent of the participants were youth (less than 20 years old). Gender balance was also considered very carefully and the training attendance was over 50 per cent girls in Les Cayes, Haiti where the girls incorporated their needs and demands for the public space plan. Most notably, they played active role in incorporating the safety component in the design process so that they can use the space safely and properly.

UN-Habitat’s work on urban safety, gender responsiveness is an integrated aspect with special reference to the safety for women and girls. The Safer Cities Programme is now operating in a cross cutting manner within the organization incorporating the work of other thematic areas.

Opportunities and challenges

Opportunities

1. The progressive recognition at the global level of the importance of local governments as key stakeholders to implement the development agenda, reduce poverty and provide services to citizens is a clear opportunity for UN-Habitat as the focal point in the United Nations system for local governments to deliver on its mandate and programme.
2. Urban law at the national and local level is a critical, yet under examined, factor in addressing socioeconomic challenges and inequality within the urban space; significant gains can be made in improving and providing enabling urban legal frameworks.

Challenges

1. Meeting the growing demand for the GLTN tools by various countries and partners is a challenge. More resources are required in order to provide support to all actors who would like to implement the tools.



Focus Area 2: Urban planning and design

The strategic result of focus area 2 is: “City, regional and national authorities have adopted improved policies, plans and designs for more compact, socially inclusive, better integrated and connected cities that foster sustainable urban development and are resilient to climate *change*”. Its three expected accomplishments are (2.1) improved national urban policies and spatial frameworks for compact, integrated and connected cities adopted by partner metropolitan, regional and national authorities; (2.2) improved policies, plans and designs for compact, integrated and connected cities and neighbourhoods adopted by partner cities; and (2.3) improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities.

Overall assessment

Progress was made towards the achievement of the three expected accomplishments. All of the seven indicator targets are on course to being met in 2015. The achievements detailed in the report reflect the contributions of UN-Habitat and its partners. Efforts were made towards mainstreaming of cross-cutting issues during programme implementation.

With regards to expected accomplishment 2.1, progress was made, with a number of partner metropolitan, regional and national authorities having adopted improved national urban policies and spatial frameworks for compact, integrated and connected cities. This is evidenced by the growing number of partner local and national authorities that are reviewing and developing their policies and spatial frameworks with support from UN-Habitat and partners. These include Burkina Faso, Madagascar, Rwanda, Somalia and, South Sudan. Tools to scale up development and adoption of national urban policies were developed, including a road map for a National Urban Policy Implementation Strategy prepared, with support from UN-Habitat, in collaboration with Cities Alliance and other partners. In addition, International Guidelines on Urban Territorial Planning was another landmark tool that will be considered by the Governing Council during its twenty-fifth session. All of the indicator targets are on course to being met at the end of 2015 (see Table 11).

On expected accomplishment 2.2, significant progress was made towards improving policies, plans and designs for compact, integrated and connected cities and neighbourhoods, as evidenced by the increased number of partner cities, which rose from 10 to 25 in 2014. Tools, approaches and principles developed by UN-Habitat and partners have contributed to strengthening of capacities, knowledge and skills of partner countries, city leaders and professionals in collaboration with partner institutions in **Bangladesh, China, France, Mexico, Singapore, Republic of Korea** and other countries. Concept plans and assessment tools were developed and used to support a number of partner countries, and public space designs and plans at neighbourhood level were developed and utilized in a number of cities, including Lima (**Peru**), Mumbai (**India**) and Mogadishu (**Somalia**).

Notable progress was made on expected accomplishment 2.3, with improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities. This is demonstrated by the number of partner city, regional and national authorities that have improved policies, plans and strategies, which increased from 15 to 19 in 2014 (see Table 11). Satisfactory progress was made towards achieving the indicator target by the end of 2015. UN-Habitat and partners contributed substantially towards major initiatives at the United Nations Climate Summit in 2014, where the UN-Habitat Executive Director led the cities work stream and launched several multi-partner city initiatives.

Under the Cities and Climate Change Initiative (CCCI), several national climate change policies from a human settlements perspective were developed. To strengthen the normative basis for country-level work, the CCCI launched its Policy Note No. 3, on “Addressing urban issues in national climate change policies”, which is now addressing the climate change issues of more than 40 cities in Asia, Africa and Latin America.

Table 10: Progress made towards indicator targets for focus area 2 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 11: Progress on indicators of achievement for focus area 2

Expected accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 2.1: Improved national urban policies and spatial frameworks for compact, integrated and connected cities adopted by partner metropolitan, regional and national authorities	Number of partner metropolitan, regional and national authorities that have adopted national urban policies or spatial frameworks that support compact, integrated and connected cities	Metropolitan: 0	Metropolitan: 1	Metropolitan: 1	Green
		Regional: 0	Regional: 1	Regional: 0	Yellow
		National: 4	National: 6	National: 5	Green
EA 2.2: Improved policies, plans and designs for compact, integrated and connected cities and neighbourhoods adopted by partner cities	Number of partner cities that have adopted policies, plans and designs for compact, integrated and connected cities and neighbourhoods	10	30	25	Green
EA 2.3: Improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities	Number of partner city, regional and national authorities that have adopted policies, plans and strategies that contribute to climate change mitigation and adaptation	City: 8	City: 14	City: 10	Yellow
		Regional: 1	Regional: 2	Regional: 2	Green
		National: 6	National: 8	National: 7	Green

Figure 10: Status of implementation of 2014 - 2015 work programme

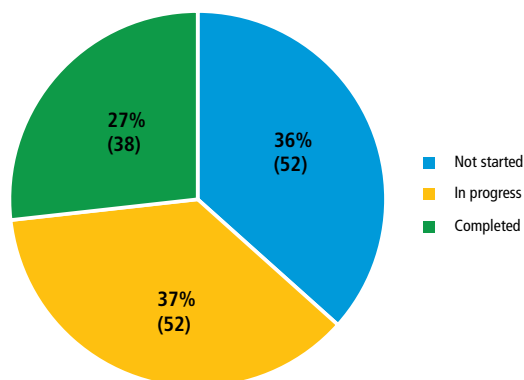


Figure 11: Status of implementation of work programme for 2014

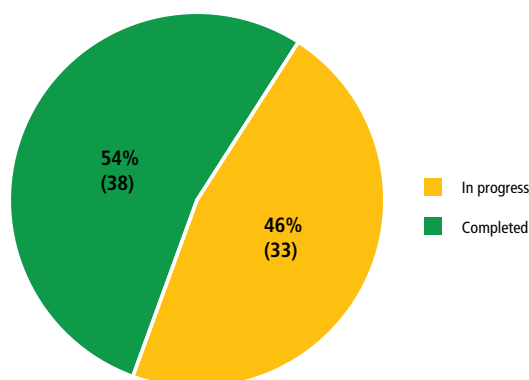
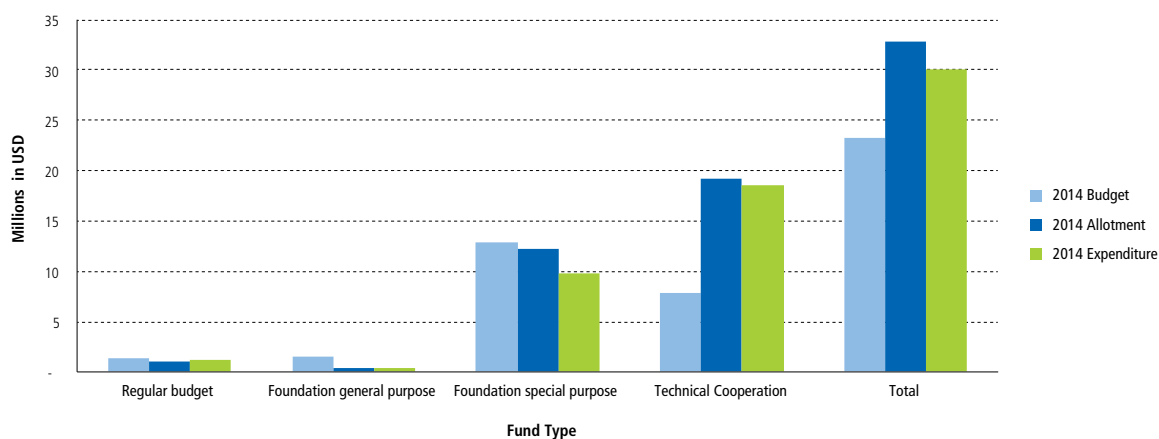


Figure 10 presents the status of programme implementation or the status of delivery of outputs planned in the biennial work programme and budget for 2014–2015, while Figure 11 presents the status of implementation for 2014 only. The rate of delivery is tracked through IMDIS, which monitors programme implementation for all agencies of the United Nations Secretariat. Figure 10 shows that about 27 per cent of the outputs were implemented, 37 per cent are in progress, and 36 per cent are not yet started. Progress made in the delivery of the programme of work for 2014 is 54 per cent completed and 46 per cent in progress. Although a large number of outputs are in progress, the rate of delivery is still lower than it should be. The implementation rate will have to be increased if the approved programme of work is to be fully implemented by the end of 2015.

Table 12: Planned budget and expenditure for focus area 2 (USD millions)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	4,236.9	2,118.5	1,100.8	1,195.9
Regular budget	1,764.5	882.3	1,122.0	1,390.3
Foundation special purpose	14,362.2	7,181.1	11,665.9	10,187.5
Technical cooperation	28,516.4	14,258.2	18,356.5	14,002.3
Total	48,880.0	24,440.0	32,245.2	26,776.0

Figure 12: Planned budget and expenditure for focus area 2



Financial analysis

Table 12 and Figure 12 present the planned budget, allotment and expenditure for 2014. From an initial budget of 2014 of USD 24.4 million, the allotment for 2014 was increased to USD 32.2 million to accommodate a higher level of both foundation earmarked and technical cooperation activities. The final expenditure at USD 30.0 million represents an overall utilization rate of 83 per cent. The sub programme has a good balance of technical cooperation activities 52.2 per cent and foundation normative activities at 48 per cent. The rate of programme implementation of 54 per cent (46 per cent in progress), is lower than would be expected at this point.

Expected accomplishment 2.1: Improved national urban policies and spatial frameworks for compact, integrated and connected cities adopted by partner metropolitan, regional and national authorities

Progress was made towards the improvement of national policies and spatial frameworks for compact, integrated and connected cities. A growing number of metropolitan, regional and national authorities are developing or elaborating and applying national urban policies and strategies in partnership with UN-Habitat and its partners. The number of partner metropolitan, regional and national authorities that have adopted national urban policies or spatial frameworks that support compact, integrated and connected cities increased from four to five by the end of 2014.

Global achievements

UN-Habitat continues to promote sustainable development through national urban policies as a key strategy to maximize the national and local benefits of urbanization while mitigating potential adverse externalities and as a mechanism to coordinate sectors and ministries. A National Urban Policy Diagnostic Framework was developed as an entry point and strategy for the development of national urban policies. The framework embraces an integrated approach in addressing urban challenges and opportunities, emphasizing the use of a three-pronged approach – the legal, urban design and financial pillars of urbanization. It was used in **Rwanda** as part of the Achieving Sustainable Urban Development project, and in **Kosovo** and **Mongolia** for rapid urban policy assessment. It is being negotiated for use in Armenia, Moldova and Serbia, by UN-Habitat in collaboration with the United Nations Economic Commission for Europe.

To scale up development and adoption of national urban policies, a road map for a National Urban Policy Implementation Strategy in Madrid, Spain, was developed in March 2014 with support from UN-Habitat, in partnership with Cities Alliance and other partners. The road map for implementing national urban policies is informed by experiences and tested approaches for developing national urban policies. Experiences and lessons on national urban policies were identified and compiled from selected countries in Asia, Latin America, Oceania and Africa. In collaboration with Cities Alliance, UN-Habitat published the 'Evolution of National Urban Policies', based on various examples and lessons learnt from various countries. The road map built the momentum and enhanced dialogue amongst partners, accelerating development of the National Urban Policy in Zambia and renewed efforts to finalize the National Urban Policy in Uganda.

A major milestone reached in 2014 was the development of International Guidelines on Urban and Territorial Planning. The Guidelines constitute the global framework for improving policies, plans, designs and implementation processes for more compact, socially inclusive, better integrated and connected cities and territories that foster sustainable urban development. In line with Governing Council resolution 24/3, the process involved national Governments, all relevant United Nations organizations, international associations of local authorities, international professional associations and members of the Habitat Professionals Forum. The final draft of the International Guidelines on Urban and Territorial Planning will be considered at the twenty-fifth session of the Governing Council in April 2015.

Regional achievements

Implementation of the New Africa Urban Agenda, endorsed by various regional forums in 2013, gained traction, with a growing number of African countries at different stages of developing and improving their national urban policies with technical support from UN-Habitat and its partners. Most national urban policies under review and formulation are addressing metropolitan and wider sustainable urban development issues. **Rwanda** was the first country to use the National Urban Policy Diagnostic Framework and had a draft National Urban Policy by end of 2014. More countries (**Burkina Faso, Kenya, Madagascar, Somalia and South Sudan**) are improving elements of their national policies, plans or designs for more compact, socially inclusive, better integrated and connected cities that foster sustainable urban development and are resilient to climate change. Elements of policies related to decentralized governance and urban safety have been developed or are being formulated in **Botswana, Burundi, Cameroon, Cape Verde, Democratic Republic of the Congo, Gabon, Gambia, Kenya, Lesotho, Liberia, Madagascar, Malawi, Nigeria, Somalia, South Sudan and Zimbabwe**.

The Metropolitan Areas Latin America Network was launched in November 2014 to promote exchange of best practices in metropolitan planning, governance and design and contribute to the Habitat III process. UN-Habitat will serve as the technical secretariat. The network is a joint effort of the metropolitan area of Aburra valley (Colombia) and the Metropolitan Community of Montreal (Canada). It brings together metropolitan authorities of South America, Central America and North America. Its objective is to exchange experience on metropolitan planning and governance, particularly in the Americas. This initiative is being supported by UN-Habitat in partnership with metropolitan institutions from Brazil (the Metropolitan Planning Agency for Greater São Paulo, or EMPLASA), Canada (Metropolitan Community of Montreal), Colombia (metropolitan areas of Aburra valley and Bucaramanga and the Association of Metropolitan Areas of Colombia), El Salvador (Council of the Mayor's Office and the Planning Office of the Metropolitan Area of San Salvador) and Mexico (Institute of Metropolitan Planning of Guadalajara Metropolitan Area)

Country achievements

In **Brazil**, national dialogue on urban policies and frameworks initiated in 2012–2013 improved awareness and demand for improved urban policies in 2014. Lessons from Colombian and South African cases helped representatives to sustain the national positioning in the global endeavour to discuss urban sustainable development matters.

The government of the state of São Paulo promoted, for the first time, a participatory process improving dialogue on regional planning in its plan for the macro-metropolitan area – a highly urbanized system of cities with five metropolitan regions, totaling 172 municipalities. This process raised awareness amongst different public and private stakeholders on the need for adopting a new spatial framework for integrated and sustainable urban development in this area, which has 15 per cent of the country's population and almost 30 per cent of its gross domestic product.

In **Morocco**, a new project entitled "Support programme to Al Omrane Holding and to the Ministry of Housing and Urban Policy", launched in 2014, is looking at national strategies relating to new towns; new extension of metropolitan areas; and prevention and integration of informal housing. It is also developing urban strategies that are productive, inclusive and sustainable.

In **Cameroon**, the Government, in line with the New Urban Agenda, is committed to the development of the National Urban Policy. This follows UN-Habitat-led dialogue involving various stakeholders and a prefeasibility study of the national urban possibilities, undertaken along with the design of the National Urban Programme.

In **Rwanda**, the Government elaborated the National Urbanization Policy for promoting sustainable urban development and defined strategic and regulatory axes of intervention. This was achieved through consultations held at the central and provincial levels, reviewing various policy and legal documents. An economic and financial analysis conducted involved diagnosis of the existing National Urbanization Policy. The Ministry of Infrastructure, in collaboration with the provincial and district authorities, worked closely with UN-Habitat in the review process.

In **Cape Verde**, the Government's capacity for implementing the National Programme for Urban Development and Empowerment of Cities was enhanced. The programme is a catalytic project fully funded by the national Government. Several consultative meetings were held involving central and local governments, civil society and the private sector.

In **Egypt**, 12 strategic development plans for small cities were developed. Seven expert round-table discussions were held, focusing on strategic planning for small cities, detailed planning, stakeholders' roles and responsibilities, and challenges that hinder sustainable urban development. Thereafter the Terms of Reference for Strategic Planning in Secondary Cities were revised, outlining new planning approaches and the project management procedures to reflect lessons learned from practical experience.

Methodologies for strategic planning for new cities and small cities in Egypt were improved with UN-Habitat support through the Strategic Development Plan for the Greater Cairo Region. Capacity building of local governments, demonstration of innovative sustainable urban development approaches promoting paradigm shifts towards the new urban agenda, and socioeconomic impact assessment and public engagement have become integral parts of all new planning initiatives. This approach has added value to generate appropriate mechanisms for alleviating poverty, improving living conditions and connecting new communities, while compensating beneficiaries for adverse economic impacts, especially vulnerable and poor communities.

In **Iraq**, through the programme "Strengthening of urban and regional planning in the Kurdistan region", the capacity of staff of the Ministry of Municipalities and Tourism and the Directorate of Urban Planning to analyse growth trends of cities in Kurdistan region for appraisal of previous master plans was strengthened. This was achieved via cooperation between UN-Habitat, UNDP, General Directorate of Regional Planning and Ministry of Planning at the Kurdistan regional government level, and Ministry of Planning, Ministry of Municipalities and Tourism, and Directorate of Urban Planning of Erbil governorate.

In **Lebanon**, awareness on sustainable regional planning is being raised through a report entitled "Reforming urban planning systems in Lebanon" published in 2014. Furthermore, the report "Housing, land and property issues in Lebanon" provided evidence on the impact of the Syrian crisis on shelter options; housing, land and property rights; and housing and property markets and land use. The report informed humanitarian and government entities in designing policies and programmes and making planning decisions to enhance access to safe and affordable shelter for refugees and vulnerable Lebanese families.

In **Liberia**, an urban land inventory was completed in the second city (Buchanan) during 2014, while the first one was undertaken in 2013 for Gbarnga city. The process entails a city-wide urban land inventory carried out by UN-Habitat and partners (Liberia Land Commission, Liberia Institute for Statistics and Geo-Information Services and Buchanan City Corporation). The inventories will support development of a national policy for urban land use.

In **Madagascar**, the National Urban Policy was drafted with UN-Habitat support. The draft policy is an outcome of the first National Urban Forum held in March 2013, with 800 participants from national and local governments, research and academia, urban professional organizations and the private sector. UN-Habitat is also supporting a platform of 37 mayors to set up the Greater Antananarivo Authority.

In **Saudi Arabia**, capacities for reviewing regional and urban planning and for promoting participatory and inclusive processes are being enhanced with UN-Habitat support as part of a four-year programme – the Future Saudi Cities Programme – for USD 25 million, supported by UN-Habitat and partners.

In **Somalia**, the Urban Regulatory Frameworks for Somaliland and Puntland were developed, under the United Nations Joint Programme on Local Governance and Decentralized Service Delivery and with UN-Habitat's technical support. The frameworks have six sets of standards and guidelines, including spatial planning and the plan-making process at the district level, land-use planning standards and guidelines, and urban road planning for urban development sectors. These have been developed in collaboration with the Ministry of Public Works.

In **South Sudan**, the national draft Framework for Urbanization Policy Framework was completed with UN-Habitat support, a process that commenced in 2012 but was delayed due to security problems. Key milestones were achieved during the consultative meeting held in Juba, March 2014, which received feedback from state and national ministries about the draft of the National Urbanization Policy

In **Sudan**, a strategy for regional spatial planning for Blue Nile state was formulated through a participatory process involving the State Ministries of Planning, Finance, Agriculture, Welfare and Labour and Infrastructure, community leaders, native administration leaders and women's representatives. The strategy will be used by the State authority and line ministries to guide future investment in basic services and infrastructure, which will contribute to peace building in a conflict-affected State. It identified primary economic development areas, economic corridors linking main cities and towns with roads and railways, and nodes for cross-border and cross-state economic activities and linkages.

In **Zambia**, following national consultations on urban development supported by UN-Habitat and partners, the Government gave the Ministry of Local Government and Housing approval to proceed with the preparation of a National Urban Policy (in March 2014). A total of USD 200,000 was earmarked to initiate the process.

Mainstreaming cross-cutting issues

A framework for assessing the mainstreaming of cross-cutting issues has been developed as part of a broader assessment framework for focus area 2, based on this framework and check list has been developed for three expected accomplishments. The development of International urban and territorial guidelines has not only attempted to achieve a balanced gender representation among the panel of experts (actually 60 per cent male, 40 per cent female) engaged in the development of the International Guidelines on Urban Territorial Planning, and the draft guidelines also articulate positions that reflect the need to address gender, youth, human rights and climate change issues. These are reflected in some of the principles and provisions of the draft guidelines and include, amongst others, to:

- Promote and ensure gender equality in the design, production and use of urban spaces and services by identifying the specific needs of women and men, girls and boys;
- Facilitate the effective and equitable involvement of urban stakeholders, particularly communities, civil society organizations and the private sector, in urban and territorial planning preparation and implementation by setting up appropriate participatory mechanisms and engaging civil society representatives, particularly women and youths, in implementation, monitoring and evaluation to ensure that their needs are taken into consideration and responded to throughout the planning process;
- Improve urban safety, particularly for women, youths, the elderly, the disabled and any vulnerable groups, as a factor of security, justice and social cohesion;
- Provide for instruments to support the realization of human rights in cities and towns. The assessment framework with checklist is being used in the development of National Urban Policies. In **Rwanda**, for example the emphasis has been on a consultative process to ensure many of cross-cutting issues are integrated, and the tool is being used to reflect on the policy as far as it has mainstreamed gender, youth, human rights and climate change aspects.

The assessment framework is also being used in mainstreaming the cross-cutting issues in the development of urban plans and designs. The plans and designs are evaluated against specific gender indicators in order to mainstream the gender issue in the planning process.

Expected accomplishment 2.2: Improved policies, plans and designs for compact, integrated and connected cities and neighbourhoods adopted by partner cities

Significant progress was made towards improving policies, plans and designs that are supporting the development of compact, integrated and connected cities and neighbourhoods. The progress is reflected in the growing number of partner cities that adopted policies, plans and designs for compact, integrated and connected

cities and neighbourhoods during the reporting period, which increased from 10 in 2013 to 25 by the end of 2014. The cities include Wuzhou (**China**), El Alamein (**Egypt**), Kirtipur (**Nepal**), Mumbai (**India**), Lima (**Peru**) and Mogadishu (**Somalia**). The notable increase is largely due to the role of the Urban Planning and Design Laboratory, an in-house facility created in 2014 to support partner cities in the development of plans and designs. The approach of the laboratory makes it possible to respond to increased demand effectively by engaging directly with a large number of cities.

The indicator target is well on course to be met at the end of 2015, having risen from 10 to 25 in 2014, due to the creation, in 2014, of the Urban Planning and Design Laboratory.

Global achievements

Notable progress was made in the improvement of plans and designs for compact, integrated and connected cities and neighbourhoods in the promotion of UN-Habitat principles and approaches to sustainable urban development at national and regional levels through collaboration with strategic partners. Concept plan assessment tools, developed with UN-Habitat support, were used in the assessment of the Master Plans of Kigali (**Rwanda**) and Lusaka (**Zambia**). A request for similar assessment was made by Lima (**Peru**). Promoting socially inclusive, integrated, connected, accessible, environmentally sustainable and safe public spaces is key to achieving the new urban agenda. UN-Habitat in partnership with partners developed strategic partnerships and validated and tested tools and principles for city extensions, city-wide planning, and neighbourhood and public space planning through capacity development events, research and developing successful case studies. Engagement with partners is shaping the tools and approaches guiding the achievement of the results in partner cities. The partners include the Centre for Liveable Cities (Singapore), Bangladesh Institute of Planners (Bangladesh), CityNet (Korea), Commonwealth Association of Planners (United Kingdom), Vietnam Urban Planning and Development Association (Viet Nam), Centro Cemex (Mexico), French Development Agency (France), Ericsson (Sweden) and Guangzhou Planning Institute (China).

Building on the achievements of 2012–2013, significant progress was made in 2014 in terms of a pragmatic approach to proactive creation of organized space for urban expansion in partner cities. UN-Habitat has refined its approach to planned city extensions as a key strategy for addressing urban growth, especially for intermediate cities where population growth is rapid. Ideally, this approach requires adequate public space (50 per cent), proper density (61 people per acre), mixed use (40 per cent floor area for commercial use), social mix (20–50 per cent) in a good plan with a sound legal framework and sustainable financial plan. This approach, dubbed the ‘three-legged approach’ and described briefly above, was successfully tested in the Achieving Sustainable Urban Development countries of **Colombia, Egypt, Mozambique, the Philippines and Rwanda**. A publication on historic examples of planned city extensions was also produced.

UN-Habitat adopted innovative approaches to strengthen its capacity to provide comprehensive technical support to the growing number of partner cities. To facilitate requests from local, regional and national governments for assistance, UN-Habitat initiated the Urban Planning and Design Laboratory in January 2014. The laboratory, which was launched at the seventh session of the World Urban Forum, offers UN-Habitat a project-oriented approach to develop urban planning proposals that can be implemented locally, parallel to the normative work. The proposals showcase UN-Habitat’s principles and approaches for sustainable urban development. The Urban Planning and Design Laboratory assists in each of the four strategic areas of City Wide Strategies, Planned City Extension, Planned City Infill, New Town Development and Densification Strategies.

Concept plans for planned city extensions were completed for Silay, Iloilo and Cagayan de Oro (**the Philippines**), Banha city (**Egypt**), Nyagatare and Rubavu (**Rwanda**), Santa Marta (**Colombia**) and Kisumu (**Kenya**). Citywide strategies and plans, infill plans and new town development plans were developed, resulting in the improvement of the city-wide strategy in Wuzhou city, **China**. A Planned City Infill Plan for the La Candelaria neighbourhood was developed in consultation with the Planning Department of Medellin, Colombia, and a New Town Concept Plan for the city of El Alamein (Egypt) was approved in 2014.

A series of toolkits on planned city extensions, sustainable neighbourhood planning, scenario planning, basic

planning and city-wide planning have been developed and tested through the rapid planning studio workshops with UN-Habitat toolkits. Preparation of urban plans and designs, especially in **Colombia, Egypt, Kenya, Mozambique, Nigeria, the Philippines and Rwanda**, is on-going. Technical materials, tools and resource publications have also been shared with partner cities in both English and local languages for better understanding and to convey the key planning messages. The increasing integration of legislation and economic dimensions has rendered the planning studio an innovative and much appreciated support tool.

Kirtipur (Nepal), Mumbai (India), Mogadishu (Somalia) and Lima (Peru) prepared public space designs and plans at neighbourhood level. This is being implemented by UN-Habitat together with Mojang-AB through participatory trainings using the Minecraft tool, which allows community involvement in every step in planning, designing and managing public spaces in their cities. To scale up the site work on public space, Kirtipur and Mogadishu are developing city-wide public space strategies and plans based on the sustainable planning principles of UN-Habitat. Under the Global Public Space Programme, UN-Habitat has provided partner cities with small grants to implement the design plans and physical works.

UN-Habitat is making steady progress in public space planning through its normative and operational work. The value and contribution of public space to sustainable urban development was elaborated by experts and partners at the second Future of Places Conference (Buenos Aires, Argentina, September 2014). More than 300 experts attended the meeting, at which they discussed “Streets as public spaces and drivers of urban prosperity”. A public space expert group meeting (Rome, January 2014), attended by 30 experts, approved the guiding principles and policies on public space and compiled a selection of case studies to enhance the knowledge and capacity of partner cities.

The Achieving Urban Sustainable Urban Development (ASUD) Programme in Bogota and Medellin cities (**Colombia**) led to improved dialogue among local governments for achieving sustainable urban development. In Bogota, the focus on urban economy will add value through urbanism in low-income neighbourhood. In Medellin, the focus of the Achieving Sustainable Urban Development programme is on city planning infill and knowledge management.

The capacity of planners and city leaders of partner cities in planning, designing and implementation was strengthened through training. Over 300 planners and decision makers from different partner cities in UN-Habitat regions were trained in **Malaysia, Mexico, Nigeria, Rwanda, Somalia and Viet Nam**. The module bridges the gap between technical experts and decision makers. UN-Habitat has provided technical tools, technical materials and advisory and technical services, eventually contributing to plans and designs in partner cities.

Regional and country achievements

Knowledge and buy-in of Member States and city leaders of the importance of planning and adequate planning instruments to steer the future growth and development of cities is improving. This was evident during consultations, partners meetings and policy dialogues undertaken in 2014. UN-Habitat conducted an expert group meeting on urban densification and growth management in Mexico, which aimed to facilitate policy dialogue with partners and networks on planned city extensions and city-wide planning during the seventh session of the World Urban Forum in Medellin. The purpose of the dialogue was to validate the tools and approaches on planned city extensions and infill and other planning approaches supporting urban planning interventions in partner cities.

In **Cuba**, 20 cities developed comprehensive proposals for innovative urban planning and design based on their strengths and opportunities. This followed UN-Habitat-supported workshops held in 10 capital cities with the theme of urban planning and design. The workshops promoted methodologies for integrating urban regulations, devising urban development plans, improving infrastructure, and integrating slum reduction into planning and urban design.

In **Ethiopia**, preparation of planned extensions for secondary cities/regional capitals is ongoing with the support of UN-Habitat, New York University and the World Bank. The support includes strengthening capacities of local authorities and relevant institutions to implement urban plans.

In **India**, the city of Mumbai drafted a Public Space Plan with UN-Habitat technical support through the Lotus Garden project, located in one of the most neglected areas of the city. The garden, owned by the municipal corporation, was upgraded through an inclusive process involving the local council, municipality and local communities, who are responsible for the development and maintenance of the playground. The space is now completed and there is such high demand from the community for its use that the corporation has had to limit the number of people using it at any one time.

In **Kenya**, the government has improved the capacity of key actors for participatory urban planning and management through 'Support to the Sustainable Urban Development Sector'. UN-Habitat supported planning processes under the Kenya Municipal Programme in five clusters: Cluster 1 – Mombasa town; Cluster 2 – Malindi and Kitui; Cluster 3 – Machakos, Thika, and Embu; Cluster 4 – Naivasha, Nakuru, and Nyeri and Cluster 5 – Kericho, 10 Kakamega and Eldoret.

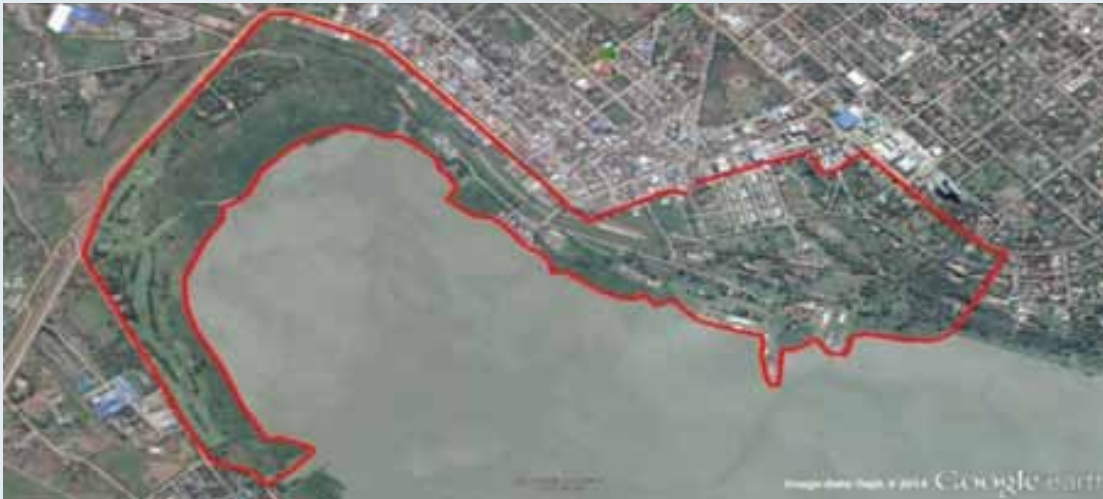
In **Nepal**, implementation of the Dey Pukhu Public Space Project in Kirtipur was completed. The project, which was intended to upgrade the status of Kirtipur, inspired the municipality's Public Space Revitalization Plan for the whole of Kirtipur. This process includes analysis of all the existing public and open spaces, strategies for their revitalization embracing a participatory design process, and allocation of resources from the municipal budget. As public space is closely connected to water in Nepal, the communities around the Dey Pukhu site were engaged in the upgrading of the pond and public square to ensure better supplies. UN-Habitat and its partner, the Centre for Integrated Urban Development, are working to conserve and enhance Dey Pukhu ("state pond") and surrounding areas through community participation and community public space management. This has enhanced participatory project planning.

In **China**, the City-Wide Strategy of Wuzhou was drafted using skills enhanced by UN-Habitat in collaboration with the Guangzhou Planning Institute. Young professionals of the Institute learnt sustainable urban planning methodology and UN-Habitat's principles. UN-Habitat in collaboration with the Guangzhou Planning Institute led to planning of two new cities in **Rwanda**. Different concept plans were approved for the following cities:

- In **Colombia**, a planned city infill for La Candelaria, Medellin city, was approved. UN-Habitat supported an innovative programme being implemented to improve processes of urban transformation. Through the city infill concept, the link to the larger strategic macro-project of the city was established as a joint venture with the city of Medellin, the Community of La Candelaria and Arcadis. A concept plan for the planned city extension for Santa Marta was produced and adopted by the city authority. The local authority agreed that the concept plan inputs would be reflected in the new Land Use Plan.
- In **Kenya**, a concept plan for Kisumu city extension, using participatory processes, was approved. The county of Kisumu has made a financial commitment to UN-Habitat for preparation of detailed planning steps of the lake front area.

In **Rwanda**, a concept plan for the city of Rubavu was approved, following six thematic training modules offered for the local planners of six cities. The training was conducted by the Ministry of Housing, local governments and planners. UN-Habitat is collaborating with the Guangzhou Planning Institute on large-scale planned city extension.

Compact Integrated Urban Extension Plan for Kisumu City (Kenya)



Google location map (present scenario)

In Kisumu (Kenya), the county government has embarked on an ambitious urban planning and development exercise to develop its lakefront area. The process, supported by UN-Habitat, explored the design options for the area, completing a feasibility form, assessing the legal and economic perspectives, and discussing these with the local government, the city stakeholders and in particular the Kenya Railway Corporation, which is the main landowner in the area. After months of work, the exercise has culminated in the formulation of a concept plan integrating urban design and related financial projection and implementation mechanisms. These have been clearly anchored in local legislation to ensure the feasibility of the next steps.

The lakefront area is the most important asset of Kisumu city in terms of urban land for development, due to its prime position within the central business district and on the shore of Lake Victoria. The exercise is supported by the French Development Cooperation. UN-Habitat is offering the county government advice on the planning approach and methodology to steer the Integrated Strategic Urban Development Plan and later to develop the concept plan for the lakefront area, identified by the Integrated Strategic Urban Development Plan as a special planning zone.



Concept plan (future scenario)

The Government, the Integrated Strategic Urban Development Plan and UN-Habitat have concurred on the need to convert the area into a new high-quality mixed-use neighbourhood. The main strategic objectives of the intervention were to provide more buildable space for a Kisumu downtown that is currently undersized; decrease the actual expansion of the city away from the lake and the uncontrolled low-density urban sprawl; help revitalize the city centre, that at present is becoming increasingly obsolete, and reduce transit congestion generated from the north-east and any informal expansion through a new north-south connection.

UN-Habitat has not only supported the inclusion of the lakefront renewal as a priority in the political agenda, but has also started creating a social consensus in the community on the importance of the renewal of the area and the planning activity as an asset for the future city development. The local stakeholders have appreciated the importance of the three-pronged approach (design + legal + financial model) in all documents presented. The approach has provided a more structured corpus to the planning proposal. This has been achieved through accessing expertise from Israel (with support from the Israeli Government) and through support by the Booyoung Group of the Republic of Korea.

The Lakefront Redevelopment Concept Plan provides Kisumu city with the opportunity to develop in a more compact and integrated way, leveraging one of the main local assets to create space for a variety of activities, including dense residential development and a well-structured public space grid.

- In **Egypt**, concept plans for the new town at Al Alamein and planned city extension of Banha were approved. The planning process brought together technical staff of the Ministry of Planning, UN-Habitat and local consultants.

In the **Philippines**, three cities (Cagayan de Oro, Iloilo and Silay) developed planned city extension conceptual frameworks and designs based on the principles of the Achieving Sustainable Urban Development global programme, on a pilot basis. The planned city extension to showcase innovations in urban planning and design for compact, socially inclusive, integrated, connected and resilient cities is a product of multi-stakeholder workshops and technical studies. In the process, the capacities of cities and neighbourhoods in scenario building are enhanced.

In Lima (**Peru**), the Lima Municipal Parks Service has developed a plan for the revitalization of a small public park in Villa El Salvador, a large settlement that has been divided into zones with UN-Habitat support. Each zone has a small public space for various activities. There is little support (in some cases, no support or funds) from local authorities, so most of the maintenance and public construction work is done by community members. UN-Habitat is working to upgrade the park, embracing a recycling theme, and most of the materials used for the upgrading will be recycled or recyclable.

In **Somalia**, the proposal for the upgrading of the Sinay market in Mogadishu was approved by the Planning Department of Mogadishu municipality. It was developed through a participatory process, involving users of the markets and the surrounding communities in its design and implementation. Upgrading of the main market building is in progress and will harness the huge potential for economic growth while providing the community with a central public space for meetings and events, which will contribute to strengthening social links.

In **the Occupied Palestinian Territory**, a joint project document prepared by the Ministry of Planning, UNDP and UN-Habitat for first National Spatial Plan was adopted in July 2014. It provides strategic guidance for current and future urbanization and urban planning and governance in Palestine, including Gaza, East Jerusalem and the Area's ABC of the West Bank. Further, a sectorial plan to protect valuable nature and agricultural lands was prepared by the National Spatial Planning Office.

Five outline plans were developed and negotiated by Palestinian communities in East Jerusalem with the Israeli planning authorities, including 1,000 buildings under threat of demolition. Plans are under preparation to increase building rights for Palestinian families in Ras El Amoud, Wadi Qaddoum, Al Aquaba and Al Ashkar-eyah. To substantially increase building rights for Palestinian families are underway. The plans freeze the home demolition orders, allow for the legalization of unlicensed homes, allow households to apply for new building permits, and establish a framework for provision of public services, facilities and development opportunities.

Mainstreaming cross-cutting issues

The assessment framework is being used in mainstreaming the cross-cutting issues in the development of urban plans and designs. The plans and designs are evaluated against specific gender and climate change indicators in order to mainstream issues of gender, inclusiveness and climate change issues in the planning process.

During the plan and design preparation phases community consultation was one of the concerns promoted by UN-Habitat. Furthermore, The Public Space programme takes into consideration the cross cutting issues in every step from planning to implementation. For example, safety of women, and youth engagement in public space design and management are integrated. Public space as a right – “the right to the city” is one of the considerations.

Further scope for improving the programme delivery strategy taking into consideration the concerns of people with disabilities has been identified and will be explored. The Minecraft training events for designing public spaces have always prioritized youth groups to empower and engage them in decision making processes. In all training events, more than 80 per cent of the participants were youth (less than 20 years old). Gender balance was also considered very carefully, and the training attendance was over 50 per cent girls in Les Cayes, Haiti where the girls incorporated their needs and demands for the public space plan. Most notably, they played

active roles in incorporating the safety component in the design process so that they can use the space safely and properly.

Expected accomplishment 2.3: Improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities

UN-Habitat made significant progress in promoting integration of policies, plans and strategies that contribute to mitigation of and adaptation to climate change in cities through national-level comprehensive approaches as well partnerships with cities. The total number of partner city, regional and national authorities that have adopted policies, plans and strategies that contribute to climate change mitigation and adaptation increased from 8 to 13, 1 to 3 and 6 to 7 respectively in 2014. The three indicator targets are on course to being achieved by the end of 2015.

Global achievements

Notable progress was made towards improving policies, plans and strategies that contributed to the mitigation of and adaptation to climate change, with cities finalizing their climate plans. Major initiatives were taken at the United Nations Climate Summit. Knowledge, awareness and mitigation capabilities were enhanced.

In 2014, 14 cities finalized climate change vulnerability assessment documents. Climate change action was mainstreamed into statutory plans in Apia, Davao, Cagayan de Oro, Iloilo and Olongapo; other cities (Honiara, Kathmandu and Port Vila) are developing specific climate change action plans. Actions taken under the plans include zoning ordinances (Davao, Olongapo), coastal zone and riverbank protection (Apia, Honiara) and disaster preparedness plans (Honiara, Davao, Cagayan de Oro, Iloilo and Olongapo).

The topic of cities is now a globally recognized part of the climate agenda. This is reflected in the wide range of initiatives, partnerships, advocacy platforms, partnerships and strategies that UN-Habitat has catalysed, aimed at promoting policies, plans and strategies that enhance mitigation of and adaptation to climate change in cities. UN-Habitat contributed substantially to the outcomes of the September 2014 Climate Summit in New York, as well as ongoing processes under the United Nations Framework Convention on Climate Change.

“Cities” was a major theme of the United Nations Climate Summit, which was designed, in part, to raise the level of ambition of Member States to reach a strong, universal climate agreement at the twenty-first Conference of the Parties to the Climate Change Convention in Paris in late 2015. The UN-Habitat Executive Director led the “cities” work stream leading up to the Climate Summit. Partners included high-level officials from Brazil, China, Ghana and the United States; the mayors of Paris, Seoul, Zhenjiang and Rio de Janeiro; the chief executive officers of the French Development Agency and the Japan International Cooperation Agency; and the president of Standard and Poor’s Financial Services. Major multi-partner city initiatives were launched at the Climate Summit, including the following:

- **The Compact of Mayors**, an agreement by city networks and other partners, including UN-Habitat, to undertake a transparent and supportive approach to city-level emissions reductions in order to reduce vulnerability and enhance resilience to climate change. This compact is meant to encourage cities to publicly commit to profound greenhouse gas emission reductions; make existing targets and plans public; and report on their progress annually, using a newly standardized measurement system.
- **The Cities Climate Finance Leadership Alliance**, a partnership between public financial institutions, private institutional investors, third-party financial advisors, not-for-profit organizations, UN-Habitat and others. The alliance aims to catalyse and accelerate additional capital flows to cities, maximize investment in low- carbon and climate-resilient infrastructure, and close the investment gap in urban areas. The success of the alliance will be measured by its ability to stimulate the flow of investment towards climate-related infrastructure projects in cities across a large spectrum of financial actors, nationally and internationally. The primary focus will be on cities in low- and middle-income countries.

- **The Urban Electric Mobility Initiative**, which is intended to achieve the widespread adoption of electric vehicles in cities, with a target of raising the share of travel by electric vehicles in participating cities to 30 per cent by 2030. Eventually the Initiative will target at least 100 cities.
- **The Resilient Cities Acceleration Initiative**, aiming to double the number of cities and partners in support of city resilience building, to assist 500 local governments to develop resilience action plans, and to catalyse USD 2 billion in-kind and direct support for city action plans by 2020. The overarching objective of this initiative is to accelerate the design and implementation of integrated strategies that strengthen the resilience of urban systems.

UN-Habitat contributed globally to knowledge and awareness on climate change through inputs to the Fifth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC). These influential assessments, released every several years, provide the primary scientific source underpinning global climate change negotiations. Earlier the authors of the Fourth Assessment Report (2007) had identified how secondary cities in developing countries were reacting to climate change as a major gap in scientific knowledge. The Fifth Assessment Report of 2014 show that staff and researchers have been at least partially successful in filling this gap. The urban adaptation chapter of this report has more than 40 citations of publications and articles authored by UN-Habitat staff.

Regional achievements

At regional level, trained professionals from six Asian countries had capacity on pro-poor urban climate resilience enhanced through workshops organized by UN-Habitat and partners, including Konrad-Adenauer-Stiftung, the European Union, the Euro-Asian Dialogue on Climate Change Diplomacy and Urban Resilience, UNDP, United Nations Global Pulse and the United States Agency for International Development (USAID). An “urban futures” workshop in Bangkok released three short films on climate change and published regional position papers. Four publications on inclusive methodology and tools on vulnerability assessment highlighting priority areas for phase II of local climate change action plans were developed. The vulnerability assessments are advocacy documents for the inclusion of urban centres in national climate change policies, plans and strategies (Fiji), and socioeconomic considerations in disaster response (Honiara flash floods, April 2014).

With support from AusAID, the Caribbean Community and OECS, UN-Habitat has promoted future urban resilience to climate change, and human settlements and land development, as key topics for Small Island developing States. This has led to inclusion of both topics in the draft outcome document of the third International Conference on Small Island Developing States, in Samoa, in September 2014.

Country achievements

Notable progress was made in improving policies, plans and strategies on mitigation of and adaptation to climate change. In **Indonesia**, UN-Habitat and ICLEI-Local Governments for Sustainability recorded a notable climate change outcome in Bogor city. Since 2012 the “*Promoting Low Emission Urban Development Strategies*” (*Urban-LEDS*) project, funded by the European Commission, helped Bogor and other cities to develop plans to reduce their greenhouse gas emissions. Following this engagement, Bogor approved its 2015 budget in November 2014. This budget provides USD 12 million for low emission transport projects, including improving BRT and converting 1,000 minibuses from conventional high-carbon fuels to compressed natural gas, and 50 minibuses to electricity.

In **Myanmar**, a multi-year Climate Change Alliance programme was designed to strengthen the capacity of government, private sector and civil society actors for preparation of national action plans for climate change. The programme, which was launched in 2013, is intended to strengthen the institutional and policy environment through sharing technical knowledge and best practices, training and institutional support. Thirteen sectoral technical working groups for development of a National Climate Change Strategy and sector action plans were developed in 2014, and a Committee on Environment and Disaster Risk Reduction Coordination established, led by the Minister of Environment for Climate Change. The capacity of stakeholders involved in this initiative has improved following an exchange of knowledge at Yangon conference, which took place in October 2014 with UN-Habitat support.

In **China**, the Green and Sustainable Urbanization Programme, which falls within China's State Council National New Urbanization Plan, is under implementation. The programme is part of efforts to utilize urbanization as an engine for economic growth in the near future. Work on optimizing low-carbon and compact urbanization was concluded in Jiangyin, continued in Xi'an and started in Guiyang. Jiangyin city is promoting natural ecological protection and developing policies and strategies on mitigating and adapting to climate change. Xi'an city developed guidelines for the Xi'an Chanba Ecological Zone Sustainable Urban Development Project as the basis for formulating sustainable urban planning and development policies. The implementing partners, including the China Real Estate Research Association-Council of Human Settlements and the Energy Foundation, introduced new concepts on how cities can mitigate and adapt to climate change.

In **Papua New Guinea**, the National Climate Change Policy was completed with support from UN-Habitat. The resulting text discusses human settlements, subnational partnerships and other topics of concern to UN-Habitat. The UN-Habitat publication "Addressing urban issues in national climate change policies" (CCCI Policy Note No. 3) offers normative guidance to support policy dialogue on this topic. A policy was developed and awareness was enhanced following the release of a vulnerability assessment report on the city of Port Moresby in 2014. The municipal authority now knows the hotspots within the city. The report stimulated discussions at meetings held with the Office of Climate Change and Development. In addition, a National Climate Compatible Development Management Policy has recently been launched.²

In **Afghanistan**, the Government adopted two urban development sector policies designed with UN-Habitat's technical assistance; the National Internally Displaced People Policy and the Informal Settlements Upgrading Policy.

In **Uganda**, Kampala has assessed its vulnerability to climate change and undertaken related activities, most notably develop a Strategy for Integrated Flood Risk Management, with the support of CCCI. This strategy has informed several steps that Kampala Capital City Authority is taking to address chronic flooding, which afflicts poor neighbourhoods and may worsen with climate change. For example, the authority commissioned a consultant to update the 2003 Kampala Drainage Master Plan in a manner that reflects approaches advocated by the above-mentioned strategy.

In the **Philippines**, the vulnerability and adaptation assessment process was integrated into the official national guidelines on the formulation of local climate change action plans (October 2014).the Local Climate Change Action Plan (DILG Memorandum Circular 2014-135, October 2014). At the same time UN-Habitat provided direct assistance for lagging regions (Region 9 and Region 4B) in developing their local climate change action plans. Six cities (Davao, Butuan, Cagayan de Oro, Iloilo, Olongapo, Cauayan), produced their respective reports and strategic climate change actions following strengthened vulnerability and adaptation assessments conducted in 2014.

In **Mexico**, Acapulco municipality had its capacity strengthened in urban development, risk identification and territorial planning and disaster response. UN-Habitat is supporting awareness on risk prevention and climate change effects, considering recent disasters and their impact on Mexican cities. Monitoring of the implementation of the Federal Urban Development and Housing Programmes through the indicator of development and adoption of the Risk Atlas allows identification of suitable land for human settlements, thus reducing urban vulnerabilities to natural phenomena.

In the **Occupied Palestinian Territory**, under the French Government "Urgent housing rehabilitation programme for marginalized families in East Jerusalem" project, 35 homes in Gaza and 45 in East Jerusalem are applying green building and energy-efficient measures in self-help housing rehabilitation and reconstruction. UN-Habitat provided technical advice on the programme design and creation of the financial incentive package, trained staff, contractors and householders, and assisted preparation of information sheets and materials.

In Kathmandu, **Nepal**, officials are taking steps to upscale a CCCI demonstration activity on rooftop gardening undertaken earlier. In 2014 Kathmandu Metropolitan City signed an agreement with the Ministry of Federal Affairs and Local Development to ensure that by the end of 2016 at least 20 per cent of all households

² http://www.occd.gov.pg/images/stories/documents/National_Climate_Change_Policy1.pdf.

in the city produce vegetables from their rooftops. KMC allocated USD 30,000 for their rooftop garden programme in 2014-2015. It has also formulated a policy on rooftop gardening, and is supporting its integration in urban building codes.

In Apia, **Samoa**, officials incorporated climate change into the final City Spatial Plan; the protection of coastal zones and river banks is a main focus of its plan.

In the **Philippines**, two cities, Iloilo City and Davao City, have now mainstreamed climate change into their approved statutory plans. Other cities (notably Butuan, Cagayan De Oro, Olongapo City) are currently updating their plans with mainstreamed climate change considerations. The implementation of these plans is being manifested in zoning ordinances (Davao, Olongapo).

On the whole some fourteen cities in the Asia-Pacific region finalized climate change vulnerability assessments. UN-Habitat provided the cities with tools and regional technical expertise in these processes. UN-Habitat's climate change efforts in those locales were enhanced through national level comprehensive approaches as well through effective partnerships with cities. In addition to serving as the bases for city-level climate action plans such as is discussed above, such vulnerability assessments are advocacy documents for the inclusion of urban centres in national climate change policies, plans and strategies (Fiji), as well as socio-economic references in disaster response (Honiara Flash Floods, April 2014). Based on CCCI-supported vulnerability assessments, adaptation projects were implemented in Lami, Fiji, and Honiara in the Solomon Islands.

Mainstreaming cross-cutting issues

The issue of climate change is being prioritized for plans and designs for cities, which are highly vulnerable to climate risks. CCCI has undertaken both gender and youth-focused activities at the city level. The CCCI has developed and piloted a checklist approach to addressing gender in Kampala (Uganda) and Kathmandu (Nepal) in the context of city-level vulnerability assessments. Based in part on insights gained in the use of the checklist and an accompanying neighbourhood walk methodology in Kampala, a Kampala City Gender Policy was drafted, which contains a component on "climate change adaptation and mitigation". In February 2013 the policy was approved by the Standing Committee on Gender and Community Service, and the Executive Management Committee of Kampala Capital City Authority; however, to date this draft policy has not yet been signed off by the Mayor and Minister for Kampala.

In 2014, UN-Habitat support to "city" initiatives, launched in September 2014, represents a partial mainstreaming of the cross-cutting topic of climate change in the agency. Three thematic areas were involved in the development of these initiatives.

Opportunities, challenges and lessons learned

Opportunities

1. Using International Guidelines on Urban and Territorial Planning as an important lever to highlight the importance of sustainable urbanization in the post-2015 development agenda, as well as Habitat III, will provide an opportunity for advancing more sustainable urban planning and design.
2. The "city" initiatives launched at the Climate Summit in New York provides programmatic opportunities for UN-Habitat, including in the run-up to the pivotal twenty-first Conference of the Parties to the United Nations Framework Convention on Climate Change in Paris, planned for December 2015.

Challenges

1. The challenge of getting urban planning outside the technical domain and onto the political agenda of decision makers needs to be consistently addressed in order to provide political support to longer-term planning exercises.
2. A short-term planning and economic perspective, accompanied by the absence of a legal framework, are hindering the commitment to plan implementation.

Lessons learned

1. Collaboration with planning institutes and external consultants is crucial in enlarging the capacity and impact of the Urban Planning and Design Laboratory.
2. Feedback from training events and planning studios confirm that UN-Habitat's emphasis on sustainable urban patterns (compactness, integration, connectivity, inclusivity, public spaces and mixed land-use development) resonates with the aspirations of policymakers and decision makers.
3. Weak technical capacity in urban planning and weak legal frameworks in partner countries are major hindrances to adequate planning processes, and therefore UN-Habitat's support has to combine technical inputs with capacity-building and provision of tools to achieve impact.



Focus area 3: Urban economy

The strategic result of focus area 3 is: “City, regional and national authorities have adopted improved urban policies and strategies that are supportive of economic development, with particular focus on young men and women and enhanced urban and municipal finance”. Its expected accomplishments are (3.1) improved capacity of partner cities to adopt strategies supportive of inclusive economic growth; (3.2) improved capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities, and with focus on urban youth and women; and (3.3) improved capacity of partner cities to adopt policies, plans and strategies for improved urban and municipal finance.

To achieve the strategic result and expected accomplishments of focus area 3, UN-Habitat has adopted a range of approaches to promote urban strategies and policies that strengthen the capacity of cities to realize their full potential as drivers of economic development, wealth generation and employment creation. Specific attention was paid to supporting the formulation and implementation of urban strategies and policies that promote the participation of both men and women, enhance municipal finance and contribute to the creation of decent urban jobs and livelihoods, in particular for youths.

Overall assessment

Progress was made towards achievement of all three expected accomplishments. All indicator targets are on course and will be achieved by the end of 2015.

On expected accomplishment 3.1, Progress was made towards improving the capacity of partner cities to adopt strategies supportive of inclusive economic growth. Three partner cities prepared local economic development plans, while four other partner cities set priorities based on local assessments. For example, Bogota in Colombia, Silay City in the Philippines and Akure in Nigeria prepared their local economic development plans. In Colombia, 26 enterprises prepared their development business plans and the capacities of 31 participants were strengthened on land markets and informal sector regularization.

With regard to expected accomplishment 3.2, progress was made towards improving the capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities, and with focus on urban youth and women. The capacities of cities to fund youth-led activities

and strengthen global partners and youth inclusion have increased. Partner cities are increasingly moving towards adoption of policies that are supportive of employment opportunities and livelihoods for young people. Youths in Brazil, India, Nigeria, Rwanda, Saudi Arabia, Somalia and Uganda had their capacities enhanced in, among other things, resource mobilization and constructive engagement on urban issues. The number of partner cities that have adopted programmes supportive of improved and increased employment opportunities and livelihoods increased from seven to 16, against a target of 25 in 2015 (Table 14).

On expected accomplishment 3.3, the capacity of partner cities to adopt policies, plans and strategies for improved urban and municipal finance were improved. Citizens in countries such as Afghanistan are benefiting from land regularization and receipt of municipal tax revenue, which has increased by about 15 per cent, while some countries, such as Mozambique, are piloting ways to increase revenue through property tax. Several innovative approaches to land-based financing were developed and tested. The GLTN has contributed to efforts to improve local land-based revenues and has also developed a training package for government staff. Several municipal financing methodologies are being piloted in five countries – Colombia, Egypt, Mozambique, the Philippines and Rwanda.

In terms of progress made towards the indicator target, the number of partner cities that have adopted programmes and strategies for improved urban and municipal finance moved from eight to 15 in 2014, exceeding the target of 12 set for 2015.

UN-Habitat and partners played a catalytic role in the improvements noted, which are outlined below in detail. Local authorities were equipped with normative tools and skills to pursue innovative ways to improve revenue generation, especially from local sources. They contributed notably to the production and management of knowledge on the urban economy and finance that are critical for promotion of the new urban agenda.

Table 13: Progress made towards indicator targets for focus area 3 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 14: Progress on indicators of achievement for focus area 3

Expected accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 3.1: Improved capacity of partner cities to adopt strategies supportive of inclusive economic growth	Number of partner cities that have prepared local economic development plans	0	6	3	On/above the midpoint
	Number of partner cities that have prepared set priorities based on local economic assessment	0	7	4	
EA 3.2: Improved capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities, and with focus on urban youth and women	Number of partner cities that have adopted programmes supportive of increased employment opportunities and livelihoods, with focus on urban youth and women	7	25	16	On/above the midpoint
EA 3.3: Improved capacity of partner cities to adopt policies, plans and strategies for improved urban and municipal finance	Number of partner cities that have adopted programmes and strategies for improved urban and municipal finance	8	12	15	On/above the midpoint

Figures 13 and 14 present the rate of implementation of the work programme for focus area 3 for the biennium 2014–2015 and for 2014 only respectively. Analysis of the implementation rate of the work programme is based on the United Nations Integrated Monitoring and Documentation Information System (IMDIS). Focus area 3, which is jointly implemented by all UN-Habitat regional offices and the Urban Economy Branch, completed 30 per cent of the activities under its programme of work, while 40 per cent are still in progress and 29 per cent are yet to be started. About 62 per cent of the programme of work for 2014 was completed, while 38 per cent is in progress. The delivery rate is lower than expected but with 40 per cent already in progress, the assumption is that these would be finished in 2015, and probably most (if not all) of those that have not been started will also have been completed.

Figure 13: Status of implementation of the Work programme or 2014-2015

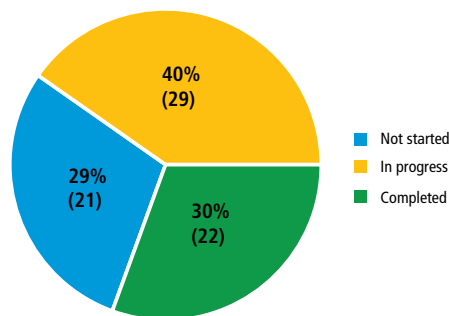


Figure 14: Status of implementation of the work programme in 2014

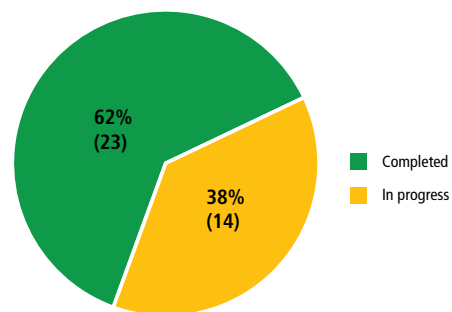
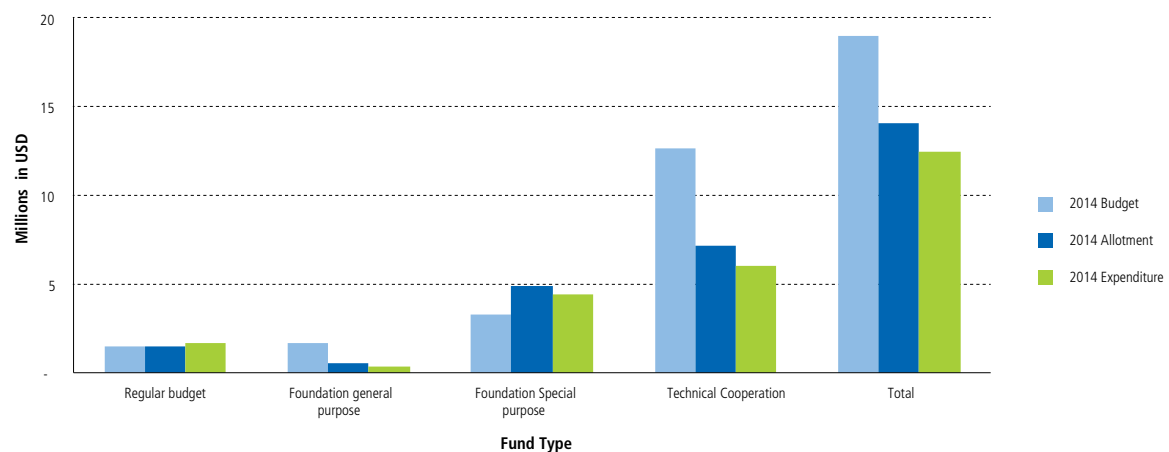


Table 15: Planned budget and expenditure for focus area 3 (US USD millions)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	3,348.6	1,674.3	543.4	338.9
Regular budget	2,992.4	1,496.2	1,475.8	1,714.8
Foundation special purpose	6,472.2	3,236.1	4,883.9	4,373.4
Technical cooperation	25,242.7	12,621.4	7,138.6	6,005.2
Total	38,055.9	19,028.0	14,041.7	12,432.3

Figure 15: Planned budget and expenditure for focus area 3



Financial analysis

Table 15 and Figure 15 present the planned budget, allotment and expenditure for 2014. From an initial budget of 2014 of USD 19.0 million, the allotment for 2014 was reduced to USD 14.0 million in line with updated income and resource requirement projections; a higher allotment being assigned for foundation earmarked activities and a lower allotment for technical cooperation activities. The final expenditure at USD 12.4 million represents an overall utilization rate of 88 per cent. The rate of programme implementation for 2014 is 62 per cent completed and 38 per cent in progress, which is lagging behind the rate of resource utilization, at 88 per cent.

Expected accomplishment 3.1: Improved capacity of partner cities to adopt strategies supportive of inclusive economic growth

The capacities of partner cities to develop urban plans and policies supportive of inclusive economic growth were enhanced. This is demonstrated by an increasing number of partner cities that prepared local economic development plans, in line with the first indicator under this expected accomplishment, including Bogota in Colombia, Silay City in the Philippines and Akure in Nigeria. Some partner cities were able to set priorities based on local economic assessments, including Bogota, Silay City, Akure and the Greater Cairo region. The level of accomplishment for this indicator rose from zero to three cities by the end of 2014, and is on course to meet the biennial target of six cities in 2015. Similarly, the progress on the second indicator rose from zero to four cities by the end of 2014 and is on target to be achieved in 2015.

Global achievements

Progress was made towards achievement of the expected accomplishment through various activities undertaken by UN-Habitat and partners. Opportunities for knowledge development and joint programming for promoting the urban economy and financing were established and strengthened. Solutions for enhancing endogenous local economic development and the revenue of local governments are being promoted through an agreement between UN-Habitat and the Global Fund for Cities Development. Research and capacity-building were strengthened through the enhanced engagement of the Development Bank of Latin America (CAF), UN-Habitat and UNESCAP with cities and national Governments on the urban economy. Six city case studies on spatial and structural economic transformation of urban economies, drawn from Africa, Asia and Latin America, led to improved awareness during the seventh session of the World Urban Forum in Medellin.

Regional achievements

The capacity of GLTN partners for using land as a base for generating revenue to help fund urban growth and development was strengthened through training held in 2014 in Gangwon province, Republic of Korea. The training on “land policy instruments: land readjustment and land-based financing” was organized by UN-Habitat in partnership with the International Urban Training Centre. Participants included policymakers, professionals, senior executives of both the public and private sectors, and representatives of NGOs drawn from in the Asia-Pacific region.

The capacities of 31 participants from the Latin America region were strengthened through a training programme on land markets and informal settlement regularization. The participants included mayors, deputy mayors, heads of departments and senior managers (60 per cent from municipal and local governments). The programme was organized by UN-Habitat in collaboration with the Valle University of Cali (Colombia) and the Lincoln Institute of Land Policy (United States).

Country achievements

Progress was made in strengthening capacities and developing plans and strategies for supporting local economic growth. In **Colombia**, 26 enterprises have developed business plans following UN-Habitat’s support to the design and implementation of a local economic development strategy. Twenty-four of them were trained in the design of leather and footwear products, 10 groups secured funds, and two are in the process of refining their business plans. In addition, 100 new designs of leather and footwear products were introduced to the

market. This development, under the Achieving Sustainable Urban Development programme, focuses on a cluster-based approach to economic development, with particular emphasis on informal sector operators in the leather and footwear industry in Bogota.

In **the Philippines**, Silay City developed local economic development strategies and an action plan. These tools are linked to the broader plan for the extension of Silay City. This integrated and practical approach to economic development is expected to contribute towards a prosperous and equitable future, within UN-Habitat's New Urban Agenda.

In **Nigeria**, Ondo state expanded urban policies and strategies supportive of local economic development under the Youth Inclusive Planning and Urban Space project. As part of its commitment to empower youths, the Ondo state government allocated land for the construction of a one stop youth centre to be built partly by 250 youths training in construction. The Nigerian Ministry of Youth is working with UN-Habitat to develop a framework for renovating youth centres in Nigeria based on the One Stop Youth Centre Model.

In **Mozambique**, a new strategy for local economic development is being developed in the Nampula-Nacala development corridor. The strategy to support municipalities is based upon local human, social and natural resources that can be leveraged into economic assets. Reinforcing the capacity of the municipalities to collect taxes and mobilizing the private sector for territorial planning (and future project implementation) in the Nacala Special Economic Zone, including the municipality of Nacala, are priority areas of this strategy. This initiative is being supported by UN-Habitat and a local bank.

In **Zimbabwe**, the capacity of residents to pay revenue for targeted service delivery improved as a result of the promotion of the informal sector and sustainable urban agriculture in the city of Masvingo. By the end of 2014, the business community had developed a common front in seeking services from the municipality. In addition, institutionalization of a complaints register enabled, on average, eight formal complaints to be processed in a week. These gains are occurring through a European Union-funded project being implemented by UN-Habitat in partnership with the Urban Councils Association of Zimbabwe.

In **Morocco**, new aspirations for the city and its development were articulated in the recently adopted National Urban Policy. The objectives of the policy are to reinforce the interfunctional linkages between towns; improve the attractiveness and competitiveness of towns for inclusive economic growth; and improve the quality of living spaces. The goal of the policy is to support the development of a better-structured urban fabric that will ensure the macroeconomic balance of cities.

In **Egypt**, a socioeconomic impact assessment conducted in the Greater Cairo region was adopted as an integral activity for planning assignments at the national, regional and local levels. The assessment outlined the added value in alleviating poverty, enhancing the quality of life, and linking displaced members with their new communities while compensating them for adverse economic impacts, especially in the case of vulnerable and poor communities. Within the City Prosperity Index framework, an indicator for city productivity was used to measure local economic development. The focus is on urban areas and their contribution to national productivity in relation to efficient supply of serviced land and reliable infrastructure. The concentration of economic, social and cultural activities leads to substantial benefits and efficiency due to economies of scale, giving cities a competitive advantage and bringing benefits to densely populated areas within cities.

Mainstreaming cross-cutting issues

UN-Habitat has produced two issue guides that are supporting mainstreaming of gender and youth into the work of the agency on urban economy and youth. One issue is on *Gender Responsive Municipal Financing* and the other on *Gender Responsive Urban Economy*. These issue guides are helping to mainstream gender into the other thematic areas of UN-Habitat's work on local economic development, municipal financing and youth based economic development.

Expected accomplishment 3.2: Improved capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities and with focus on urban youth and women

Progress was made towards the improvement in the capacity of targeted cities to adopt urban policies and programmes supportive of increased employment, livelihoods and opportunities with focus on urban youth and women. The number of partner cities that have adopted such policies and programmes increased from seven in 2013 to 16 by end of 2014. This achievement is on target for the biennium 2014-2015. The target new cities are Rio de Janeiro, **Brazil**; Medellin, **Colombia**; Raipur, **India**; Bishkek, **Kyrgyzstan**; Akure and Ondo **Nigeria**; Kathmandu, **Nepal**; Ramallah, **Occupied Palestinian territory**; Sana'a, **Yemen** and Arua **Uganda**.

Global /regional achievements

The World Urban Forum maintained its importance as an international advocacy platform for advancing the urban youth agenda. Through the World Urban Youth Assembly of 2014, youths made important recommendations to further their agenda, including that government and the private sector support to youth programmes should be increased for financing skills development and youth integration into the labour market. The assembly also recommended the inclusion of youths in all Habitat III preparatory processes, including the drafting of all policies and resolutions. A draft report on the role of youths in the New Urban Agenda has been prepared, based on the engagement of the Youth Advisory Board, including during the seventh session of the World Urban Forum in Medellin.

Regional strategies are being developed for Africa to support scaling up of the One Stop Youth Centre Model in different countries. UN-Habitat is supporting the East African Community and the Southern African Development Community to utilize the model to implement regional youth policies and strategies. Through consultative processes, strategies have been identified for incorporating the One Stop Youth Centre Model into programmes to strengthen youth engagement in Member States. The core areas of the model include job skills and entrepreneurship training, sports and recreation, health services (HIV/AIDS testing and counseling), and youth-led governance and planning.

Several initiatives have been implemented to support the capacity of cities to adopt urban policies and programmes that contribute towards increased livelihood opportunities for youth and women. Through multi-sectoral partnerships with national and local governments, non-governmental organizations, including youth civil society groups and multilateral agencies, UN-Habitat has in 2014 supported the achievement of outcomes that promote increased livelihood opportunities for urban youth globally.

Youth-led empowerment programmes

The Youth-led Development programme supports increased participation and leadership of youth in the social and economic life of their communities. The anchor programme for this is the Urban Youth Fund. The fund has since its inception in 2008 supported 277 youth groups located in 65 developing countries and 175 cities with small grants for youth-led community development projects aligned with UN-Habitat's thematic areas.

In 2014, the Urban Youth Fund selected 35 youth-led projects through the Global Youth Fund and India Youth Fund (10 were from the Africa region, 12 from the Asia Pacific region, three from the Arab States and 10 from the Latin America and the Caribbean region). A majority of the proposed projects aim to improve the livelihoods of youths living in cities. This year's cycle received a large number of proposals on the participation of young people in project related urban governance, urban agriculture and climate change. Other themes covered include: the establishment of land reforms for indigenous people in Chile; support for youths living with disabilities in Egypt; youth participation in urban solid waste management in Ulaanbaatar, **Mongolia** and violence prevention through sports in Mogadishu, **Somalia**.

The training and capacity-building component of the Urban Youth Fund has been expanded through an e-learning pilot project. The e-learning pilot is intended to develop a more cost effective and scalable training and capacity component. The pilot is a joint project with University of Fraser Valley in Canada and the Finnish technology company Cloudberrytec. During the pilot, more than 70 students have registered for the

courses as representatives of their respective youth groups. The focus of the pilot courses is on establishing sustainable social enterprises and community mapping.

To strengthen the capacity of the beneficiary Urban Youth Fund groups in project management and improve impact, a pilot project monitoring system was established, in 2014, by UN-Habitat in partnership with Taking IT Global using smart phones. The pilot system gives Urban Youth Fund groups a project site where they give updates through small texts, videos or photos. The youth-led groups can communicate with each other and the system also allows third party people to communicate directly with the youth groups. The system is being refined to make it more user friendly in a low bandwidth setting in developing countries.

In **India**, the national window of the Urban Youth Fund, through the Narotam Sekhsaria Foundation, is supporting 12 youth groups through grassroots capacity building and resource mobilization. In October 2014, UN-Habitat co-sponsored the Youth Innovation Conclave in Mumbai where 300 youths trained in issues to sustainable urbanization. The India Youth Fund window is currently funding seven youth-led organizations. The capacities of youth project coordinators have been strengthened to design, lead, and implement youth-led initiatives that promote livelihoods and economic opportunities. The partnership between Narotam Sekhsaria Foundation, UN-Habitat and IRIS Knowledge Foundation in India also funded the publication of the first 'State of Urban Youth-India report'.

Fifty young people have benefited from hands-on training on energy efficiency, renewable energy technologies and green entrepreneurship. This was a joint UN-Habitat and International Labour Organization initiative, under the UN-Habitat's Urban Youth Empowerment and Ecological Safety project sponsored by the International Ecological Safety Collaborative Organization.

Urban Space for Youth Programme

The Urban Space for Youth programme focuses on increasing the capacity of cities to create safe and generative urban spaces to support youth employment, livelihoods and opportunities. The flagship projects of this programme are the One Stop Youth Centres Models and the newly developed Urban Sports programme. The One Stop Youth Centre Model which started with countries in East Africa (**Kenya, Rwanda, Uganda, and United Republic of Tanzania**) has been scaled up in different countries through an African regional approach leading to the development of regional strategies. UN-Habitat in 2014 supported the East African Community and the Southern African Development Community to utilize the model to implement regional youth policies and strategies.

In **Rwanda**, about 1,000 youth are being served from the Kigali One Stop Youth Centre per day; accessing various services. A parent from Kimisagara (Kigali) has stated 'my child has earned three medals in Karate due to training and sponsorship from the centre. He has increased his confidence, and his academic performance has improved. Our family is seen with respect by the neighbours as a result of these achievements. Furthermore, the Rwandan Ministry of Youth and ICT with technical support from UN-Habitat has developed 31 District plans for the implementation of the One Stop Youth Centres, rolled out starting 2014. The model has been instrumental in advocating for the introduction of the fourth pillar (Productivity and Youth Employment) under the National Economic Development and Poverty Reduction Strategy.

In **Uganda**, incomes of the members of Kajjansi Youth in Development Initiative have been improved. Started by Kenneth, a jobless youth, after he received entrepreneurship skills at the Kampala One Stop Youth Centre, the initiative runs a garbage management project specializing in organic gardening. Its clients have increased from only three in 2013 to over 80 by the end of 2014. The initiative employs eight young people. Meanwhile, through a UN-Habitat and KiBO Foundation partnership, 400 Ugandan youths have gained skills in leadership, information and communication technology, and community and resource mobilization. This is demonstrated by the change in attitude and mind set as well as willingness among the youth to serve the community and, their practical interest in microenterprises.

In **Brazil**, UN-Habitat and its partners have supported the city of Rio de Janeiro to leverage projects that increase employment and livelihood opportunities for urban youths and women. *Agentes da Transformação* (Agents of Transformation) supports a participatory research project on youth livelihoods and employment in 10 different favelas. The project, financed by a telecommunications enterprise has, developed profiles for 5,400 youths.

In **Nigeria**, government commitment and support in promoting empowerment of urban youths is growing. Ondo state has taken a lead in pioneering the development of its “State of the urban youth report 2014–2015”, which is being finalized for publication. The report was developed through a series of focus group discussions in four cities – Akure, Ondo, Okitipupa and Owo – using data provided by local and national governments on issues facing urban youths in the state. The report focuses on equity, employment and youth development in Ondo cities. The federal government commitment to promoting urban youth empowerment was demonstrated through the agreement signed with UN-Habitat in July 2014 to provide technical support for advancing the urban youth agenda in the country.

Mainstreaming cross-cutting issues

Gender mainstreaming is a key consideration in all youth programmes. The Gender Unit works closely with the Youth Unit, providing guidance on gender responsive programming for both normative and operational projects. For example, the selection criteria for the beneficiaries of the Urban Youth Fund takes into account the differences in the groups led young men and women. The gender balance is also reflected in all the capacity building programmes. The UN-Habitat Youth Advisory Board, which is composed of an equal number of young women and men, provides guidance on the activities of the agency as well as the executive Branch to which they report.

The Youth Unit works with the Urban Services Branch to integrate youth component into its work with civil society organizations water networks (African Civil Society Network on Water and Sanitation, Freshwater Action Network South Asia, etc.) and selected youth networks. In the area of youth and land, UN-Habitat in partnership with the Global Land Tool Network supports youth access to land and the increase in livelihood opportunities. This program is contributing towards improving understanding and strategies for addressing land issues affecting young people. The participation of five youth organizations from Brazil, Kenya, Yemen, Nepal and Zimbabwe contributed to the development and implementation of the Youth Responsiveness Criteria Land Tool that provides evidence for the development of a Youth Issues guide for policy makers and land practitioners.

Expected accomplishment 3.3: Improved capacity of partner cities to adopt policies, plans and strategies for improved urban and municipal finance

The capacity of partner cities to identify options to finance city extension plans, including through the areas of revenue, expenditure and governance, have improved. This is evidenced by the number of partner cities that adopted programmes and strategies for improved municipal and urban finance, which increased from 8 to 15 in 2014 (Table 14). The six new cities are Berbera, Borama and Sheikh in Somaliland, and Bander Beyla, Eyl and Jariiban in Puntland. In addition, the Community-Based Municipal Support Programme was introduced in Afghanistan in 2014.

Global achievements

During the reporting period, the capacities of local authorities to adopt policies, plans and strategies to improve financing of services and infrastructure were strengthened, partly due to integrated normative and operational initiatives supported by UN-Habitat in a number of countries. Using the land-based financing training package, UN-Habitat supported the development and testing of several innovative approaches to land-based financing. These include the GLTN’s efforts to improve local land-based revenues and to finance land-related services through support for various activities that impact land-related revenues.

A guidebook on municipal finance is being prepared based on lessons learned from the 2013 publication “Urban planning for city leaders and financing for city leaders”. UN-Habitat’s three-pronged approach of good governance, good urban planning and sustainable urban finance, being promoted by the New Urban Agenda, was integrated into the guidebook, which focuses on financing for planned city extension at two levels – financial management and developing complex financial products. In response to a request by Member States for assistance and training in urban financing, UN-Habitat/GLTN and the Institute for Housing and Urban Development Studies developed a training package for local government staff.

New municipal financing methodologies are being piloted in five rapidly urbanizing countries (Colombia, Egypt, Mozambique, the Philippines and Rwanda) under the Achieving Sustainable Urban Development flagship programme. This entails the creation of financial models for funding planned city extensions and strategic incorporation of local economic development into the planning of city extensions. In addition, UN-Habitat is supporting local revenue enhancement (within and outside the Achieving Sustainable Urban Development programme), including through a scoping analysis of the revenue-generating capacity and potential of Kiambu county, Kenya. A key element of this new planning paradigm is to look at the local revenue potential of cities and integrate endogenous financing solutions into the investment strategy. UN-Habitat provided technical support to the cities of Nacala and Nampula in Mozambique, and to the baseline financial assessment for Cagayan De Oro, Iloilo and Silay cities in the Philippines.

UN-Habitat’s efforts to promote the option of local authorities borrowing from private capital markets by issuing municipal bonds under the Municipal Credit Rating Programme is gaining momentum. Rating credit worthiness is intended to assist the authorities to borrow from the capital market and serve as a management tool, helping them understand their financial prospects and identify revenue, expenditure and governance areas that need improvement. In 2014, UN-Habitat successfully completed the first-ever municipal credit rating initiative in Jordan under the auspices of the Ministry of Municipal Affairs. Under this initiative, five municipalities (Greater Maadaba, New Mazar, West Irbid, New Shawbak and Al Fuheis) were rated for their creditworthiness. This initiative generated substantial interest among local authorities as the better option to identify areas of improvement and implement appropriate actions to address shortfalls in municipal financial management.

International discourse on sustainable municipal financing for improving delivery of urban basic services has advanced. A global dialogue on innovative financing instruments for local authorities, held during the seventh session of the World Urban Forum in Medellin, discussed the challenges cities face in mobilizing revenue from local sources. Alternative strategies for leveraging financial resources to provide efficient and equitable urban services to all urban constituents were discussed. A follow-up expert group meeting held in Barcelona in 2014 on local government financing in developing countries identified political economy challenges facing local governments in revenue generation. These include more appropriate governance mechanisms for efficient and equitable provision of public services in metropolitan areas, and how to make public service provision more viable in small cities and peri-urban areas of large cities.

Regional achievements

The capacity of partner cities in Asia to identify various options to finance their city extension plans increased. In line with the objective of the Achieving Sustainable Urban Development programme, a training manual on the use of land-based financing instruments was prepared. In addition, a training programme, with 10 land-based financing modules, was tested at the International Urban Training Centre in the Republic of Korea with participants from Asian countries. This toolkit will be used to train staff of selected mid-sized municipalities in all regions of the world in 2015 on the use of land-based municipal financing tools.

Country achievements

Several partner cities have improved their capacities for adopting policies, plans and strategies for improving urban and municipal finance. In **Afghanistan**, under the Community-Based Municipal Support programme, the citizens in settlements benefiting from land regularization are paying municipal tax revenue. The revenue has increased by an average of 15 per cent in the last few years through use of a UN-Habitat cost-effective

methodology of property registration that was approved by the municipal government for the collection of property tax.

In **Mozambique**, Nampula municipality is piloting ways to meet its financial needs through a property tax – Imposto Predial Autárquico. This tax applies to about 10 per cent of municipal properties, which is the only local revenue enhancement component. The municipality will also pilot the mobile technology introduced by UN-Habitat to generate additional revenue from property taxes. The total cost of this technology is about USD 200,000, including setting up the system to operationalize and institutionalize it. A feasibility study demonstrated that this cost can be recovered within the first year from taxes collected from 3,000 households.

In **Kenya**, the county government of Kiambu has mapped its properties and facilities. The baseline data compiled with UN-Habitat technical support were linked to information on land values, which are rapidly rising as a result of Kiambu's proximity to the city of Nairobi. Initial analyses show that the county has an undeveloped portfolio of valuable assets, presenting various scenarios for mobilizing additional revenue from existing sources. Kiambu County expressed awareness of the economic potential of its "hidden resources", leading to a change in perception that recognizes the county's role as the leader of its own development, not just as a service provider. UN-Habitat is assisting the county government to use its statutory authority to set up a county assets management and development company. This company is expected to use the value of land as the basis for mobilizing direct investments (loans, bonds and other sources) or for joint ventures with private partners.

In **Rwanda**, local economic development activities in Nyagatare and Rubavu towns were identified. The proposed municipal finance strategies developed were tested through diagnostic analysis of the urban economy and municipal finance for the country, including of the macroeconomic environment, bond market and infrastructure development, urban financing, job creation and the land value sharing system.

In **the Philippines**, Silay City is working on planned city extensions closely linked to an economic strategy that considers supply chain linkages and income multipliers, addresses labour force capacity, and plans for strategic investment in key infrastructure. The city's economy is dominated by sugar production. UN-Habitat is providing technical support to Silay City as part of the local economic development plan, taking advantage of tariffs that protect the industry from international competitors, set to end in 2015. This necessitates a new strategy for economic transition capitalizing on Silay's role in the region and the presence of large agricultural plots that can accommodate rapid urban development.

In **Somalia**, the capacity of local governments in municipal finance was strengthened under the United Nations Joint Programme on Local Governance and Decentralized Service Delivery, with technical assistance from UN-Habitat. This is manifested in increased municipal revenue generation for local governments in seven districts (Hargeisa, Borama, Berbera, Gabiley, Sheikh, Odweine and Buroa) in Somaliland and six districts (Garowe, Qardo, Bosasso, Bander Beyla, Eyl, Jariiban) in Puntland. In addition, a geographical information system (GIS)-based building and property database was developed and updated. The 13 districts in Somaliland and Puntland have increased building and property taxation revenue, accounting for 15–25 per cent of total revenue generated in each District, with a collection rate of 50–85 per cent.

In **Mexico**, Tlalnepantla municipality is promoting policy dialogue and inclusive and participatory processes. UN-Habitat assistance, which includes training on a gender approach, has enhanced women's participation, improved the provision of information disaggregated by gender, and strengthened municipal governance for participatory budgeting. The outcome of this process will include a budget allocation that takes into account local needs and priorities, helping the municipality to build infrastructure and provide better urban public services.

In **Colombia**, the city of Medellin is piloting the PILaR land tool in densifying and readjusting plots to make space for public services and infrastructure by upgrading La Candelaria, a low-income community. One of the outcomes will be the creation of a land trust. Beneficiaries participating in the land trust will be able to collect income from the sale and rental of new residential and commercial space. This income will help pay for the upgrading of existing houses and businesses, as well as the installation of basic infrastructure.

Opportunities, challenges and lessons learned

Opportunities

1. Inclusion of youth indicators in the City Prosperity Index has expanded and enhanced the opportunities for partner cities and Member States to better analyse youth issues related to engagement and livelihoods at the city level.

Challenges

1. Lessons from partner authorities, such as those of Nampula (Mozambique) and Kiambu (Kenya), indicate unwillingness by property owners to pay property taxes, and many authorities lack the necessary capacity to collect them. The challenge is to break this vicious cycle of low taxes and poor urban services and replace it with a virtuous cycle of more taxes and better urban services.

Lessons learned

1. Municipal powers and resources, macroeconomic conditions, the character of slums, the capacity of civil society and income levels vary significantly from country to country and city to city, and therefore a “one size fits all” approach does not work.



Focus Area 4: Urban basic services

The strategic result of focus area 4 is: “City, regional and national authorities have implemented policies for increasing equitable access to urban basic services and improving the standard of living of the urban poor”. Its expected accomplishments are: (4.1) Improved policies and guidelines on equitable access to sustainable urban basic services implemented by local, regional and national authorities; (4.2) Increased flow of investment into urban basic services catalysed by UN-Habitat programmes in partner countries with a focus on the urban poor; and (4.3) Increase in the use of sustainable urban basic services.

Overall assessment

Progress was made towards achievement of the three expected accomplishments. All indicator targets are on course and are likely to be achieved by the end 2015, see Table 17. With regard to expected accomplishment 4.1, progress was made towards implementation of policies and guidelines on equitable access to sustainable urban basic services, as evidenced by the increase in the number of authorities taking relevant action in 2014 – from 165 to 188 for local authorities, 27 to 29 for national authorities, and five to six for regional authorities, with the support of UN-Habitat and partners. There was improvement in the capacities of local and national institutions and entities for the provision of urban basic services for all, as shown by the increase in the number of people accessing improved water and sanitation, including in the fragile states of Somalia and South Sudan. There was also improved awareness among the urban poor of the need to demand better basic services from providers. The user rights were entrenched in policies and guidelines developed or implemented by partner local and national governments. Many local, national and regional authorities and institutions have strengthened capacities to enable them to develop policies that increase access to basic urban services, including water and sanitation, waste management, energy and transportation.

On expected accomplishment 4.2, the flow of investment into urban basic services catalysed by UN-Habitat programmes in partner countries with a focus on the urban poor increased from USD 40 million to USD 53.3 million in 2014, exceeding the target of USD 50 million set for 2015. Increased flow of investments resulted in increased resources provided for urban basic services by the private sector, evidenced by the financial commitments UN-Habitat signed with financing institutions, especially at country and regional levels. Funding was received from, for example, the European Investment Bank to support the Lake Victoria Water and Sanitation Programme; from the Government of Canada in support of disaster-prone communities in Ghana; and

from Lane Xang Minerals in support of Vilabouly water treatment plant in Lao People’s Democratic Republic. In these and many other cases, UN-Habitat played an important catalytic role in raising resources for improving access to basic services for the poor.

With regard to expected accomplishment 4.3, there was an increased use of sustainable urban basic services in partner cities in various countries, including Kenya, Lao People’s Democratic Republic, South Sudan, and the United Republic of Tanzania. UN-Habitat contributed towards the enhanced awareness, knowledge and skills of partners and supported United Nations system-wide advocacy and networking efforts on urban basic services in the post-2015 development agenda processes. Detailed information on the progress made towards the three expected accomplishments at global, regional and country levels is presented below.

High-level advocacy and networking on urban basic services contributed to the post-2015 development agenda process. In 2014, the development agenda relevant to sustainable urbanization began to emerge, for example in the formulation of sustainable development goals for energy, urban mobility, water and sanitation, and waste management.

Progress was made towards the formulation of a stand-alone global goal on water, with specific targets on universal access to safe drinking water, sanitation and hygiene, sustainable use and development of water resources, water governance, wastewater pollution, water quality and water-related disasters. This was a result of a series of consultations that consolidated technical advice from the United Nations system to Member States to prioritize water in the post-2015 development agenda. Building on the United Nations Conference on Sustainable Development (Rio+20) and the resultant outcome document, entitled “The future we want”, UN-Habitat contributed to the water thematic consultation process, under the umbrella of UN-Water, to formulate a water goal in the post-2015 sustainable development goal framework. As Vice-Chair of UN-Water, UN-Habitat was in charge of the water thematic consultations (“The world we want”) on wastewater, and co-chaired the UN-Water task forces on wastewater and water and sanitation.

Table 16: Progress made towards indicator targets for focus area 4 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 17: Progress on indicators of achievement for focus area 4

Expected accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 4.1: Improved policies and guidelines on equitable access to sustainable urban basic services implemented by local, regional and national authorities	Increased number of partner local, regional and national authorities implementing policies and the International Guidelines on Decentralization and Access to Basic Services for All	Local: 165	Local: 170	Local: 188	On/above the midpoint
		National: 27	National: 30	National: 29	
		Regional: 5	Regional: 7	Regional: 6	
EA 4.2: Increased flow of investment into urban basic services catalysed by UN-Habitat programmes in partner countries with a focus on the urban poor	Amount of investment in urban basic services catalysed by UN-Habitat programmes in partner countries	USD 40 million	USD 50 million	USD 53.5 million	On/above the midpoint

EA 4.3: Increase in the use of sustainable urban basic services in partner cities	Percentage of consumers in partner cities with access to sustainable water and sanitation services	60%	70%	65%	
	Percentage of households in partner cities using sustainable energy supply	45%	50%	48%	
	Percentage of population in partner cities using sustainable modes of transport	55%	60%	57%	

Figure 16 presents the status of implementation of the approved work programme for the biennium 2014-2015. About 32 per cent of the programme was completed while 10 per cent is in progress and 58 per cent has yet to be started. Reviewing the progress made in 2014 only (Figure 17), the status of implementation is as follows: 63 per cent completed, 17 per cent in progress and 20 per cent not started. The pace of implementation is lower than expected and would have to be increased in order to complete the planned programme of work for the biennium.

Figure 16 : Status of implementation of 2014 - 2015 work programme

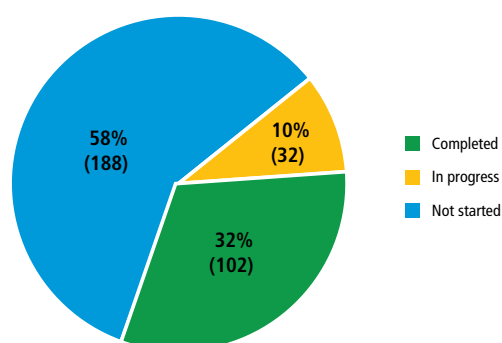


Figure 17: Status of implementation of the work programme in 2014

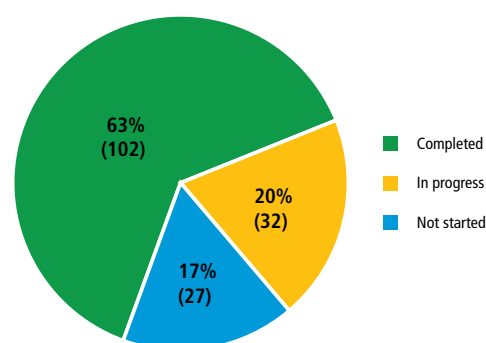
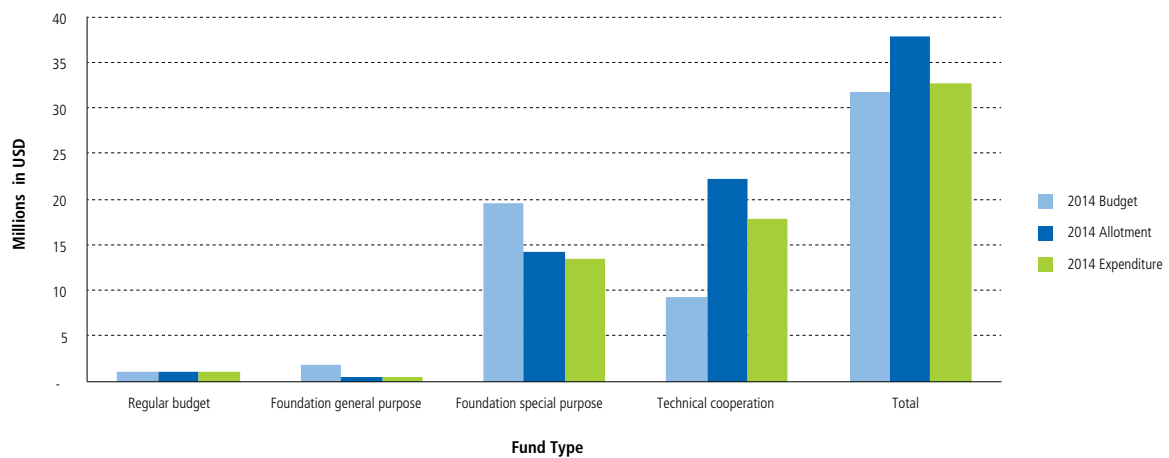


Table 18: Planned budget and expenditure for focus area 4 (USD millions)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	3,889.8	1,944.9	503.2	444.3
Regular budget	2,076.0	1,038.0	1,037.7	1,020.4
Foundation special purpose	38,985.5	19,492.8	14,170.1	13,381.8
Technical cooperation	18,412.4	9,206.2	22,200.7	17,924.0
Total	63,363.7	31,681.9	37,911.7	32,770.6

Figure 18: Planned budget and expenditure for focus area 4 (USD)



Financial analysis

Table 18 and Figure 18 present the planned budget, allotment and expenditure for 2014. From an initial budget for 2014 of USD 31.7 million, the total allotment for 2014 increased to a total of USD 37.9 million to take into account a reduced level of foundation special purpose activities and a significantly increased level of technical cooperation activities. The final expenditure at USD 32.8 million represents an overall utilization rate of 86 per cent. The rate of programme implementation for 2014 is as follows: 63 per cent completed; 16 per cent in progress; and 20 per cent yet to be started, (figure 17). This is slower than the rate of resource utilization at 86 per cent.

Expected accomplishment 4.1: Improved policies and guidelines on equitable access to sustainable urban basic services implemented by local, regional and national authorities

Progress was made towards the improvement of policies and guidelines on equitable access to sustainable urban basic services implemented by local, regional and national authorities. This is evidenced by the number of partner local authorities implementing policies and the International Guidelines on Decentralization and Access to Basic Services for All, which reached 188, up from of 165 in 2013, against a target of 170 for 2015. A Water and Sanitation Programme in Ghana that is targeting 265 communities in 21 districts and another water and sanitation programme in Malawi targeting 2 local authorities, contributed to the notable progress made.

The number of partner national and regional authorities implementing policies and the International Guidelines on Decentralization and Access to Basic Services for All increased from baselines of 27 and 5 in 2013, to actual levels of 29 and 6 in 2014, respectively. The additional national Governments are, Colombia, where a Cycling Master Plan for the metropolitan region of Valle de Aburra was developed as part of UN-Habitat's programme for supporting the implementation of national policies and local investments for sustainable urban mobility, and Malawi, where a new water and sanitation programme has commenced, which includes capacity building on policy reform, targeting national water authorities.

Global achievements

Progress was made towards mainstreaming of sustainable urbanization in the formulation of sustainable development goals for energy, sustainable transport, water and sanitation, and waste management, through UN-Habitat sustained active engagement and advocacy efforts in the post-2015 development agenda process. This was achieved through collaboration with the United Nations inter-agency coordination mechanisms on water resources and energy (UN-Water and UN-Energy), the Secretary-General's Technical Working Group on Sustainable Transport, regional economic commissions and intergovernmental bodies.

A milestone of UN-Habitat's engagement in the post-2015 process was the contribution towards the establishment of the Global Expanded Monitoring Initiative for Water (GEMI). UN-Habitat joined the United Nations Environment Programme (UNEP) and the World Health Organization (WHO) (under the UN Water platform), with initial funding from The Swiss Agency for Development and Cooperation, to lead the Global Expanded Monitoring Initiative for Water. The initiative was conceptualized based on the lessons learned from the Millennium Development Goals and on the outcomes of the monitoring work of the UN-Water member agencies on water quality, wastewater management and water resources management. It provides opportunities for introducing new approaches for monitoring, including use of earth observations for data acquisition, especially by resource-constrained States.

UN-Habitat contributed towards the Post-2015 process in the area of urban mobility. Building on the consensus reflected in the outcome document of Rio +20 – “The future we want” – UN-Habitat contributed to the formulation of a Results Framework on Sustainable Low Carbon Transport, which was presented to the working group of the United Nations General Assembly, tasked to prepare a post-2015 sustainable development goals framework. The development of the Results Framework on Sustainable Low Carbon Transport involved GIZ-GmbH, UN-Habitat and the Urban Electric Mobility Initiative as partners, in collaboration with the United Kingdom Department for International Development (DFID).

To contribute to the goal of limiting the rise in global temperature to 2°C, UN-Habitat launched an action platform, the Urban Electric Mobility Initiative, at the United Nations Climate Summit in September 2014. The initiative aims to reduce dependency on vehicles that use conventional sources of fuel and increase the global market share of electric vehicles to 30 per cent by 2030 in the context of better urban planning, a reduction in local air pollution and promotion of the green economy. The initiative was developed by UN-Habitat in consultations with national Governments and industry leaders (car and battery manufacturers, energy producers and distributors).

During the reporting period, the capacity of 30 youths actively engaged in green economy activities was strengthened on the design and implementation of energy efficiency and renewable energy projects. The youths were mostly drawn from climate action teams and started renewable energy projects in briquetting and tubular biogas systems with support from UN-Habitat partners.

Progress was made towards the establishment and operationalization of a global platform on wastewater with a draft institutional framework, which has now been completed. The Global Wastewater Initiative is a global multi-stakeholder platform of United Nations agencies, international organizations, Governments, scientists, private sectors and other stakeholders providing the foundations for partnerships to initiate comprehensive, effective and sustained programmes addressing wastewater management. Co-chaired by UNEP and UN-Habitat, the initiative held back-to-back events at the World Water Week in Stockholm, in August 2014. Working groups were established for the identified priority areas of the initiative.

Progress was made in enhancing knowledge and awareness through promotion of the Storm Water Strategy during the seventh session of the World Urban Forum. The presentations focused on the Urban Water Management Transitions Framework and practical applications for assisting cities to categorize the transitions to a water-sensitive city, especially the attributes that might ensure sustainability in cities from an integrated urban water management perspective. The event established that effective urban drainage systems constitute a key pillar of the resilience of urban settlements. To have impact at scale, it is important for national urban policies to incorporate and pay due attention to the issue of urban storm water drainage.

Progress was made towards the identification of the main governance and institutional barriers to effective storm water drainage management, with examples from four cities – Kigali (Rwanda), Casablanca (Morocco), Dhaka (Bangladesh) and Bordeaux (France). The assessment, commissioned by UN-Habitat generated recommendations for improving urban drainage management and institutional arrangements for the cities.

Regional achievements

Progress was made towards the strengthening of the capacity of local and national institutions to develop policies that promote increased access to basic services. In the Africa region, through a joint partnership with

UN-Habitat, UNEP and the Governments of Burundi, Kenya, Rwanda, Uganda and the United Republic of Tanzania, implementation of the Promoting Energy Efficiency in Buildings in Eastern Africa programme is in progress. The initiative is assisting partner Governments to mainstream energy efficiency measures into housing policies, building codes and building practices to achieve reductions in greenhouse gases emissions through improved building practices.

The Energy and Resource Efficiency Building Code for Tropical Countries, developed by UN-Habitat, is a model building code that brings together elements from both performance-based and prescriptive-based building codes. The model is vital as many countries in the tropical region lack policy guidance on how to incorporate resource and energy efficiency into construction. It outlines several areas, including ventilation, lighting requirements, acoustic comfort, solid waste management and storm water management.

The Energy and Resource Efficiency Checklist, developed through a participatory process, is being used at the One Stop Centre of Kigali City Council (Rwanda), and is also under review by the Nairobi county government (Kenya). The review process is intended to specify important criteria required to ensure that new construction and renovations are resource and energy efficient. The checklist targets the local authority departments responsible for building and construction approval.

Awareness about the impacts of climate change and improving water efficiency in Arab cities was strengthened during the seventh session of the World Urban Forum in close collaboration with the Global Water Operators Alliance. Mechanisms for reducing water loss through improved management and maintenance of infrastructure, the potential for public-public and public-private partnerships, and approaches to develop alternative water resources were also explored. The session was used to exchange experiences and expertise among city stakeholders from Arab States on challenges and emerging approaches in improving urban water efficiency.

In the Asia-Pacific region, UN-Habitat and the implementing partner, Clean Air Asia, strengthened the capacity of stakeholders from the region through a new “policymakers toolbox promoting non-motorized transport in Asian cities” during the seventh Urban Mobility India Conference and Expo held in November 2014. The event was organized by the Ministry of Urban Development, Government of India.

To ensure policymakers develop services in an environmentally friendly manner, UN-Habitat strengthened the capacity of partner local authorities in the Mekong Water and Sanitation Initiative countries to complete the preparation of initial environmental assessment and management strategies and to ensure incorporation of a pro-poor focus into delivery of basic services. Capacity building in poverty mapping enabled the targeting of poor households to benefit from revolving funds, thereby ensuring equitable provision of water supply and sanitation facilities. In addition, advocacy and technical assistance provided to local authorities and water service providers to support formulation of pro-poor tariffs.

Country achievements

Progress was made with a number of countries reviewing their policies and incorporating good practices or new elements that are in line with sustainable urban basic services. In Colombia, a Cycling Master Plan for the city of Medellin and the metropolitan area was developed and is under implementation to promote the use of low carbon-intensive mobility, such as mass transit or bicycle transport. The plan will also encourage the integration of a cycling network with public transport in order to improve accessibility for all. UN-Habitat partnered with Fundación Despacio in providing technical assistance for the development of the master plan and its implementation within the “Supporting the implementation of national policies and local investments for sustainable urban mobility in UN-Habitat partner countries and cities” programme. Experiences and lessons learned from the implementation of the master plan to date were shared at a special event on “sustainable transport and just cities” during the seventh session of the World Urban Forum.

In **Kenya**, the draft National Building Regulations 2014 are under review by a committee of experts led by the Ministry of Housing, partly building on a technical report submitted by UN-Habitat to the Chair of the Kenya Building Code Committee in May 2013. The draft document was forwarded to the Attorney General’s office in July 2014.

In **Uganda**, steps have been taken to improve housing policies. A draft National Housing Policy incorporated inputs on energy and resource efficiency, with technical support from UN-Habitat. Integration of building codes into the housing regulations is also in progress.

In the **United Republic of Tanzania**, legislation on building codes has been drafted. A joint report on the review of the Tanzanian regulations, identifying missing elements and proposing that resource efficiency and conservation measures be integrated into the regulations, is almost completed with technical inputs from UN-Habitat.

In **Rwanda**, the elaboration of the new Rwanda Building Code and Urban Planning and Development Code is in progress. UN-Habitat is supporting stakeholders to ensure attention is paid to the design of low energy consumption buildings in the country.

In **Nigeria**, an Urban Development Policy has been put in place by the Federal Ministry of Housing, Lands and Urban Development, and structural plans for nine cities in the state of Osun have been completed, with the aim of increasing the provision of improved urban basic services (water, sanitation and hygiene, solid waste collection and disposal) and local economic development.

In **Burundi**, a Town Planning and Housing Code has been drafted with technical assistance from UN-Habitat, while a joint report on the missing elements proposing that resource efficiency and conservation measures be integrated into the regulations is almost complete.

Access to energy promoting youth enterprises



Mr. Prosper Hakizimana (standing), proud owner of a kiosk operating additional five hours every day

"I used to close my shop at 6 pm but with my new solar lantern now I can open for longer, even up to 10 pm in the night." These are the positive summary by Mr. Hakizimana a kiosk owner in the Burundi capital, Bujumbura.

In 2014, UN-Habitat and Climate Action Programme for Schools and Youth organized a hands-on training on energy efficiency and renewable energy for youth empowerment in Kenya and Burundi with a resounding success.

In Burundi, youths who were jobless, and others who had small business run only during the day, now have a reason to celebrate. After they engaged in the green business, they can now open their shops up to late hours in the night.

In **Kenya**, a service plan for the first bus rapid transit (BRT) demonstration corridor was prepared through a participatory process involving staff of national and county governments in collaboration with the Institute of Transport Development and Policy. The plan is a critical first step for the design, construction and operations for BRT. UN-Habitat is providing technical assistance under the regional Sustainable Urban Transport pilot programme.

In the **United Republic of Tanzania**, UN-Habitat continued to support partner local authority urban basic service providers. Support to the Zanzibar Water Authority focused on advancing the development of the Rainwater Harvesting Strategy and implementation manual. Similar support was provided to Dar es Salaam Water and Sewerage Authority to strengthen its capacity in planning and implementation of community-school integrated water, sanitation and hygiene (WASH), as well as assessing the water quality of community boreholes. The results show that a significant number of the boreholes have medium to high salinity levels, making it necessary to abandon some of the wells. UN-Habitat is supporting the development and management of a database on water quality, and recommended actions to remedy the situation.

In **Rwanda**, UN-Habitat supported the urban water tariff study conducted jointly with government officials. The capacity of staff of the Ministry of Infrastructure, Rwanda Utility Regulatory Authority, and Energy, Water and Sanitation Authority was strengthened using the findings of the study. They demonstrated acquisition of skills for the financial model and tariff review and adjustment process.

In **Somalia**, public-private partnerships established for the sustainable management and disposal of solid waste in the Benadir region created a forum for dialogue on issues of solid waste and the provision of public urban services. The Sanitation Department of the Benadir Regional Administration is leading monitoring and coordination of solid waste activities after training in the basics of solid waste management and workers' health and safety. A city-wide clean-up campaign in Mogadishu involved regional authorities, district commissioners, private partners, community volunteers and civil society.

In **Mozambique**, improved policies and guidelines for equitable access to sustainable urban basic services implemented by local, regional and national authorities in Nacala and Nampula were disseminated. The communities of Muhala (Nampula) gained improved access as a result of the road opening and water and sanitation interventions are now being planned. The multifunctional biogas centre in Munhava, Beira is almost completed.

In **Morocco**, improved policies and guidelines on equitable access to sustainable urban basic services are being implemented through the new National City Policy adopted by the Ministry of Housing, Urban Planning and City Policy as part of its new mission, with support from Al Omrane Holding, the public institution dedicated to national slum upgrading programmes and social housing. UN-Habitat has been supporting this process since 2004 through the Cities without Slums national programme. The current project integrates a component for a strategic framework on two integrated operations of informal housing. The issue of equitable access to basic services is one of the main elements for the improvement of living conditions for vulnerable and marginalized groups.

In **Sri Lanka**, 1,600 residents in Killinochchi district in Northern Province have improved access to fresh water following a rainwater harvesting project funded by the Coca-Cola Foundation, with technical assistance from UN-Habitat. A total of 125 rooftop rainwater harvesting systems have been installed using a people's participatory process, spearheaded by the Kallaru Women's Rural Development Society.

In **Mongolia**, 168 households organized into community development councils had their capacity to analyse their own situations, develop plans and mobilize members to contribute to prioritized activities strengthened. The first ger area local community-led infrastructure development project in Ulaanbaatar municipality, supported by UN-Habitat, is being implemented.

In **Colombia**, a Cycling Master Plan was developed for the metropolitan region of Valle de Aburra and is under implementation with technical assistance from UN-Habitat as part of its support for the implementation of national policies and local investments for sustainable urban mobility.

Mainstreaming cross-cutting issues

Interventions under the "sustainable transport in East African Cities (SUSTRAN) project are implemented using an inclusive approach; thereby contributing to the attainment of human rights. The planning of BRT system is based on the demand for public transport, for example as expressed by the ridership of informal transport, as opposed to vehicle based traffic counts.

In the North Eastern parts of **Kenya**, women are culturally not involved in public activities; however the Mandera WATSAN project encouraged equal participation in development including inclusion of women in the leadership of the Water Users Association. Sanitation facilities were also designed cognizance of gender and the vulnerable groups in the society. A very important component of the community WASH projects in Kibera in particular has been integration of the youth entrepreneurial activities.

Expected accomplishment 4.2: Increased flow of investment into urban basic services catalysed by UN-Habitat programmes in partner countries with a focus on the urban poor

Notable achievements were made towards increasing the flow of investments into urban basic services catalysed by UN-Habitat programmes in partner countries with a focus on the urban poor, as evidenced by the increase in the amount of funds raised in partner countries, which rose from USD 40 million in 2013 to USD 53.5 million. This increase, which exceeds the average of USD 50 million for the biennium, is attributed to the funding of new projects in 2014. These include a long-term loan from the European Investment Bank of 90 million euros and the government contribution of 14 million euros for the Lake Victoria Water and Sanitation Programme (component for Mwanza, United Republic of Tanzania), Can\$19.915 million secured from the Canadian Department of Foreign Affairs, Trade and Development for the project on WASH in Disaster-Prone Communities in Ghana, and USD 140,000 contributed by Lane Xang Minerals to upgrade a water treatment plant in Vilabouly District in Lao People's Democratic Republic.

Global and regional achievements

In the Asia-Pacific region, through its community grant programmes, UN-Habitat has a strong track record of catalysing community-led improvement and better government-led targeted provision of urban basic services. During the reporting period, UN-Habitat's programmes continued to bridge city-wide planning with local

actions by communities in informal settlements in Afghanistan, Bangladesh, Cambodia, Myanmar, Pakistan, the Philippines and Sri Lanka.

UN-Habitat's catalytic role in improving access to urban basic services through its programmes in the Asia-Pacific region contributed towards the increased government funding in Afghanistan, Bangladesh and Sri Lanka, which contributed to improved delivery of basic services. Technical assistance, such as the establishment of integrated resource recovery centres in Islamabad (Pakistan) with the support of UN-Habitat and UNESCAP, enhanced local capacity for basic service delivery. UN-Habitat's work in Cambodia, including setting up community savings groups, contributed to management of small-scale basic services and community-resilient infrastructure.

Country achievements

Specific achievements at country level are as follows:

In **Afghanistan**, water supply systems in the city of Kandahar benefited from the rehabilitation of large water reservoirs, with a net capacity of 2,500 cubic metres, installed to accommodate the increasing demand for water. The project was undertaken by UN-Habitat in collaboration with the municipalities and the Afghan Urban Water and Sanitation Corporation.

In the **United Republic of Tanzania**, the Lake Victoria Water and Sanitation Programme expansion to Mwanza commenced following a 90 million euros loan agreement signed between the Tanzanian Government, the European Investment Bank and the French Development Agency. The government contribution is 14 million euros as counterpart funds to the project. UN-Habitat provided technical inputs and supported preparation of informal settlements and the wastewater treatment components during the preparation of the project document.

In **Ghana**, the Canadian Department of Foreign Affairs, Trade and Development provided CanUSD 19.915 million for the UN-Habitat-led WASH in Disaster-Prone Communities project. This initiative is a collaborative effort by a group of United Nations agencies, with UN-Habitat (as the lead agency), UNICEF, WHO and UNDP working with government institutions in the WASH and disaster management sectors. UN-Habitat is managing CanUSD 9.32 million for the new programme.

In **South Sudan**, access to water in eight towns (Turalei, Yirol, Gok Machar, Rumbek, Nyin Akok, Nimule, Ezo and Kapoeta) improved after piped water supply systems were commissioned. With UN-Habitat's support, access to clean water for the target institutions, clinics, markets and the general population in the selected towns improved. In addition, training of the caretakers and operators of the installed water supply systems has ensured effective technical and financial management of the systems.

In **Somalia**, a municipal by-law and a service delivery model on solid waste management was developed for Berbera, Borama, and Hargeisa cities in Somaliland under the United Nations Joint Programme on Local Governance and Decentralized Service Delivery. Project activities include improved legal framework for service delivery; public awareness campaign; procurement of vehicles for door-to-door solid waste collection; equipment for street sweeping; and provision of secondary storage containers. The construction of a biomedical waste treatment facility is in progress.

Expected accomplishment 4.3: Increase in the use of sustainable urban basic services in partner cities

Progress was made towards increasing the use of sustainable urban basic services in partner cities, as demonstrated by the Percentage of consumers in partner cities with access to sustainable water and sanitation services. These increased from a baseline of 60 per cent (approximately 1.6 million people) in 2013 to 65 per cent (1.685 million people) by the end of 2014. This increase is attributed to new water and sanitation projects, or rehabilitation of existing facilities, in Ghana, Kenya, Lao People's Democratic Republic, South Sudan and the United Republic of Tanzania. In South Sudan, access to potable water supply coverage for the towns of Ezo Gok Machar, Nyin Akok, Kapoeta and Magwi reached 80 per cent, with 90 per cent of the operation and

maintenance costs expected to be covered from revenues. Successful implementation of the five quick impact water projects led by UN-Habitat with funding from the United Nations Mission in South Sudan directly benefited about 50,000 people, with potential for expansion to serve a further 20,000 people. Adequate capacity is now in place for the management of the water systems and facilities.

Urban mobility and energy projects are still under implementation. More than 1 million people or about 10 per cent of the partner city population are expected to benefit on commission of the BRT corridors in 2017. Direct benefits to people from sustainable means of transport are expected to come mainly from the ongoing Global Environment Facility (GEF)-supported Sustainable Transport in East African Cities (Sustran) project, which is supporting the development of the first BRT demonstration corridors in the cities of Addis Ababa, Nairobi and Kampala. Partner cities where initiatives on advocacy, training and awareness raising on sustainable urban mobility were implemented include Addis Ababa, Kampala, Kathmandu, Medellin, Nairobi and New Delhi. Advocacy and awareness raising is also complemented by policy dialogue at the national and city level. It is estimated that in addition to policy makers, these efforts have reached an average of 2 per cent of the population of these cities raising awareness of sustainable transport options. This is reflected in an increase from a baseline of 55 per cent to 57 per cent in the current reporting period.

In Urban Energy, out of an initial baseline of 70,000 households in the informal settlement of Kibera, in Nairobi Kenya, 4000 households were provided with clean day lighting system (solar bottle bulb) that enable them to have light during the day without using candle or kerosene lamps. In the capital city of Cameroon, Yaounde, out of the 80,000 households slum dwellers 3000 were provided with solar bottle lights. Both projects have resulted in an average increased clean energy access for lighting of 3 per cent. 150 youths were training in the construction of renewable energy technologies and 200 professional architects and civil engineers were trained on sustainable green building designs. Sections advocating for sustainable use of energy an environmentally friendly building design were integrated in building policies in Uganda and Nepal. The different interventions have resulted in an increase from the initial baseline of 45 per cent of clean energy access to 48 per cent in the current reporting period.

Regional and country achievements

There has been an increase in the use of sustainable urban basic services, with the number of consumers accessing these services growing. In **Cuba**, awareness on the importance of planning for sustainable cities among decision makers has improved. This is manifested in the increase in the number of initiatives being implemented on sustainable urban basic services in small towns; promotion of the use of bicycles; and promotion of renewable energy in coastal and mountain settlements. UN-Habitat facilitated a national workshop in 2014 that enhanced information sharing and awareness among stakeholders on urban basic services, specifically water and sanitation, renewable energy and urban transport.

In the **United Republic of Tanzania**, the Dar es Salaam Water and Sewerage Authority, through the Community Water Supply and Sanitation Programme, contributed to improved access to water for 21,500 people in Kiwalani, a low-income community in Dar es Salaam. Reduced incidence of waterborne diseases, reduced school dropout rates and increased capacity of the service providers was reported.

In **South Sudan**, Over 50,000 people in five towns (Ezo, Gok Machar, Kapoeta, Magwi and Nyin Akok) now have access to clean water. This was achieved under phase II of the quick impact projects funded by the United Nations Mission in South Sudan. For effective technical and financial management of the systems, UN-Habitat built the capacity of the operators and created awareness of proper hygiene practices using water, the safe disposal of human faecal waste and proper management of solid waste in towns. The communities are operating and maintaining the projects through payments of agreed guideline tariffs.

In **Kenya**, about 2,000 households (approximately 10,000 people) are benefiting from improved water supply and sanitation in low-income settlements of Mandera town. A new borehole fitted with a new pumping station with a storage tank of 135,000-litre capacity and a distribution line to strategic water collection outlets was established in Neboy and Bulla Juhumia informal settlements. The capacities of the local utility, Mandera Water and Sewerage Company, and the Mandera Water Users' Association were strengthened. In addition,

four schools in Mandera benefited from improved sanitation with the completion of 10 double-door latrines, observing gender considerations in the design. The BASF evaluation report (2014) applauded the contribution of UN-Habitat's gendered initiatives to the safety for women and children, and improved sanitation facilities for girls. In **Kenya**, UN-Habitat supported the sustainable urban development sector by sensitizing key policymakers through expert group meetings and workshops on the implications of the current challenges of solid and liquid waste in secondary towns. Kiambu County improved its capacity for waste management. The lessons on solid waste management drawn from phase I of the UN-Habitat Lake Victoria Water and Sanitation Programme, implemented in seven secondary towns in Kenya, Uganda and the United Republic of Tanzania, are being applied in phase II.

In **Lao People's Democratic Republic**, access to water for 11,400 people has increased. At the same time, 2,400 of them are benefiting from two decentralized wastewater treatment systems. These gains have been achieved through collaborative interventions by UN-Habitat and the provincial water utilities in Attapeu and Saravane provinces, improving availability of water and sanitation services in the districts of Xansay, Phouvong, Ta'Oui and Samuay.

Mainstreaming cross-cutting issues

UN-Habitat's operational and normative work on urban basic services has effectively mainstreamed gender responsiveness and pro-poor focus at all levels. Youth have also been mainstreamed in water, sanitation and energy programmes. The WASH projects in **Tanzania, for instance** were designed to ensure the needs of children and adults with disabilities, the elderly, women and girls such as safety and access are taken into account. Above all, the gender issue was given due emphasis in the implementation and operational phases of the WASH projects. Gender balance was maintained in the formation of WASH committees and apex organizations. The presence of Water Users Associations guidelines that demands the participation and involvement of both genders in water and sanitation issues has helped the programme to address the gender issue adequately.

Opportunities and challenges

Opportunities

1. It is possible to map travel demand for public transport through the use of mobile phones and inexpensive and short public transport surveys, as demonstrated through UN-Habitat initiatives. Opportunities exist for greater use of ICT and the use of "big data" in addressing public transport data needs.

Challenges

1. Sufficient and reliable information on the travel demands of people is usually lacking, leading to challenges in delivering sustainable transport solutions.



Focus Area 5: Housing and slum upgrading

The strategic result for focus area 5 is '*local, national and regional authorities have implemented policies for sustainable and inclusive housing, slum upgrading and prevention*'. Its expected accomplishments are: 5.1) Global Housing Strategy for inclusive housing, slum upgrading and slum prevention formulated; 5.2) National housing, slum upgrading and prevention strategies and programmes integrating the Global Housing Strategy vision and principles are formulated and implemented and 5.3) National housing, slum upgrading and prevention strategies and programmes integrating Global Housing Strategy vision and principles are mainstreamed and implemented at city and community level.

Overall assessment

Satisfactory progress was made towards achievement of all three expected accomplishments as shown in Table 20. Progress towards achievement of the indicator targets for the expected accomplishments is on course to be met or exceeded by December 2015. The achievements reflected in the report were realized through the contribution of UN-Habitat in collaboration with partners. Cross-cutting issues such as gender, climate change and human rights were mainstreamed into the normative and operational work of the focus area.

Progress was made towards achievement of expected accomplishment 5.1, with the enhanced awareness and knowledge manifested in increased requests for support for formulating policies for sustainable and inclusive housing, slum upgrading and slum prevention in line with the Global Housing Strategy.

Lesotho has requested assistance in drafting national housing strategies while Liberia and Guyana are developing their country profiles and have shown interest in continuing to the next stage of developing housing strategies. Following the completion of the Housing Profiles, Uganda and Senegal requested assistance from UN-Habitat to formulate national housing strategies. The number of local, regional and national authorities and other partners that have responded favorably to interventions within the context of the Global Housing Strategy rose from 24 to 66 in 2014. This is attributed to the interest generated through the Global Mass Housing competition organized by UN-Habitat. The number of partner countries working towards progressive realization of the right to adequate housing as a component of the right to adequate standard of living, including the reduction of unlawful forced evictions rose from six to 10 in 2014, while nine partner countries are implementing sustainable building codes with support from UN-Habitat and partners.

On expected accomplishment 5.2, 35 countries have endorsed the Global Housing Strategy vision and principles into the Participatory Slum Upgrading Programme for housing, slum upgrading and prevention. Partner countries have requested UN-Habitat for technical support and have shown the political will to co-finance activities. The number of national housing, slum upgrading and prevention strategies and programmes aligned to the Global Housing Strategy and vision rose from 28 to 36 in 2014 while the number of partner national authorities working towards implementation of slum upgrading programmes increased from eight to 35 over the same period.

The Participatory Slum Upgrading Programme (PSUP), catalyzed growing action and investment in slum improvement and prevention in 35 countries and over 150 cities across African, Caribbean and Pacific States. Advocacy for slum upgrading and prevention, poverty reduction in tandem with sustainable urban development contributed to improved knowledge and visibility of the challenge of slums internationally and, especially within the United Nations system. The outcomes of the second International Tripartite Conference on Sustainable Urbanization as a Response to Urban Poverty Eradication in Kigali, Rwanda, September 2013, including the Kigali Declaration on Sustainable Urbanization for Poverty Reduction demonstrated increased awareness of the five deprivations,⁴ and strengthened international cooperation and partnerships with countries. These attracted funding and requests from Member States to join the PSUP.

With regard to expected accomplishment 5.3, progress was made towards mainstreaming and implementing national housing, slum upgrading and prevention strategies integrating Global Housing Strategy principles at city and community levels. Currently local and national government partners in 35 countries are implementing city and community development plans. 24 have already been implemented and are currently documented. This represents an increase from 8 to 24 in 2014, against a target of 34 and is on course to being met by the end of 2015.

Table 19: Progress made towards indicator targets for focus area 5 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 20: Progress on indicators of achievement Focus Area 5

Expected Accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 5.1: Global Housing Strategy for inclusive housing, slum upgrading and slum prevention formulated	Number of local, regional, national and supranational authorities and partners that have responded favorably to interventions within the context of the Global Housing Strategy	24	60	66	On/above the midpoint
	Number of partner countries that are working towards the progressive realization of the right to adequate housing as a component of the right to adequate standard of living, particularly the reduction of unlawful forced evictions	6	12	10	On/above the midpoint
	Number of countries that are implementing sustainable building codes and regulations	0	18	9	On/above the midpoint
EA 5.2: National housing, slum upgrading and prevention strategies and programmes integrating the Global Housing Strategy vision and principles are formulated and implemented	Number of national housing, slum upgrading and prevention strategies and programmes aligned to the Global Housing Strategy vision and principles formulated and implemented	28	39	36	On/above the midpoint
	Increased number of partner national authorities commencing implementation of slum upgrading programmes	8	34	35	On/above the midpoint

EA 5.3: National housing, slum upgrading and prevention strategies and programmes integrating Global Housing Strategy vision and principles are mainstreamed and implemented at city and community level	Number of city and community development plans formulated and implemented based on the national housing, slum upgrading and prevention strategies and programmes	8	34	24	
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NB: Number in brackets denotes the number of outputs

Figures 19 and 20 present the status of implementation of the biennial program of work 2014-2015 and the programme of work for 2014 only respectively as reflected in IMDIS. Out of the 252 outputs planned for the biennium, 38 per cent were completed, 43 per cent are in progress and 19 per cent are yet to be started. The rate of implementation for 2014 is 77 per cent completed and 23 per cent in progress (see Figure 20). This is a bit lower than expected at this point in the biennium.

Figure 19: Status of implementation of the work programme of 2014-2015 for focus area 5

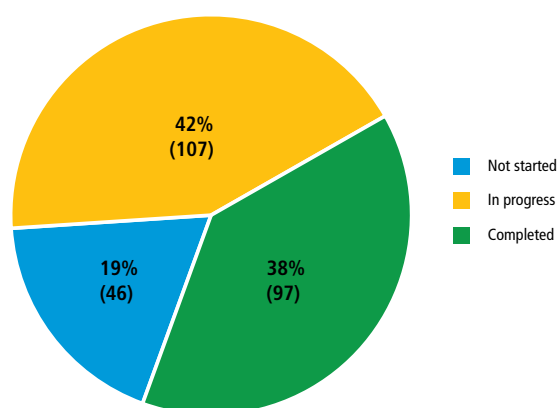


Figure 20: Status of implementation of the work programme in 2014 for focus area 5

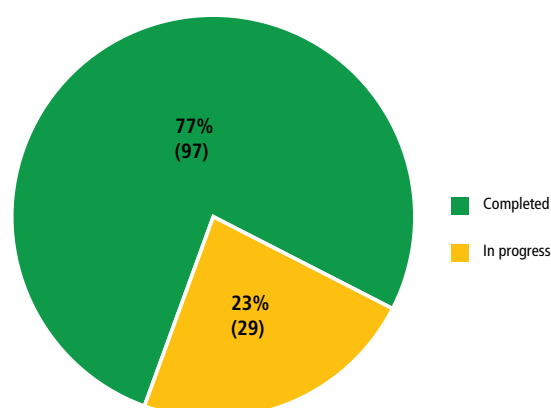
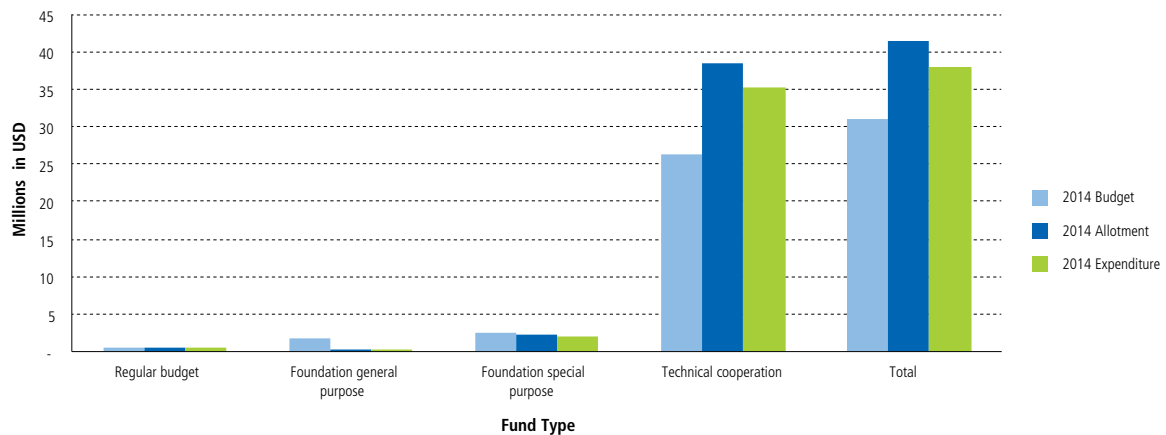


Table 21: Planned budget and expenditure for Focus Area 5 (USD millions)

Category	2014-2015 Budget	2014 Budget	2014 Allotment	2014 Expenditure
Foundation general purpose	3,637.6	1,818.8	375.9	305.5
Regular budget	839.3	419.7	417.1	456.1
Foundation special purpose	4,944.5	2,472.3	2,207.3	2,052.5
Technical cooperation	52,378.6	26,189.3	38,399.5	35,202.0
Total	61,800.0	30,900.0	41,399.8	38,016.1

Figure 21: Planned budget and expenditure for Focus Area 5



Financial analysis

Table 21 and Figure 21 present the planned budget, allotment and expenditure for 2014. From an initial budget of 2014 of USD 30.9 million, the total allotment for 2014 was increased to a total of USD 41.4 million to take into account significantly reduced foundation general purpose resources, slightly reduced level of foundation special purposed activities and a significantly higher level of technical cooperation activities. The final expenditure at USD 38.1 million represents an overall utilization rate of 92 per cent.

The rate of resource utilization as of December 2014 was 92 per cent, which is slightly higher than the rate of programme implementation at 77 per cent completed, with 23 per cent in progress for 2014.

Expected Accomplishment 5.1: Global Housing Strategy for inclusive housing, slum upgrading and slum prevention formulated

Progress was made towards the formulation of the Global Housing Strategy³ (GHS) for inclusive housing, slum upgrading and slum prevention. All three targets of the three indicators of this expected accomplishment are on course to being met by the end of 2015. In fact, the target for 2015 for the first indicator was exceeded in 2014 with a total of 66 respondents registered against the target of 60. The huge increase is partly attributable to the interest generated through the Global Mass Housing competition organized by UN-Habitat. The number of partner countries that are working towards the progressive realization of the right to adequate housing as a component of the right to adequate standard of living, particularly the reduction of unlawful forced evictions, through promotion of improved policies and strategies increased from six in 2013 to 10 by the end of 2014, against a target of 12 at the end of 2015. In addition, there was progress towards ensuring that the quality of buildings satisfies minimum safety standards, energy conservation requirements and is accessible to all as the number of partner countries that are implementing sustainable building codes and regulations. This increased from zero in 2013 to nine by the end of 2014, largely due to the successful establishment of the Global Network for Sustainable Housing.

Global /regional achievements

In accordance with the Governing Council resolution 24/9 which calls for UN-Habitat to promote strategies to achieve the Global Housing Strategy paradigm shift, progress has been made towards the creation of new sustainable and inclusive models for mass housing. The idea of inclusive and sustainable housing brought partners together at global and national levels to formulate inclusive housing policies, strategies and programmes. The UN-Habitat Global Mass Housing Competition alone attracted 97 teams from 64 Cities, 55 Universities,

³ The UN Global Housing Strategy is a collaborative movement towards the realization of the right to adequate housing for all through the development of inclusive, sustainable and enabling national housing strategies and policies. It has created a global network of practice and knowledge sharing with respect to current global housing challenges vis-a-vis the formulation of the UN New Urban Agenda. Advisory services were provided to a number of countries, e.g. Kuwait, Egypt, Democratic Republic of Congo, Liberia

and 35 countries in 2014, contributing to the large number of Habitat Agenda partners that have responded favourably to interventions within the context of the Global Housing Strategy.

A total of 39 countries had their capacities and knowledge enhanced on the seven priority areas of the Global Housing Strategy, namely the right to adequate housing, protection against forced evictions, housing policies and strategies, housing finance, green housing, post-disaster and housing reconstruction. Implementation of the national housing profiles continues, with different countries at different stages. Liberia and El Salvador have completed their country profiles, while those for Guyana and Lesotho are in progress. In 2014, UN-Habitat's facilitated methodology for development and implementation of national housing profiles and national housing strategies was being developed, and an impact evaluation is planned to assess the outcomes of the more than 15 housing profiles already undertaken. Following the completion of their housing profiles, Uganda and Senegal are formulating their housing policies and pursuing reforms in the relevant sectors with assistance from UN-Habitat.

To encourage pro-poor performance of markets and finance to enable wider access to adequate housing, UN-Habitat has strengthened partnerships with development finance institutions, including the International Finance Corporation and the African Development Bank, and has encouraged the active participation of partners in the Making Finance Work for Africa Housing Finance Donor Working Group. UN-Habitat has also contributed towards improved knowledge of alternative finance mechanisms and housing sector and market challenges in order to reach the most vulnerable groups, in line with the recommendations of the joint UN-Habitat and African Development Bank regional study on housing market dynamics in Africa. Awareness of participants in a workshop in Barcelona was enhanced on innovative strategies for promoting affordable housing finance sector development and inclusion of housing finance.

Recognizing that adequate shelter is key to the eradication of poverty, UN-Habitat and Habitat for Humanity International signed a memorandum of understanding to promote housing solutions worldwide through advocacy, engagement and awareness raising. The priorities of the new agreement reinforce the themes that emerged from the first session of the Preparatory Committee for Habitat III.

UN-Habitat continues to develop normative materials, including the documentation of good practices and guidelines to support policy-makers in developing appropriate housing and slum-upgrading policies. Discussions were held on the assessment and utilization of housing deficit information for policy formulation for 15 countries in the Latin American and the Caribbean region in collaboration with the United Nations Economic Commission for Latin America and Caribbean (ECLAC) and the General Assembly of Ministers of Housing and Urban Development of the Latin American and the Caribbean (MINURVI).

A programmatic guidance note on human rights in cities for UN-Habitat staff was developed in 2014. The guidance note introduces staff to the international human rights system and the human rights relevant to UN-Habitat's mandate. It further describes the United Nations Common Understanding on Human Rights-Based Approaches to Development Cooperation and Programming and explains the relevance and entry points of human rights to the substantive thematic areas of UN-Habitat.

Awareness and knowledge were enhanced on the green economy and sustainable and more cost-effective building technologies and materials. Burkina Faso, El Salvador, Ethiopia, Haiti, Mozambique, Nepal and Sudan incorporated the principles of the Global Housing Strategy into their national housing policies on a pilot basis. A green housing rating tool developed through a partnership of the University of Cambridge, Habitat for Humanity, INBAR and the International Centre on Earthen Architecture (CRATerre) was validated during the seventh session of the World Urban Forum in Medellin. The event was organized by the Global Network for Sustainable Housing, with UN-Habitat as a member. To that effect, an online platform for knowledge and networking was launched, and publications on green building materials, energy-efficient housing and green building interventions for social housing were disseminated.

Country achievements

Below are details of some of the achievements at country level that include increased awareness and knowledge, and development and launch of policies and guidelines for improving housing, slum upgrading and other activities, with the support of UN-Habitat and partners.

In **Cuba**, top decision makers demonstrated increased awareness of the challenges facing the housing sector and relevant actions, including diagnosis of problems, public consultations, production of case studies and facilitation of thematic workshops.

In **Mexico**, Agrarian, Territorial and Urban Development, the housing sector responsible for designing and implementing policies for affordable and sustainable housing, published the Housing National Programme 2014–2018. The plan was developed through a participatory process supported by UN-Habitat in collaboration with the Government and other stakeholders.

In **Colombia**, the national Government, through the Housing and Urban Development Coordinating Council (HUDCC), enhanced the national guidelines on local shelter planning. The local shelter planning manual was approved for publication by the HUDCC Governing Council. The new guidelines were field-tested in Butuan, Cagayan de Oro, Davao, Iligan and Silay, cities in the Philippines, which have produced their local shelter plans.

In **Sri Lanka**, the Government launched its first National Housing Policy in October 2014 during the World Habitat Day celebrations held in Colombo and officiated over by the President of Sri Lanka, His Excellency Mahinda Rajapakse.

In **Myanmar**, the Government made sustainable urbanization and housing a priority development agenda. This was confirmed by the President of Myanmar, Mr. U Thein Sein, during a national workshop on urban and housing policy and planning. The Government drafted two national policies, the National Housing Policy and the National Urban Policy, and organized the first major stakeholder consultations on these tools. The policies were presented to the President in November 2014 and are a major contribution to the on-going transformation process in Myanmar.

In **Fiji**, the universal periodical review conducted in 2014 demonstrated a clear realization of adequate housing as a component of the right to an adequate standard of living.

In **Vanuatu**, the Ministry of Lands made a number of statements on the protection of dignity and rights for the resettlement of informal communities evicted from the water protection zone near the capital city. This achievement follows UN-Habitat's advocacy and policy support work.

In **Papua New Guinea**, the national Government, through a series of advocacy engagements with UN-Habitat and partners, changed its stance on slums. Traditionally, the country viewed slum dwellers as illegal and temporary settlers and forcefully evicted them. The Government now views informal settlements as an inevitable feature of the urban landscape, and the authorities are pursuing settlement upgrading programmes. UN-Habitat and community-based partners advocated inclusive development approaches, using such platforms as World Habitat Day and public media outlets. These campaigns encouraged slum dwellers to approach their leaders and government authorities for UN-Habitat-supported approaches. In **Mauritius**, the PSUP, dubbed "Let's improve our neighbourhood", attracted over 60 participants from the cities of Port Louis, Beau Bassin-Rosehill and Black River. The project created awareness of the project and triggered actions during implementation of phases II and III of the programme.

In **Ghana**, a slum upgrading and prevention strategy finalized in 2014 is awaiting approval. The strategy incorporated the principles of the PSUP and the concepts of the Slum Upgrading Facility. Stakeholders are mobilizing financial support to validate the strategy. UN-Habitat partnered with the Ministry of Local Government and Rural Development, Ministry of Water Resources, Works and Housing, National Development Planning Commission, Housing the Masses, and People's Dialogue on Human Settlements in formulating the strategy.

In **Rwanda**, the PSUP, phase II, was formulated and approved in 2014. The process, implemented in collaboration with the European Commission, provide a platform on which urban stakeholders engage in evidence based strategy formulation and policy review aimed at improving lives in underserved urban areas. During this phase, the country will complement the current UN-Habitat Country Programme to add value to ongoing national activities in slums and other informal settlements.

In **Cape Verde**, the PSUP phase II was implemented. The Ministry of Environment, Housing and Territory Planning identified areas of intervention for slum upgrading against deprivations that characterize a slum, such as inadequate water supplies, inadequate sanitation facilities and tenure insecurity, with support from UN-Habitat. Phase II of the programme will be used to elaborate the urban strategy for the country, develop strategies for urban citizenship and mobilize resources for slum upgrading.

In **Egypt**, the development is continuing of a National Housing Profile and National Housing Strategy that will form the foundation for decision makers to develop effective housing policies. Priority housing issues and housing subsidies to reach target groups were identified, as well as the need to assess vacant and underutilized housing units in order to unlock them for the housing market. A committee formed by the Minister of Housing to amend the urban planning chapter of the Building Law presented the findings of a baseline report to key senior officials, including the Minister of Housing, the Minister of Urban Renewal and Informal Settlements, the Minister of Local Development and the Head of the General Organization for Physical Planning. A committee formed to support planning at regional and local levels presented its findings to the Ministry of Planning, along with an action plan for key actions suggested for implementation.

In **Samoa**, the review of the National Building Code by the Ministry of Works, Transport and Infrastructure is almost complete. The new code will include climate change considerations and update its standards to better accommodate people living with disabilities.

Expected Accomplishment 5.2: National housing, slum upgrading and prevention strategies and programmes integrating the Global Housing Strategy vision and principles are formulated and implemented

Progress was made towards the formulation and implementation of national housing, slum upgrading and prevention strategies and programmes integrating the Global Housing Strategy vision and principles. The number of national housing, slum upgrading and prevention strategies and programmes aligned to the Global Housing Strategy vision and principles formulated and implemented increased to 36, from 28 and is on track to meet the target of 39 for the biennium. The new countries include Djibouti, which entered PSUP Phase I with national funding and Senegal which joined PSUP Phase III.

The number of partner national authorities that commenced the implementation of slum upgrading programmes increased from 8 to 21 by the end of 2014. The following 12 countries joined PSUP Phase II and commenced the formulation of a national slum upgrading strategy: Cape Verde, Fiji, the Gambia, Haiti, Jamaica, Madagascar, Mauritius, Namibia, Papua New Guinea, Solomon Islands and Uganda.

Global achievements

Progress was made towards formulating and implementing national housing and slum upgrading and prevention strategies and programmes in line with the Global Housing Strategy vision and principles. In partnership with the Secretariat of the African, Caribbean and Pacific Group of States, and with funding from the European Commission, UN-Habitat supported the implementation of slum upgrading and prevention policies, strategies and programmes in respective regions. It has also provided policy advice and technical assistance and supported capacity development of national and local authorities to address slum deprivations related to livelihoods, particularly the living standards of women, children and youth. A UN-Habitat urban profiling methodology was used to diagnose the slum conditions in selected cities, undertake policy reviews and develop and implement citywide slum upgrading strategies and interventions, through participatory processes.

As a result of increased momentum and expansion of PSPU, several countries are at different stages of implementing slum upgrading or prevention strategies. nine countries (**Benin, Botswana, Djibouti, Lesotho, Rwanda, Saint Vincent and the Grenadines, Togo, Tuvalu and Vanuatu**) have produced and are preparing national and city urban profiles in Participatory Slum Upgrading Programme Phase I. Eighteen countries (**Antigua and Barbuda, Burundi, Cape Verde, Republic of the Congo, Cote d'Ivoire, Fiji, The Gambia, Haiti, Jamaica, Madagascar, Mali, Mauritius, Namibia, Nigeria, Papua New Guinea, Solomon Islands, Trinidad and Tobago and Uganda**) in PSUP Phase II produced and are preparing action plans for localized slum upgrading and prevention interventions while nine countries (**Burkina Faso, Cameroon, Democratic Republic of Congo, Ghana, Kenya, Malawi, Mozambique, Niger and Senegal**) in Phase III are implementing participatory slum upgrading projects on an average of two slum neighbourhoods .

Countries demonstrated the importance of the Participatory Slum Upgrading Programme by committing a total of co-financing of 6.3 million US Dollars to be implemented in 2015 and 2016. The community and city development plan implementation targeted 67,700 slum households for physical upgrading and protected 820,000 slum dwellers from forced evictions.

The institutionalization of the participatory slum upgrading approach and principles including the gender and human rights based approach are finding evidence in replication, up-scaling, policy review, showing slum upgrading and prevention as a national priority and development priority including the reflection in national budget lines for annual budget allocation at country level.

Issues of land regularization, value capture and reallocation processes are being addressed. Several Ministers and Mayors requested UN-Habitat's expertise in assisting with this approach in addition to the Participatory Slum Upgrading Programme. UN-Habitat/GLTN through the Participatory Slum Upgrading Programme conducted events and workshops engaging governments for Slum Upgrading through Participatory and Inclusive Land Readjustment (PILaR).

Consensus is emerging on the key principles of the Global Housing Strategy. This is evident in the publications and reports shared by expert group meetings held in 2014. There has been increased awareness manifested in the commitment of local and national governments to address the challenges of housing affordability more holistically, through the internationally accepted principles and standards related to the right to adequate housing as well as within economic development, employment generation and poverty reduction policies.

Regional/country achievements

In **Afghanistan**, the Government undertook local integration and rebuilding of sustainable livelihoods for internally displaced people and returnees. In 2014 75,000 returnees to Kabul and Jalalabad benefited from improved tenure security, shelter assistance and basic services. Lessons from previous UN-Habitat work have been used to improve the design of the new programme on "*Local Integration of Vulnerable and Excluded Uprooted People in Afghanistan*" (*LIVE-UP*). Based on the 'prevention' concept, this move is intended to slow down the formation of slums affecting over 100,000 returning internally displaced persons and economic migrants in Kabul, Herat and Jalalabad.

In **Ghana**, a draft National Slum Upgrading and Prevention Strategy embraced the principles of the PSUP. The inputs from strengthened community groups in the participatory slum upgrading project areas and the various assemblies have been incorporated. The draft Strategy is also aligned to the Global Housing Strategy vision and principles. This is a joint venture between UN-Habitat, the Ministry of Water Resources Works and Housing and, Ministry of Local Government and Rural Development.

Haiti produced a situational analysis, including national legal instruments for assessing the level of deprivations existing in slums.

In **Liberia**, the National Housing Profile was completed through a participatory approach, using data collected in housing surveys conducted in three cities (Monrovia, Gbarnga and Zwedru). The survey was conducted by UN-Habitat and partners (National Housing Authority, Monrovia City Corporation, Gbarnga City Corporation and Zwedru City Corporation). Preparation of the policy process is ongoing.

In **Mozambique**, the Government piloted a social housing financing scheme based on UN-Habitat experience with low-income populations. This was done in partnership with UN-Habitat and the Housing Promotion Fund. Legal instruments for improved public schools and health facilities were approved. The improved regulations were widely disseminated, through training and on-the-job training at local level. Upscaling is under way using the experiences of Nacala and Nampula.

In the **Occupied Palestinian Territory**, the National Housing Policy prepared with support from UN-Habitat in 2013 was endorsed in 2014 by the Ministry of Public Works and Housing. This paved the way for the ministry to seek support from the Palestinian Cabinet and international and local institutions for implementing the policy. Further, consensus among the key actors was obtained for integrating housing into urban development and its relevant regulatory and institutional frameworks, particularly urban planning. This project was supported by UN-Habitat, the Office of the Quartet, Palestinian Ministry of Public Works and Housing, and the World Bank.

In **Morocco**, the national housing and slum upgrading and prevention strategies and programmes integrated the Global Housing Strategy vision and principles. The strategy is based on the New Urban Agenda, which promotes cities that are economically productive, socially inclusive and environmentally sustainable. Accordingly, the local, national and regional authorities are using tools such as (a) the participation of the State for securing sustainable financing; about 50 per cent of the cost of the Slum Upgrading Programme is provided through the general budget and the Solidarity Fund for Housing (tax on cement, which contributes to the slum improvement); and (b) the contribution of the beneficiary households (30 per cent of the cost).

In **Iraq**, building on previous efforts, and in collaboration with the Ministry of Planning and Ministry of Housing and Construction in Baghdad, UN-Habitat initiated in 2014 dialogue on the National Programme for Informal Settlements and Internally Displaced People to provide implementation mechanisms for the national policies on housing and the strategy on longer-term shelter solutions. Its outcomes will include (a) establishment and strengthening of the institutional framework; (b) strengthening of the legal framework; and (c) mobilization of adequate financial resources.

Expected Accomplishment 5.3: National housing, slum upgrading and prevention strategies and programmes integrating Global Housing Strategy vision and principles are mainstreamed and implemented at city and community levels

Progress was achieved towards the mainstreaming and implementation of national housing, slum upgrading and prevention strategies and programmes integrating Global Housing Strategy vision and principles at city and community levels. This is demonstrated by the number of city and community development plans formulated and implemented based on the national housing, slum upgrading and prevention strategies and programmes which increased to 24 by end of 2014, up from eight in 2013. As of December 2014, all Participatory Slum Upgrading Programme countries in phase III (Burkina Faso (two community plans), Cameroon (three community plans), Democratic Republic of Congo (six community plans), Ghana (two community plans), Kenya (two community plans), Malawi (one community plan), Mozambique (two community plans), Niger (two neighbourhood plans) and Senegal (three community plans), Haiti (one community plan) have strengthened community participation in the development of participatory pilot projects, organized under Community Development Committees.

Global/regional achievements

There was progress in the creation of awareness on the PSUP principles at city and local levels. Resident Committees were established to improve community participation in the formulation of the action plans for PSUP Phase III, and the implementation of the participatory pilot projects in selected neighborhoods in **Burkina Faso, Cameroon, Democratic Republic of Congo, Ghana, Kenya, Malawi, Mozambique and Niger**. The process enabled the urban poor to define and address their development and neighborhood priorities. In addition, the mechanisms devised for increased local and community participation, community managed projects and community managed funds have been rolled out in **Cameroon, Ghana, Kenya, and Malawi**.

UN-Habitat continues to support participation of slum communities and vulnerable groups in relevant coordinating bodies such as the National Habitat Committees in programmes and strategies integrating Global Housing Strategy vision and principles. In 35 countries, slum dwellers are represented in National Habitat Committees and other coordinating bodies. Further, UN-Habitat enhanced its cooperation with local, regional and national partners with the purpose of increasing ownership of all actors in order to sustain continued efforts towards scaling up the provision of inclusive, sustainable and adequate housing, and slum upgrading and prevention initiatives.

The “slum upgrading at scale: case studies from the Arab region” event took place at the seventh session of the World Urban Forum (April 2014). The event addressed key concerns about growing informal settlement practices, and exchanged ideas on emerging good practices at neighbourhood, city and national levels. Presentations made by city managers and key specialists from four countries – **Egypt, Iraq, Morocco and Sudan** – provided an opportunity to present the global UN-Habitat strategy on housing and country experiences on slum upgrading. The event underpinned emerging gains following the introduction of the “People’s Process” in the Arab region.

Through the PSUP, five Pacific island countries – **Fiji, Papua New Guinea, Solomon Islands, Tuvalu and Vanuatu** – strengthened collaboration between national and local governments and community organizations representing slum dwellers. In **Papua New Guinea**, for the first time, a National Slum Dwellers’ Organization has been established. The organization is working with PSUP partners to develop a National Slum Upgrading Strategy. In Fiji, as housing rights are strongly enshrined in the constitution, the national Government continues to promote formal engagement with slum dwellers’ organizations. In Honiara in the **Solomon Islands**, ward-level community engagement with the city council and the Ministry of Lands, Housing and Surveys has supported development of slum profiles and upgrading strategies.

In **Fiji, Papua New Guinea** and the **Solomon Islands**, the national Governments have developed draft policies through PSUP phase II, and have undertaken regulatory reviews ahead of formulating city-wide upgrading strategies. In 2014, the Government of Fiji, through the Ministry of Local Government, Housing and Environment, implemented a budget of USD 5 million for the upgrading or resettlement (from environmentally vulnerable locations) of informal settlements.

In both **Bangladesh** and **Pakistan**, new approaches have been developed for bridging government-led and community-driven slum upgrading initiatives, in order to mainstream urban planning, budgeting and local development. In **Bangladesh**, the Urban Partnership for Poverty Reduction programme with UNDP was extended with new pilots on tenure security and making settlements more resilient. In Pakistan, slum upgrading surveys in Khyber Pakhtunkhwa have provided baselines for policies on integrated province-wide and community-driven slum improvements. Actual slum upgrading was undertaken in Gadap town near Karachi, targeting problems of solid and liquid waste and reduction of polio incidence in the slums.

In **Tuvalu** and **Vanuatu**, the Governments are compiling urban sector profiles in recognition of the need for integrated land use planning and management, as well as advocating the role of housing as an economic sector. This commitment is reflected in corporate plans (Ministry of Home Affairs, Tuvalu), draft policy brief on the need for a housing policy (Department of Strategic Policy, Planning and Aid Coordination, Vanuatu) and political recognition for housing as a productive sector in 2015 (national budget speech by the Minister of Finance, Vanuatu).

The Green Homes project in Dharan city, Nepal



Dharan is a growing city in Nepal. Due to population pressure and the high demand for housing, the city has been importing wood for housing from its hinterland. Most old houses are built primarily from wood. In the recent past, modern houses made of bricks and concrete have replaced traditional wooden houses but are very hot during summer and very cold in winter. Mr. Hari Karki, a local small-scale entrepreneur, started to precast concrete in order to supply reinforced carbon-carbon (RCC) drains and roof tiles. However, he wasn't sure of the market in Dharan.

In 2014, the Green Homes project (working with UN-Habitat) trained Hari and other people how to make the hollow concrete blocks. The hollow concrete blocks moderate the heating conditions of the upgraded slum dwellings. With less than 300,000 Nepalese rupees (2,300 euros), Mr Hari leased a plot of land and has employed six workers. The first clients of Hari's products are slum dwellers who are improving their houses with these blocks. The municipality of Dharan recently decided to use the blocks instead of bricks for wood construction, saving the hinterland forests from where wood is imported, saving this vanishing forest.

The first Hollow Concrete Block making training organized by Green Homes Project to improve livelihood of urban poor and promote green construction materials

Country achievements

In **Iraq**, as part of the effort to extend policy options and approaches to the entire city of Baghdad, UN-Habitat supported the drafting of an analytical report entitled "Baghdad strategic perspective on IDP sites/informal settlements". This was done in close collaboration with the Norwegian Refugee Council and the U.S. Department of State Bureau of Population, Refugees and Migration. The report proposes a "stepped spatial policy development" building on a conceptual "merger" of urban development and durable solutions policy domains and seeks to identify urban development options for informal settlements or sites in the city. During the reporting period, UN-Habitat supported the implementation of Iraq's one-year "Durable shelter solutions for IDPs and returnees in Baghdad" project, building on the gains from the 2012–2013 phase of the "Initiating durable shelter solutions for IDPs and returnees in Iraq" project. This new project saw the preparation and piloting of pre-feasibilities studies for redevelopment and land sharing sites or enumerations as a first step towards incremental upgrading in selected peri-urban sites. The outcomes included the scaling up of the enumeration exercise to five urban sites identified as suitable for incremental upgrading.

In **Ghana**, through the PSUP the Accra Metropolitan Assembly and the Ga Mashie community mainstreamed slum upgrading in their development programmes. UN-Habitat offered technical guidance on the development of the plans in collaboration with the Accra Metropolitan Assembly, Ministry of Local Government and Rural Development, and the Ministry of Water Resources, Works and Housing.

In the **Pacific island countries**, UN-Habitat supported advocacy and policy development in Global Housing Strategy vision and principles, as evidenced by the active engagement of local governments, NGOs, national authorities (with land, environment, infrastructure, climate, women's affairs and youth portfolios), housing corporations and communities in affordable housing discussions.

In July 2014, the Government of Kenya, through the Ministry of Lands, Housing and Urban Development, requested UN-Habitat for support to train planning officers from 13 county governments on PSUP phase II methodology. This training targeted over 80 individuals in the first phase and was funded by the World Bank through the Kenya Municipal Programme to the amount of USD 100,000. The training materials were developed by the PSUP team together with ministry officials.

The PSUP implementation team elected in May 2014 for Mtwapa held a workshop that reviewed the priorities agreed upon in PSUP phase II. They undertook training on the methodology and agreed on the work plan. The team was registered as an association with the Government and opened bank accounts to facilitate the community-managed funds. A community Programme division was designed, a site identified and construction commenced. The leaders sensitized the communities about the project activities and milestones. The community undertook enumeration on their own initiative and requested UN-Habitat to assist with finding partners to support the enumeration process. UN-Habitat, through the Future Policy Modelling Initiative, is piloting an e-participation project in Mtwapa municipality (Kenya), and is supporting community mobilization. Social media and blog platforms have been developed and are already in use for community mobilization. The county government of Kilifi committed USD 150,000 in financial year 2014–2015 for PSUP phase III activities. The plan is to scale up PSUP activities through the funding of the Kenya Informal Settlement Upgrading Programme, which is over USD 150 million.

Mainstreaming cross-cutting issues

Mainstreaming of human rights within UN-Habitat has been enhanced. A human rights focal point system has been instituted, and the human rights focal point has a standing invite to the project review meetings of the Project Advisory Group where all UN-Habitat projects are discussed for approval. UN-Habitat's collaboration with other UN-Agencies has also been strengthened. Strong collaboration exists with OHCHR under the UN Housing Rights Programme, the UN Special Rapporteur on the Right to Adequate Housing as well as with the UN Development Group Human Rights Mainstreaming Mechanism.

A number of guidance documents have been prepared that are supporting mainstreaming of human rights into UN-Habitat's work. Programmatic Guidance Note on Human Rights in Cities for UN-Habitat Staff: This Guidance Note provides staff with an introduction to the international human rights system and the human rights of most relevance to UN-Habitat's mandate. It further describes the UN common understanding of a human rights-based approach to development and programming. It explains the relevance and entry points of human rights to the substantive thematic areas of UN-Habitat and the vision of the Executive Director.

Human rights, the right to adequate housing and forced evictions language guide. This pamphlet provides an overview of internationally agreed language related to housing rights and evictions in particular.

With regard to the slum upgrading and prevention work, the capacity of partners at country level was enhanced in the areas of human rights based approach, gender mainstreaming and results-based management for inclusive slum upgrading and prevention. In each country team, a gender/youth focal point was designated to ensure the integration of gender and youth issues in the formulation of policies and strategies, programmes and projects. The successful mainstreaming of gender issues is reflected in that every country designed a project targeting women and youth. Further, the elected community representatives entail women, youth and physically challenged community representatives. The national institutional set-up for implementing policies, strategies and programmes included a person responsible for ensuring full gender mainstreaming and inclusive slum upgrading.

Opportunities and lessons learned

Opportunities

1. Community-managed funds for slum upgrading, used as seed capital to mobilize additional resources from government funds designated for special groups, have expanded opportunities to youths and women to create employment and diversify local economic development activities.

Lessons learned

1. Identification, prioritization and implementation of “quick impact” investments in housing and shelter development that communities value can enhance acceptability of project activities that do not seem to accrue immediate or short-term benefits.
2. Involving communities in managing slum upgrading and prevention interventions increases the chance for UN-Habitat-supported interventions to access government funds available to special groups, including youths and women.



Focus Area 6: Risk reduction and rehabilitation

The strategic result of focus area 6 is: “*Cities have increased their resilience to the impacts of natural and human-made crises and undertaken rehabilitation in ways that advance sustainable urban development*”. Its expected accomplishments are (6.1) improved urban risk reduction policies, strategies and programmes adopted for greater resilience of cities and other human settlements; (6.2) improved settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements; and (6.3) shelter rehabilitation programmes in crisis response have contributed to sustainable and resilient cities and other human settlements.

Overall assessment

Progress was made towards achievement of all three expected accomplishments. Progress towards all the indicator targets is on course to be achieved in 2015 (Table 23). Efforts were made to mainstream cross-cutting issues, namely gender, youth, climate change and human rights, during programme implementation. Findings from a recent external evaluation (BASF evaluation, 2014) indicate that UN-Habitat’s interventions contributed to improved lives of individuals and communities affected by human and natural disasters through improved tenure security and housing for internally displaced people and returnees in Iraq, Sri Lanka and Syria; and improved access to basic services such as water and sanitation in Afghanistan, Occupied Palestinian Territory and South Sudan. Some of the displaced people benefited from long-term initiatives, such as the Affordable Housing Programme in Jordan, improved construction skills of housing beneficiaries in Sri Lanka and the creation of disaster management structures in the Philippines.

With regard to expected accomplishment 6.1, there were improvements in urban risk reduction policies, strategies and programmes for greater resilience of cities and other human settlements, as manifested by the increased number of countries that included urban risk reduction in their disaster resilience plans. The number of local, regional and national governments and partners that have included urban risk reduction and management in their plans rose from 76 to 95 and from 5 to 17 in 2013 and 2014 respectively. For example, in Sri Lanka, a wide range of disaster prevention measures for improving knowledge on disasters was institutionalized, while in Sudan, a Neighbourhood Planning Policy for greater resilience to recurrent floods was

adopted. In southern Africa, a Technical Centre for Risk Reduction Management, Sustainability and Urban Resilience was established to strengthen regional capacity for making cities more resilient to disasters. The Middle East and North Africa group on disaster and risk reduction has adopted aspects of urban resilience. The region received support in preparing its inputs into the Hyogo Framework for Action 2005–2015, as well as the Post-2015 Framework for Disaster Risk Reduction.

On expected accomplishment 6.2, there were some improvements in settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements, as evidenced by the number of increased requests for support in the development of recovery and rehabilitation plans. The percentage of partner cities and other human settlements that have implemented sustainable urban reconstruction programmes, including risk reduction, increased from 60 per cent in 2013 to 62 per cent in 2014. The percentage of UN-Habitat emergency interventions integrating long-term development and risk reduction rose from 80 per cent to 85 per cent over the same period.

Progress was made on expected accomplishment 6.3, where shelter rehabilitation programmes in crisis response have contributed to sustainable and resilient cities and other human settlements. The percentage of shelter rehabilitation programmes of partners contributing to disaster-resilient permanent housing increased from 40 per cent in 2013 to 42 per cent in 2014. The percentage of shelter rehabilitation programmes of UN-Habitat contributing to disaster-resilient permanent housing increased from 80 per cent in 2013 to 85 per cent in 2014. For example, partner cities in Jamaica, Lebanon, the Philippines and Sri Lanka are embracing integrated and sustainable approaches to shelter recovery planning and programmes.

In terms of resources, the planned budget for 2014 was USD 32.9 million, allocated resources were USD 71.8 million and expenditure was USD 61.3 million, giving a utilization rate of 85 per cent. This is lower than expected and measures may need to be taken to increase the rate of budget utilization. The utilization rate compares favourably with the rate of programme implementation for 2014, with 82 per cent of the outputs delivered, while 18 per cent are in progress.

Table 22: Progress made towards indicator targets for focus area 6 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 23: Progress on indicators of achievement for Focus Area 6

Expected Accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 6.1: Improved urban risk reduction policies, strategies and programmes adopted for greater resilience of cities and other human settlements	Number of local, regional and national governments and partners that have included urban risk reduction and management in their plans	Local and regional: 76	Local and regional: 100	Local and regional: 95	On/above the midpoint
		National and partner: 5	National and partner: 7	National and partner: 17	
EA 6.2: Improved settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements	Percentage of partner cities and other human settlements that have implemented sustainable urban reconstruction programmes, including risk reduction	60%	65%	62%	On/above the midpoint
	Percentage of UN-Habitat emergency interventions integrating long-term development and risk reduction	80%	90%	85%	

EA 6.3: Shelter rehabilitation programmes in crisis response have contributed to sustainable and resilient cities and other human settlements	Percentage of shelter rehabilitation programmes of partners contributing to disaster-resilient permanent housing	40%	45%	42%	
	Percentage of shelter rehabilitation programmes of UN-Habitat contributing to disaster-resilient permanent housing	80%	90%	85%	

Figure 22 presents the status of implementation of the programme of work for the biennium 2014–2015. The status is based on the progress made in the delivery of outputs planned for the biennium and is tracked through IMDIS, a centrally managed programme performance tracking system of the United Nations Secretariat. About 41 per cent of activities were completed while 28 per cent are in progress and 31 per cent are yet to be started as of 29 January 2015. Figure 23 presents the annual implementation for 2014, with 82 per cent of the programme of work delivered and 18 per cent in progress.

Figure 22: Status of implementation of the Work programme or 2014-2015 for focus area 6

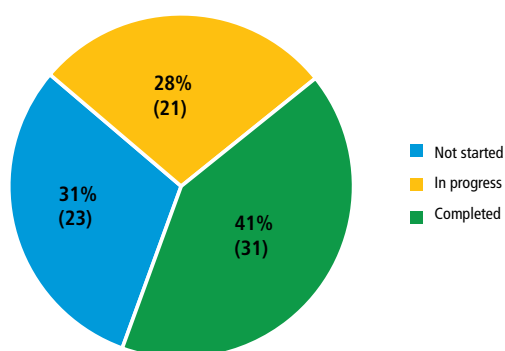
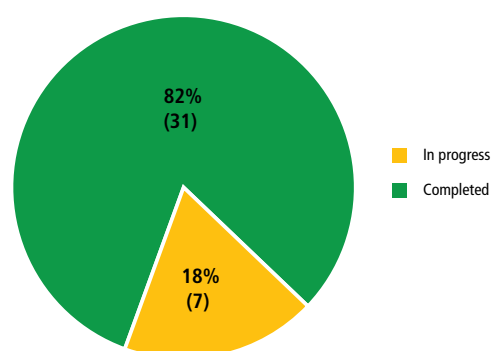


Figure 23: Status of implementation of the work programme in 2014 for focus area 6

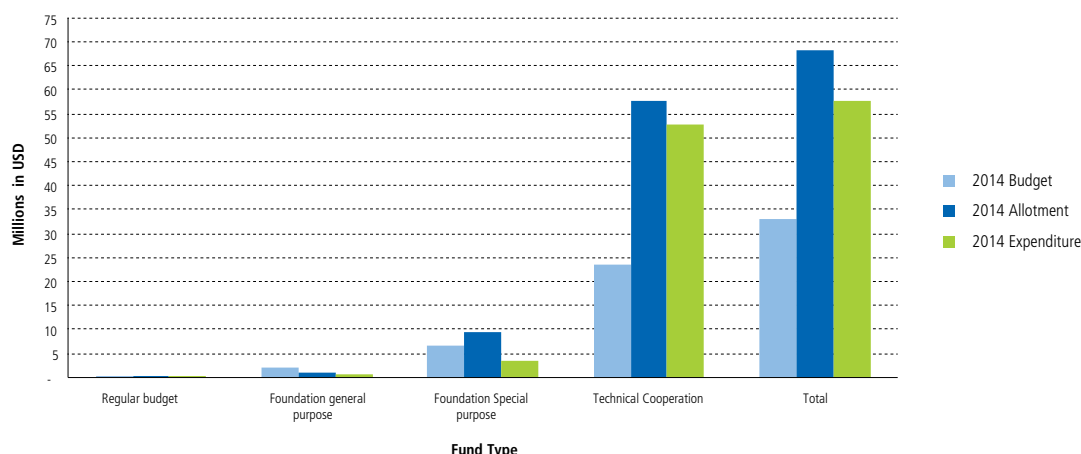


Budget Performance and Status of Implementation

Table 24: Planned budget Allocation and Expenditure for Focus Area 6 (USD million)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	4,426.2	2,213.1	883.1	743.4
Regular budget	887.8	443.9	448.7	463.9
Foundation special purpose	13,227.5	6,613.8	9,367.5	3,646.8
Technical cooperation	47,321.7	23,660.9	57,621.4	52,704.0
Total	65,863.2	32,931.6	68,320.8	57,558.0

Figure 24: Planned budget and expenditure for Focus Area 6



Financial analysis

Table 24 and figure 24 present the planned budget, allotment and expenditure for 2014. From an initial budget of 2014 of USD 32.9 million, the total allotment for 2014 was increased to a total of USD 68.3 million to taken into account significantly reduced foundation general purpose resources, and significant increases in the level of foundation special purposed activities and technical cooperation activities. The final expenditure at USD 57.6 million represents an overall utilization rate of 84 per cent.

The rate of implementation of the programme of work for 2014 of 82 per cent completed and 18 per cent in progress compares favourably with the rate of resource utilization rate of 84 per cent.

Expected accomplishment 6.1: Improved urban risk reduction policies, strategies and programmes adopted for greater resilience of cities and other human settlements

Progress was made in the adoption of urban risk reduction policies, strategies and programmes for greater resilience of cities and other human settlements, including disaster resilience plans, neighbourhood planning policies and institutionalization of risk management. This is manifested in the number of local and regional governments that included urban risk reduction and management in their plans, which increased from 76 in 2013 to 95 by the end of 2014, and is on track to reach or exceed the target for the biennium 2014–2015. Similarly, there was a notable increase in the number of national Governments and partners that included urban risk reduction and management in their plans. These increased from a baseline of five in 2013 to 17 by the end of 2014. This is partly attributable to the advocacy and partnerships developed for the roll-out and support for scaling up of the City Resilience Profiling Programme into more cities.

Global achievements

Improved awareness and knowledge is attracting political and financial support and ultimately leading to greater resilience of cities and human settlements. Discussions at the United Nations Climate Summit in September 2014 generated commitment to raise USD 2 billion in kind or as direct support to cities threatened by extreme weather events fuelled by climate change. This initiative was a major milestone building on the inauguration of the Resilient Cities Acceleration Initiative backed by the Rockefeller Foundation and other partners at the seventh session of the World Urban Forum. A parallel initiative, the Medellin Collaboration for Urban Resilience (MCUR), is a collective investment initiated by MCUR partner agencies that aims to double an estimated USD 2–4 billion annual investment in urban resilience by 2020. MCUR brings together partners including UN-Habitat, the United Nations Office for Disaster Risk Reduction (UNISDR), the World Bank Group, the Global Facility for Disaster Reduction and Recovery, the Inter-American Development Bank, the Rockefeller Foundation, the 100 Resilient Cities Centennial Challenge Programme, the C40 Cities Climate Leadership Group, ICLEI-Local Governments for Sustainability and United Cities and Local Governments (UCLG).

The MCUR initiative is facilitating the flow and exchange of knowledge and expertise to help cities become more resilient to systemic shocks and stresses, including from climate change, disasters caused by natural hazards, and socioeconomic challenges resulting from rapid urbanization. As a member of MCUR, UN-Habitat is sharing its unique expertise and inputs linked to the principles of the New Urban Agenda.

Capacities of partner cities to undertake resilience profiling and action planning were strengthened by providing information and guidance. This is being done through direct training workshops and online materials accessible to both partner and associate cities. Currently, 10 partner cities are testing the City Resilience Profiling Tool and Guidelines, prior to wider release to associate cities in 2015. Through the City Resilience Profiling Programme, UN-Habitat and associated partners are contributing to its university network through capacity building and expertise in curriculum development on resilient urban systems including new global standards, social resilience and urban systems analysis.

Regional achievements

Regional capacity to support the development of resilience action plans, vulnerability mapping, disaster risk reduction and climate change adaptation planning in the southern Africa region was strengthened. This region is characterized by a high degree of unplanned urbanization and informal settlement. Technical assistance will now be provided through the recently established Technical Centre for Risk Reduction Management, Sustainability and Urban Resilience in southern Africa (DiMSUR), launched in Lilongwe, Malawi, in September 2014. Comoros, Madagascar, Malawi and Mozambique, who stand to benefit most from DiMSUR, signed a memorandum of understanding to support its operationalization.

Progress was made towards strengthening capacities and adopting programmes for risk reduction and settlements recovery. The Middle East and North Africa group on disaster and risk reduction in the Arab region adopted aspects of urban resilience. This follows participation in UN-Habitat-led sessions and support to the preparation of the regional input to the implementation of the Hyogo Framework for Action 2 in the Arab region, as well as the Post-2015 Framework for Disaster Risk Reduction. UN-Habitat supported capacity building at local level for increased urban resilience, utilizing the City Resilience Profiling Tool in order to establish baseline information on urban resilience, and develop city resilience action plans using city-level planning approaches.

The Arab Regional Programme on Urban Resilience was established. The partners were mobilized by UN-Habitat, UNDP and UNISDR, with the Swiss Agency for Development and Cooperation as a potential donor. The second Arab Conference on Disaster Risk Reduction, held in September 2014, provided an opportunity for participants to share best practices and challenges in implementing disaster risk reduction initiatives at city level. It stimulated discussions and made recommendations for further support to local authorities in addressing disaster risk reduction issues at local level. The event is aligned with the Arab regional inputs to the post-2015 development agenda and Habitat III.

Capacity was strengthened in the Asia-Pacific region for risk reduction through a collaborative intervention by UN-Habitat and UNISDR. Training materials on territorial planning for disaster risk reduction were translated from Spanish into English, and provided to the UNISDR subregional office in Incheon, Republic of Korea, to support the training of trainers initiative. Professionals from the region are being equipped with the skills and knowledge to apply disaster risk reduction strategies to physical and spatial plans for Asian cities.

The Governments of Afghanistan, Indonesia, Lao People's Democratic Republic, Myanmar, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Viet Nam implemented effective policy and planning initiatives to address the new wave of risks associated with urbanization in Asia. The national Governments formulated action plans using UN-Habitat's technical assistance through the Making Cities Resilient campaign. This campaign addresses issues of local governance and urban risk while drawing on previous UNISDR efforts on safer schools and hospitals, and on the sustainable urbanization principles developed under the World Urban Campaign.

Line ministries and other partners in Afghanistan, Lao People's Democratic Republic, Myanmar, Nepal, Sri Lanka and Viet Nam are implementing the Hyogo Framework of Action and building resilience in cities in South and East Asian countries. This has been achieved through the implementation of national disaster risk reduction and climate change adaptation actions. In Myanmar, the Government rolled out national building codes formulated with UN-Habitat support. In the Solomon Islands, UN-Habitat supported vulnerability assessments in partner cities. The findings are being used to review the Honiara Local Planning Scheme for phase II of the Cities and Climate Change Initiative (CCCI), in addition to the flood risk and coastal protection technical input from Arcadis. The assessment underpins the need for urban risk considerations in local action plans. In Port Vila in Vanuatu, the vulnerability assessment used a community-led approach to identify localized risk areas, with input from women. The Apia vulnerability assessment contributed to the development of the Apia Spatial Plan, which shares the urban policy vision for a "sustainable, inclusive and resilient city".

Country achievements

In **Myanmar**, cities were linked with broader socioeconomic planning for risk reduction and management. Based on the survey of existing practices of land use planning in 21 towns, UN-Habitat is supporting development of a policy paper and land use planning guidelines. In addition, UN-Habitat is building capacities for seismic risk assessment in Bago, Sagaing, Taungoo and Pyay; seismic hazard assessment in Yangon; and flood risk assessment in Hpa-An.

Georgia joined the Making Cities Resilient campaign in 2014. One of the most ancient cities of Georgia, Mtskheta, became the country's first municipality to join the campaign.

In **Sri Lanka**, local authority members improved their capacity for conducting vulnerability assessments, preparation of disaster preparedness plans and disaster-resilient construction methods. This is evidenced by the introduction of building guidelines that have incorporated disaster risk reduction aspects in housing construction, including methodologies for retrofitting to reduce the risk of disasters. UN-Habitat is supporting the Urban Development Authority, Ministry of Local Government, Ministry of Disaster Management and Disaster Management Centre of Sri Lanka to develop the disaster preparedness plans and building guidelines aimed at reducing risks while ensuring that future development of the target locations is resilient.

Disaster risk reduction and preparedness plans were launched in 2014, with UN-Habitat technical assistance, in Akkaraipattu, Vavuniya, Mannar and Mullaitivu. Partners include the Government of Australia, the University of Moratuwa, and local authorities and communities. In addition, small-scale disaster risk reduction initiatives were implemented in Mannar. To promote urban risk reduction, the capacity of Akkaraipattu Municipal Council was strengthened through the establishment of a Disaster-Resilient Urban Planning and Development Unit within the municipality. Government officials of line ministries, international and national development actors and humanitarian staff improved their knowledge of strategies for promoting incremental settlement planning and housing, including design and financing options.

In **Morocco**, intervention programmes to secure and improve the living conditions of households and people affected by natural disasters were implemented in the ancient medinas (old towns). The Ministry of Housing, Urban Planning and City Policy initiated in 2013 a priority programme including seven projects covering 25,000 households. In 2014, 11 cities were planned as part of this programme. UN-Habitat supports this process as a component of equitable access to the city.

In **Sudan**, two local authorities in flood-affected areas in Khartoum state adopted good neighbourhood planning policies for greater resilience to recurrent floods. The policy discourages building houses in high-risk areas and encourages use of building codes and standards for construction material. UN-Habitat and its partners (Disaster Management and Refugee Studies Institute of the International University of Africa) conducted an assessment for two affected areas, including collection of hydrological data, and carried out an advocacy campaign in the two localities, focusing on proper neighbourhood planning and adoption of flood-resistant construction codes and standards.

Mainstreaming of cross-cutting issues

UN-Habitat's work in urban risk reduction through the City Resilience Profiling Programme has been successfully integrated into the assessment and action plans. The programme employs a bespoke urban systems based approach for measuring and analysing the resilience of cities to multiple hazards, shocks and stresses. Its organizational and functional analyses integrate gender and youth issues within the critical organizational elements of all cities. Climate change is one of a wide array of shocks, stresses and hazards facing cities around the world, and where appropriate is included in the resilience profiling process. Assessing social and political hazards may reveal weaknesses in addressing human rights, and through strategic resilience action planning, measures to address these weaknesses can be introduced.

Expected accomplishment 6.2: Improved settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements

The capacity for settlements recovery and reconstruction interventions for long-term sustainability in cities and other human settlements improved with increased acceptance UN-Habitat's recovery and rehabilitation plans. This is demonstrated by the percentage of partner cities and other human settlements that implemented sustainable urban reconstruction programmes, including risk reduction. This increased from 60 per cent in 2013 to 62 per cent by the end of 2014. At the same time, the percentage of UN-Habitat emergency interventions integrating long-term development and risk reduction increased from 80 per cent in 2013 to 85 per cent by the end of 2014.

Global and regional achievements

The scale and complexities of emergencies in 2014 has overwhelmed the entire humanitarian community, but has also provided the opportunity to share initiatives developed in earlier emergencies. Tools and initiatives developed regionally have been shared globally. Notably, UN-Habitat products developed around the Syria regional crisis, such as conflict-focused city profiles, have been shared interregionally. For example, in the Philippines they have been adapted for use around natural disasters, including the devastating typhoon Haiyan.

Donors in the Arab region are increasingly using the Regional Refugee and Resilience Plan (3RP), developed by UN-Habitat, to guide humanitarian and development support, while national Governments and partners are using them alongside national plans for their support programmes. The 3RP is a country-driven, regionally coherent process which recognizes the centrality of national resilience and stabilization plans and seeks to strengthen national and subnational capacities. To date it covers Egypt, Iraq, Jordan, Lebanon and Turkey, and has resulted in the following plans being developed: the Lebanon Crisis Response Plan; Jordan National Response Plan; Iraq Strategic Response Plan; and the draft abstracts of the Turkey and Egypt chapters of the 3RP. These strands pulled together at the regional level ensure a coherent and clear statement of the needs of refugees and impacted communities across the Arab region. UN-Habitat has supported the development of the country-specific plans.

Country achievements

In **Iraq**, over 8,000 vulnerable internally displaced people have received 1,360 prefabricated temporary shelters under phase I of the Shelter Support for Internally Displaced People in Kurdistan Region project, completed in December 2014. The capacity of the three sites planned under the project is 5,339 prefabricated shelter units, which will host over 32,000 internally displaced people. This project, funded by Saudi Arabia, covers Dawodye (Dohuk), Barznja (Sulaymaniyah) and Bahrka (Erbil). In collaboration with the local governments, UN-Habitat assisted in site selection, planned the layout, levelled the terrain, contracted the providers of prefabricated shelter units and coordinated the efforts of other agencies to deliver basic services. This includes provision of additional prefabricated units by the International Organization for Migration (IOM), water and sanitation infrastructure by UNDP, solar lighting by the United Nations Office for Project Services (UNOPS) and schools by UNICEF and UNESCO.

Displaced families from Sinjar, Iraq move into better shelter in Dohuk



UN-Habitat and partners alternative approach to camps in Dohuk

Days before snow was expected to fall in the foothills of Dohuk, Iraq, 900 families moved into the new camp for internally displaced people built through the collaboration of seven United Nations agencies, led by UN-Habitat.

In 2014, dramatic levels of community displacement were experienced in northern and central Iraq as more than 200,000 internally displaced people fled the conflict between the Iraqi State and the group known as the Islamic State of Iraq and Syria (ISIS). This compounded an already complex refugee situation, as hundreds of thousands of Syrians have escaped the Syrian conflict into Iraq. Various initiatives were improvised to address the crisis, including putting up refugee shelters, with little success. As can be seen from the photos, poor choice of site and

or poor drainage can prove to be disastrous for families already traumatized by their experiences.

UN-Habitat and its partners piloted a new model of a camp for internally displaced people. The project has been developed in consultation with local authorities and with the affected families, as a result of which vastly improved settlements recovery outcomes have been put in place, providing safety and dignity to affected families. It is anticipated that the model will be widely replicated in the region and elsewhere. Camps will be served with good infrastructure, health care and education facilities. Given the complexity of crisis settings, the project involves six United Nations organizations – UNDP, UNOPS, WHO, IOM, UNESCO and UN-Habitat – closely working with the Dohuk Governorate. UN-Habitat's roles include planning and coordination of the construction of three camps for internally displaced people in Iraq with a total capacity of 5,329 shelter units to host over 30,000 displaced persons, along with basic WASH and electrical facilities for the constructed units.



Initial humanitarian response, Sharia Camp in Dohuk, Iraq 2014

In **Iraq**, a policy brief – “Durable solutions for internally displaced peoples” was drafted with technical assistance from UN-Habitat and formally presented to the newly appointed **Iraqi** Cabinet in December 2014. The report emphasizes the need to set up durable policy, legislative, economic and physical solutions to address the current and longer-term needs and improve the resilience of displaced people – whether they decide to integrate locally or return to their places of origin. The new approach to integrated, comprehensive settlements recovery has been demonstrated which may well prove to be a “game changer” in humanitarian response throughout the region, and potentially globally. In place of traditional tented camps for internally displaced people and refugees, UN-Habitat led a seven-agency United Nations partnership to provide a fully integrated, holistic prefabricated human settlement solution in record time.

In **Lebanon**, two projects were implemented: “Enhancing the unions of municipalities to respond to refugees’ and host communities’ needs”, and “Improvement of living conditions in Palestinian gatherings in Lebanon”. The projects commenced in 2013 with urban reconstruction using shelter rehabilitation to address the Syrian refugee crisis through regional technical offices in partnership with UNICEF, UNHCR, the Swiss Agency for Development and Cooperation and UNDP.

In the **Occupied Palestinian Territory**, a recovery framework was developed for Gaza, including participatory planning and technical assistance for self-help housing approaches and sustainable urbanization. This is a partnership initiative with the Ministry of Housing and Public Works, Ministry of Planning and Gaza municipality. UN-Habitat contributed to the preparation of the recovery framework and analysis of sustainable urbanization issues.

In the **Philippines**, more than 700 permanent houses and more than 20 community infrastructural facilities constructed. In the wake of typhoon Haiyan (Yolanda), Tacloban City and the municipality of Guiuan launched the recovery and rehabilitation plans, which were incorporated into the national Comprehensive Recovery and Rehabilitation Plan. The Government allocated multi-year funding for the development of the recovery and rehabilitation plans through a series of multi-stakeholder consultations across sectors, both governmental and non-governmental. By the end of 2014, about 1,000 people had been trained in construction skills, project management and financial management in response to typhoon Haiyan, using the UN-Habitat “People’s Process” (locally known as “community-driven shelter development”). The Government acknowledged the pioneering role of UN-Habitat and provided counterpart funding of about USD 1 million, equivalent to 52 per cent of the house construction programme.

In **Pakistan**, social services and community infrastructure for refugees were restored, assistance was provided to 10 communities and 123 community-led schemes were set up. In addition, 2,500 vulnerable families benefited from improved access to drinking water, sanitation and hygiene in Khyber Pakhtunkhwa.

In **Sri Lanka**, the living conditions and social cohesion of displaced people, returnees and their host communities in Northern and Eastern Provinces improved through the provision of permanent housing, community infrastructure and environmental improvement. Using a homeowner-driven approach, UN-Habitat empowered the target families to take charge of their own recovery process and assist in the reconstruction and repair of damaged houses and community infrastructure. Partners in this process include the Ministry of Resettlement, Ministry of Economic Development, Swiss Agency for Development and Cooperation, Australian Department of Foreign Affairs and Trade, European Union and district divisional secretariats (Kilinochchi, Mullaitivu, Jaffna, Mannar and Batticaloa).

In **Sri Lanka**, 32,000 families obtained tenure security and adequate housing while 300,000 people accessed improved basic services by the end of 2014. This was done through a project implemented by UN-Habitat jointly with the Ministry of Construction, Engineering Services, Housing and Common Amenities, Ministry of Resettlement, Ministry of Disaster Management, Ministry of Local Government and Provincial Councils and Ministry of Defence and Urban Development. In addition, the skills of local authority officers and urban planners in the fields of GIS and remote sensing were enhanced by training held at the Sri Lanka Institute of Development Administration, conducted by UN-Habitat and the University of Moratuwa. The construction skills of housing beneficiaries and local artisans in Northern Province were improved through a UN-Habitat housing programme for conflict-affected families, supported by the cement manufacturer Holcim Lanka. The Government of Japan has provided USD 3.6 million for the rehabilitation of community infrastructure, livelihood improvement and women’s empowerment in the north and east of Sri Lanka.

In **Afghanistan**, 2,000 households of internally displaced families in Herat (Maslakh settlement) benefited from improved tenure security and access to basic services through the Local Integration of Internally Displaced Families programme. UN-Habitat supported a strategic urban planning approach for Herat to achieve a long-term vision for the residents living in Maslakh settlement. Complete surveys were carried out for all households and properties, involving nearly 18,000 residents, and 1,800 households (land plots) were registered. In addition, UN-Habitat strengthened the capacity of the Independent Directorate of Local Governance of the Ministry of Urban Development Affairs and other subnational government bodies to address improved access to basic services, infrastructure, tenure security and adequate housing, targeting peri-urban returnees and settlements of internally displaced people.

In **South Sudan**, 600 basic housing units are available in the settlements in Durupi, Nesitu (Juba, Central Equatorial state), Naivasha, Alel Chok (Wau, Western Bahr El Ghazal state) and Rumtit (Northern Bahr El Ghazal state). Basic roads were improved in the Durupi settlement and access to clean water supply improved in all five settlements as a result of the successful completion of the Housing and Livelihood Support for Returnees project, completed in 2014. Other benefits include improved livelihood skills and incomes through participation in construction of basic housing units and delivery of vegetable seeds, mango trees and basic agricultural hand tools to the local population in the settlements. UN-Habitat is providing technical assistance in collaboration with different state organs.

In **Somalia**, the reconstruction of Ansalooti market hall (housing 100 meat and vegetable stalls) and completion of 100 outside stalls in 2014 is providing the local communities with daily goods previously not available. At the same time, reconstruction of Sinay market was initiated with UN-Habitat's help, including preparation of design and technical drawings, bills of quantities and tender documents, site supervision, and provision of funds for the rehabilitation, in collaboration with Benadir regional administration and district authorities

In **Mozambique**, recognizing the extreme vulnerability of schools to hazards, the Government analysed the conditions of vulnerability of schools to propose technical alternatives through the Ministry of Education and Culture, Ministry of Public Works and Housing, and Institute for Disaster Management with technical support from UN-Habitat. In addition, the application of new normalized standards for the construction of schools was enhanced as a result of the implementation of the project "Developing guidelines on school safety and resilient school building codes". Different donors, including the Global Facility for Disaster Reduction and Recovery and the World Bank, are engaged, using the safety standards developed by UN-Habitat.

Mainstreaming of cross-cutting issues

In the recovery and reconstruction examples mentioned in this report, UN-Habitat has consistently advocated a strong rights-based approach to inclusion, family and community empowerment, and equity as core values at the very heart of every initiative. Women occupy key decision-making positions in the community groups established to oversee projects (by the "People's Process") and have found employment within some projects. Youth unemployment is almost always present in the emergencies where UN-Habitat intervenes, and projects are designed to maximize the opportunities to engage the capacity of youths.

Expected accomplishment 6.3: Shelter rehabilitation programmes in crisis response have contributed to sustainable and resilient cities and other human settlements

Shelter rehabilitation programmes in response to humanitarian crises have contributed to sustainable and resilient approaches being adopted in a wide range of countries. This has been achieved through the development of guidelines for shelter and housing rehabilitation, including risk reduction, and national preparedness plans. This is demonstrated by the percentage of shelter rehabilitation programmes contributing to disaster-resilient permanent housing, which increased from 40 per cent in 2013 to 42 per cent by the end of 2014. Similarly, the percentage of shelter rehabilitation programmes of UN-Habitat contributing to disaster resilient permanent housing increased from 80 per cent in 2013 to 85 per cent by 2014.

Global and regional achievements

As part of UN-Habitat's role on the Strategic Advisory Committee of the Global Shelter Cluster, UN-Habitat identified the need to strengthen humanitarian shelter response in Latin America and the Caribbean. Recognising the hurricane-prone nature of the region, UN-Habitat established a standby shelter emergency response capacity to be ready to react in the event of emergencies and to support preparation of country-level emergency contingency plans (Guatemala and Peru). The initiative has brought leadership, coordination and focus to the shelter sector and has resulted in a significantly enhanced response capacity for Latin America and the Caribbean.

UN-Habitat again led the research, development and publication of a comprehensive review of global shelter typologies in partnership with UNHCR and the International Federation of Red Cross and Red Crescent Societies (IFRC). The “Shelter projects 2013–2014” publication, supporting learning around sustainable emergency shelter responses, is now a globally recognized body of work. The publication makes a significant contribution to knowledge and understanding around shelter emergency responses. This recognition means that in future the Global Shelter Cluster will incorporate the work and will be responsible for subsequent annual updates.

As part of the Inter-Agency Standing Committee (IASC) Global Shelter Cluster, UN-Habitat in partnership with Habitat for Humanity established the Recovery and Reconstruction Working Group, promoting holistic and integrated shelter rehabilitation and produced the inter-agency chapter on housing for the World Bank and European Union collaboration on the Post-Disaster Needs Assessment Guidelines. This will result in fundamental changes in training for shelter responders and will raise awareness of the importance of resilience and sustainability, leading to more sustainable outcomes for disaster-affected communities.

Country achievements

In **the Philippines**, in response to typhoon Haiyan, UN-Habitat established an innovative Recovery and Reconstruction Working Group. This has contributed to sustainable and resilient approaches being adopted, rather than having only emergency and temporary shelter solutions. Rehabilitation programmes utilized UN-Habitat’s region-wide strength and “People’s Process” approach, actively engaging people in their own recovery process and thereby greatly reducing the problems associated with aid dependency syndrome.

In **Iraq**, the living conditions of 228,700 individuals (including Syrian refugees) were improved and tenure security agreements provided to 657 Syrian refugee families by the end of 2014. This was done through the “Shelter and peaceful co-existence projects for non-camp refugees” (phase II of “Shelter and infrastructure support for non-camp refugees”). These projects, covered the poorly serviced neighbourhoods in Erbil, Dohuk and Sulaymaniyah, densely populated with Syrian refugee families, were funded by UNHCR and supported by UN-Habitat.

In **Syria**, training and guidelines were developed for non-camp-based solutions for internally displaced people, including cash transfers, rent subsidies, host family support and repair programmes for families living in disused buildings. This initiative helped internally displaced people to maintain their independence and has greatly reduced their numbers in camps in Syria.

In **Cuba**, guidelines for housing rehabilitation plans adapted to the country’s conditions were piloted in 2014. At the same time, the rehabilitation of houses in two provinces (affected by hurricane Sandy) and the construction of 30 houses and two centres for production of construction materials were completed. A catalogue on nationwide “Cuban sustainable solutions” was developed and has been shared with partners. UN-Habitat strengthened capacities in sustainable housing rehabilitation using best practices from shelter projects worldwide, working closely with the University of Havana.

In **Cambodia**, shelter, water and sanitation reconstruction in two settlements was implemented through a participatory approach, supported by UN-Habitat in partnership with Malteser International and disaster management authorities of Siem Reap and Battambang provinces. The main challenge was organizing timely provision of sustainable land for relocation soon after the disaster. In one of the villages, selected beneficiaries overcame this by using their own resources to purchase land on a new flood-safe location. In another village the beneficiaries opted to construct their houses in situ, with improved structure to withstand future floods. The provision of secure tenure in addition to the new or improved houses that are disaster resilient greatly improved the lives of beneficiaries.

In the **Occupied Palestinian Territory**, the capacity and knowledge of the Palestinian Housing Council in self-help housing and shelter rehabilitation projects has improved. This is evidenced by the adoption of the self-help approach and ongoing application of green building and energy-efficient measures. This was done with technical support from UN-Habitat, in partnership with the Palestinian Housing Council and with

funding from the French Government under phase II of the “Urgent housing rehabilitation programme for marginalized families in East Jerusalem”. Forty-five poor Palestinian families living in degraded houses were trained and financially supported to respond to their needs for adequate and safe housing. The capacity of these families has been built to engage in self-help rehabilitation, and selected women-headed households have been empowered to pursue small businesses.

Mainstreaming of cross-cutting issues

Human rights are addressed through housing land and property issues where security of tenure, right to return, restitution and compensation are all challenging issues. Often internally displaced people and refugees lose all personal documentation and evidence of their rights and claims to land, and UN-Habitat works with local authorities and other institutions and service providers to re-establish that evidence and provide security and an opportunity for stable recovery, free from the risk of eviction and further relocation.

UN-Habitat contributed to gender mainstreaming by supporting the development of a Shelter Cluster gender and diversity guidance checklist. In December 2014 the coordinator of Shelter Cluster Americas arranged for training in Latin America and the Caribbean on housing, land and property rights in Panama for humanitarian actors. This training was developed by the Global Shelter Cluster’s Working Group on Regulatory Barriers, of which UN-Habitat is an active member. It draws on the work of the GLTN and the IASC Global Protection Cluster Housing, Land and Property Group, which has been led by UN-Habitat at the global level for several years.

UN-Habitat through its support to IASC continues to advocate projects that address gender issues and get a high score on the gender marker. In humanitarian response and recovery situations UN-Habitat ensures that those implementing its programmes are aware of and have access to guidance on disability and the needs of the elderly.

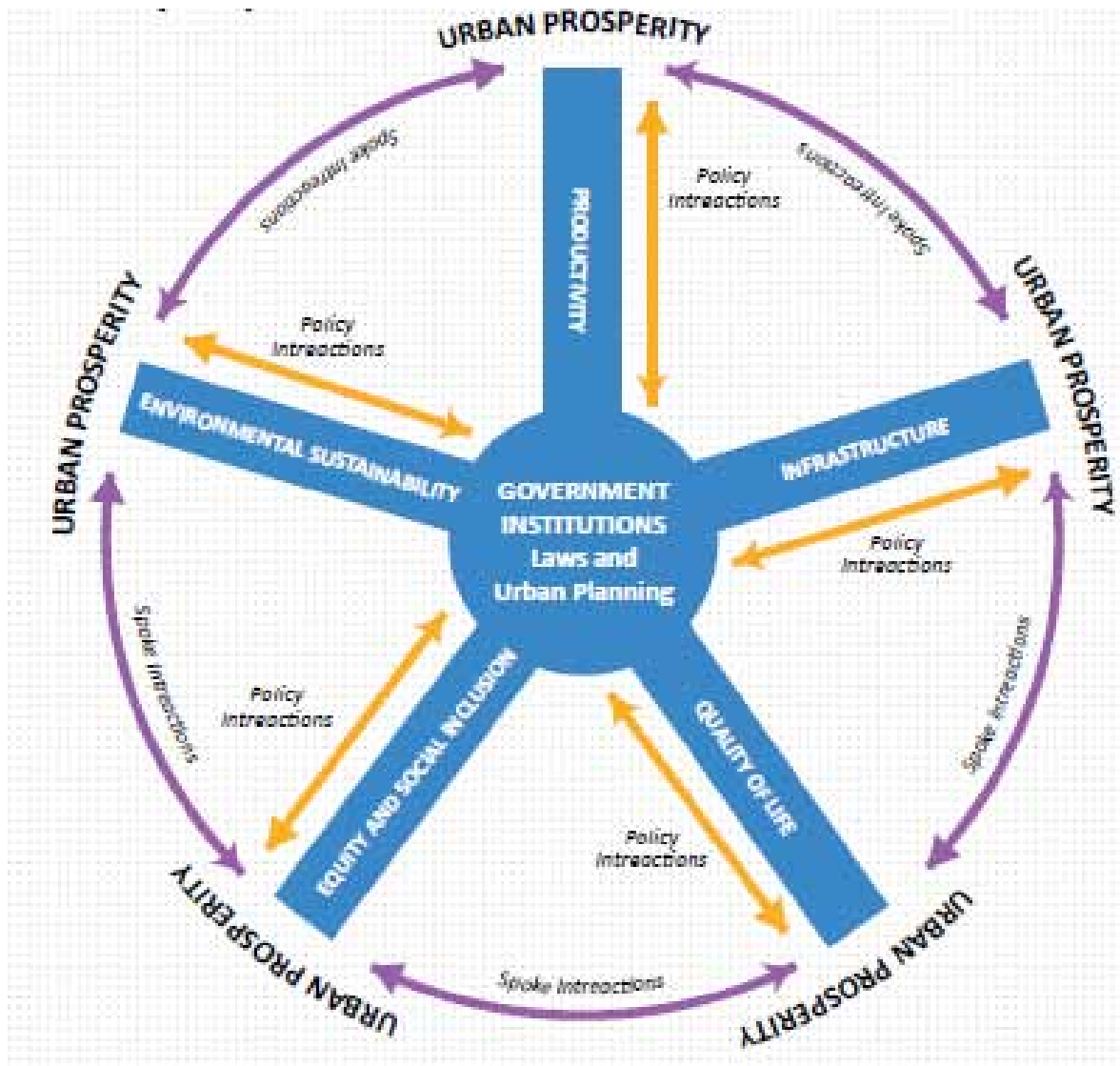
Opportunities, and lessons learned

Opportunities

1. UN-Habitat has influenced and promoted the development of appropriate legal and regulatory frameworks with regard to human settlements, addressing equitable land rights, security of tenure, long-term economic revitalization and local economic development. Building on the lessons learned, the coming years offer opportunities to influence the global agenda on urban resilience.
2. One outcome of the Medellin Collaboration for Urban Resilience (MCUR) is a joint initiative being developed to provide resources to the City Resilience Profiling Programme to act as the Secretariat for all joint programming of the MCUR partners. This is an opportunity to place UN-Habitat at the centre of action within the growing community of practice and, at the global normative scale, to influence the manner in which Member States commit to resilience agendas within the sustainable development frameworks now emerging.
3. Continued and sustained engagement in the IASC Principals’ meetings, IASC Working Group and IASC Emergency Director’s Group provides an important opportunity for UN-Habitat to have significant strategic influence in humanitarian action and recovery.
4. There are considerable in-house resources and expertise, embedded in branches, which could lead to improved communication, and joint task teams at the formal and informal level, which will enable UN-Habitat to field strong and impressive teams wielding effective tools.

Lessons learned

1. One of the major lessons learned during 2014 has been the need to better understand and communicate to humanitarian actors the complexities of the urban environment and the broad range of urban stakeholders. This includes the need to understand urban violence, land use and corruption.



Focus Area 7: Research and capacity development

The strategic result for focus area 7 is: “Key actors at local, national and global levels acquire increased knowledge on sustainable urbanization issues and enhanced capacity for monitoring urban conditions as well as for formulation and implementation of evidence-based policies and programmes”. Its expected accomplishments are (7.1) improved monitoring of urban conditions and trends; (7.2) improved knowledge of sustainable urbanization issues at the local, national and global levels; and (7.3) improved capacity of national and local authorities and partners to formulate and implement informed policies and programmes.

Overall assessment

Progress was made towards achievement of the three expected accomplishments (Table 26). Achievement of six indicator targets is on course to be met by the end of 2015, except for one that is lagging behind. The detailed analysis below reflects the contribution of UN-Habitat and partners to the results achieved. Efforts were made to mainstream cross-cutting issues of gender, youth, climate change and human rights in programme implementation.

With regard to expected accomplishment 7.1, progress was made towards improving monitoring of urban conditions and trends. This is evidenced by the increased number of urban observatories, statistical offices and partner municipalities using UN-Habitat monitoring tools and methods, which rose from 274 in 2013 to 288 in 2014. The number of partner national statistical offices producing urban data and indicators has increased

and is on course to meet the target, having risen from 15 to 19 in 2015. During the biennium, UN-Habitat enhanced the national capacities of urban observatories, statistical offices and partner municipalities to collect and analyse urban indicators in order to monitor urban conditions and trends. The UN-Habitat Global Urban Observatory has become a reference point for local observatories in the world that benefit not only in terms of methodologies, but also through exchanges with other observatories. In 2014, 14 local and national urban observatories (Addis Ababa, Bogota, Guadalajara, Cairo, Riyadh, Lima, Guayaquil, Fortaleza, Hanoi, Tijuana, Quito, Damman, Medellin and Lagos) implemented UN-Habitat's methodologies and tools for data collection and analysis, and supported their Governments in the formulation of more informed policies.

With regard to expected accomplishment 7.2, there were notable improvements in knowledge of sustainable urbanization issues at the local, national and global levels, particularly in monitoring of urban conditions and trends using dedicated platforms and tools such as the City Prosperity Index and related indicators (with spatial dimensions). Since the launch of the City Prosperity Index in the State of the World's Cities Report 2012/2013, 288 cities have requested UN-Habitat support to implement the index. Currently, UN-Habitat is working with 50 partner cities and national governments to produce City Prosperity Indexes to assist decision makers design evidence-based policy interventions. A recent external evaluation⁴ confirmed that UN-habitat's flagship reports are providing evidence-based knowledge on human settlements, urban trends and challenges. The reports have become important tools for awareness-raising and policy advocacy at global, regional, national and city levels, and partner cities and countries are producing reports with support from UN-Habitat and partners. The two indicator targets for this expected accomplishment are on course to being met at the end of 2015.

Progress was made towards achievement of expected accomplishment 7.3, with the capacity of national and local authorities and partners to formulate and implement informed policies and programmes that promote sustainable urbanization notably enhanced. The number of policies and programmes utilizing evidence-based information also increased, for example in Ethiopia and Ghana. The two indicator targets for this expected accomplishment were exceeded in 2014, having risen from 10 to 100 and from 10 to 20, respectively, against targets of 15 for both indicators for 2015. This was achieved through the training and capacity development initiatives that benefited over 100 partner local and national authorities in 2014. UN-Habitat continues to be a source of innovative knowledge in the urban sector and many of the training materials were translated into several languages. Through a wide range of strategic partnerships, several capacity-building initiatives were implemented. To this end, the number of partnerships with universities and knowledge-based institutions of excellence grew from 148 to 162 in 2014. A series of tools and knowledge products that support the creation of know-how, skills and capacities within cities and Habitat Agenda partners were developed.

Table 25: Progress made towards indicator targets for focus area 7 by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



⁴ Evaluation of UN-Habitat's flagship reports: Global Report on Human Settlements and State of the World's Cities Report, by Michael Cohen and Willem van Vliet assisted by Desiree Lavecchia and Tizai Mauto, 2014.

Table 26: Progress on indicators of achievement for focus area 7

Expected accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA 7.1: Improved monitoring of urban conditions and trends	Number of urban observatories using UN-Habitat monitoring tools, methods and data	274	300	288	Green
	Number of partner national statistical offices producing urban data and indicators	15	25	19	Yellow
EA 7.2: Improved knowledge of sustainable urbanization issues at the local, national and global levels	Number of local and national governments that have used UN-Habitat flagship publications and best practice database for policy formulation	LGs: n.a.	LGs: 300	LGs: 200	Green
		NGs: n.a.	NGs: 10	NGs: 10	Green
	Number of partner countries producing national cities reports to enhance local and national policy planning	7	10	9	Green
EA 7.3: Improved capacity of national and local authorities and partners to formulate and implement informed policies and programmes	Number of partner local and national authorities that have improved capacity to formulate informed policies and programmes	10	15	100	Green
	Increase in the number of policies and programmes utilizing evidence-based information	10	15	20	Green

Key: LGs – local governments, NGs – national governments, n.a – not applicable.

Figure 25 present the status of programme implementation or the status of delivery of outputs planned in the biennial work programme and budget for 2014–2015. About 21 per cent were implemented, 36 per cent are in progress, while 41 per cent are not yet started. The progress made in programme delivery in 2014 (figure 26) is 42 per cent completed and 58 per cent in progress. Although a large number of outputs are in progress, the rate of delivery is still lower than it should be. Measures will need to be taken to speed up the delivery rate.

Figure 25: Status of implementation of the work programme 2014–2015

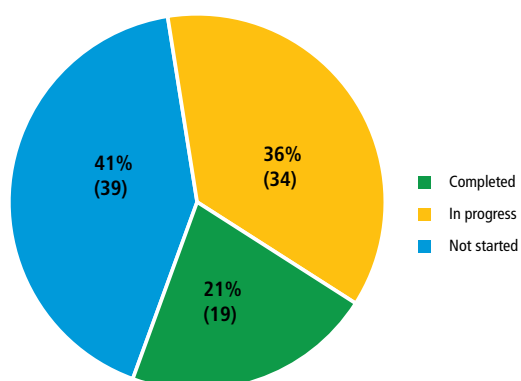


Figure 26: Status of implementation of the work programme in 2014

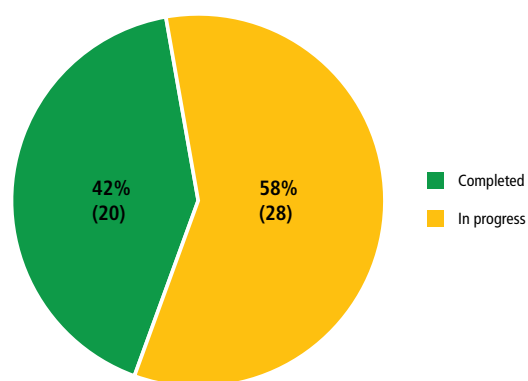
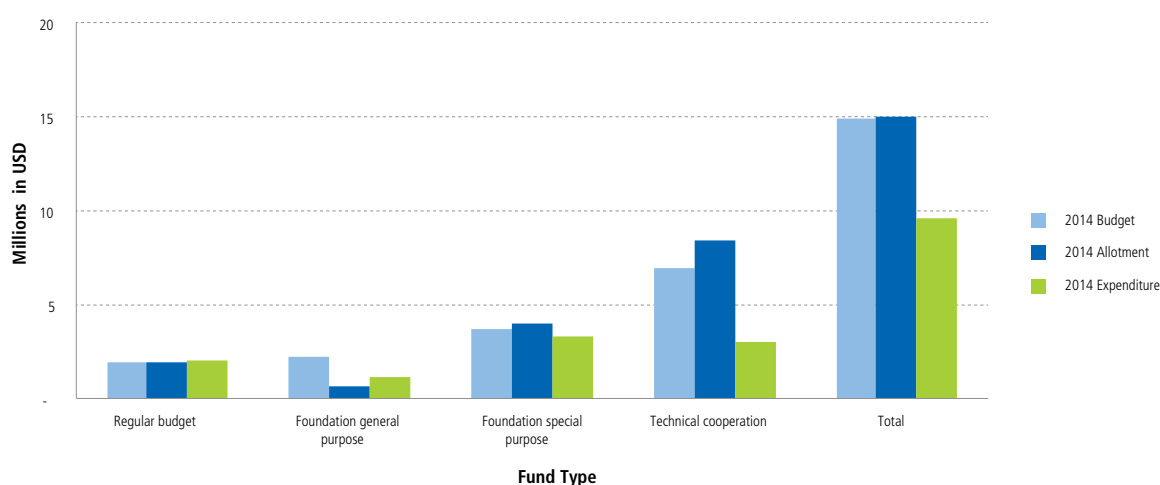


Table 27: Planned budget and expenditure for focus area 7 (USD millions)

Category	2014–2015 budget	2014 budget	2014 allotment	2014 expenditure
Foundation general purpose	4,453.4	2,226.7	667.0	1,117.2
Regular budget	3,875.2	1,937.6	1,907.3	2,068.6
Foundation special purpose	7,435.8	3,717.9	3,991.5	3,328.3
Technical cooperation	13,895.5	6,947.8	8,401.0	3,029.8
Total	29,659.9	14,830.0	14,966.7	9,543.9

Figure 27: Planned budget, allocated resources and expenditure for focus area 7



Financial analysis

Table 27 present the planned budget, allotment and expenditure for 2014. The allotment of USD 15.0 million for 2014 is very much in line with the initial budget of USD 14.8 million. However, utilization relating to research and capacity building activities at the country level was low thus affecting the overall utilization rate at 63.2 per cent. The rate of implementation of the programme of work for 2014 is 42 per cent completed and 58 per cent in progress, is behind the rate of resource utilization of 63.2 per cent.

Expected accomplishment 7.1: Improved monitoring of urban conditions and trends

There was a notable improvement in the monitoring of urban conditions and trends, as evidenced by the number of urban observatories using UN-Habitat monitoring tools, methods and data. These increased from a baseline of 274 in 2013 to 288 by the end of 2014, slightly higher than the average target of 286 for end of 2014. Similarly, the number of partner national statistical offices producing urban data and indicators increased from 15 in 2013 to 19 by the end of 2014. This is slightly below the expected average of 20 for the biennium 2014. This improvement is partly attributed to the relevance of the tools and methodological approaches (monitoring urban conditions and trends) and the effectiveness of capacity-building efforts.

Global achievements

UN-Habitat, in collaboration with strategic partners, developed methodologies that support integration of spatial indicators and new dimensions (street connectivity and urban form). The spatial methodologies have made it possible, for the first time, to integrate spatial analysis with hard socioeconomic indicators, thus strengthening the link between urban development and economic development. These methodologies are being implemented in more than 50 cities in developing countries, including Addis Ababa, Bogota, Guadalajara, Cairo, Riyadh, Lima, Guayaquil, Fortaleza, Hanoi, Tijuana, Quito, Damman, Medellin and Lagos.

Through its advocacy efforts, UN-Habitat is encouraging partners to articulate and integrate spatial information into their data collection mechanisms. The United Nations Department of Economic and Social Affairs (UNDESA) has recognized the importance of this approach and committed to integrating it in the “data revolution” process associated with the sustainable development goals. UN-Habitat together with partners is developing tools and guidelines (for instance, analysis of correlations of City Prosperity Index dimensions and their impact) to facilitate impact evaluations of public policies and policy simulation analysis. These tools have improved mechanisms for dissemination of results and findings of data analysis in urban observatories.

UN-Habitat continues to play a catalytic role in strengthening the capacity of urban observatories. Global partnerships and South-South exchanges have been established that facilitate learning and exchange of information among urban observatories and national statistics offices. Collaborations were organized for city regions with dedicated forums for sharing and learning through capacity-building in GIS, and training in selected indicators and proxy information. For example, UN-Habitat organized peer exchanges between Riyadh Urban Observatory (Saudi Arabia) and local observatories in Brazil and Colombia.

Regional achievements

In 2014, UN-Habitat supported urban observatories in Africa (Egypt, Ethiopia, Nigeria and Tunisia) to update urban indicators and set up new urban observatories. The outcomes have included strengthened connection between data and information on the one hand, and policymaking and decision-making on the other hand, including the use of spatial indicators. Application of these tools has contributed to the creation of a stronger connection between data and information and policy decisions at national and local levels.

Viet Nam and Afghanistan are implementing updated techniques and tools for timely and accurate collection of information to support sustainable urbanization in the Asia-Pacific region. Their capacities were enhanced following training conducted by UN-Habitat and contributed to improved national dialogue on the linkage between data and policy.

To strengthen the knowledge base for promoting the New Urban Agenda in Latin America and the Caribbean, urban observatories are working with several local authorities to implement the recommendations and policy orientations from the “Study of income and consumption inequalities”. The study, which involved participation of 12 urban observatories (Quito, La Paz, Brasília, Rio de Janeiro, Mexico City, Panama City, Medellín, Managua, Guadalajara, El Alto, Lima and Buenos Aires) used UN-Habitat’s methodology and approach to analyse income inequalities at city level using various indicators.

Country achievements

In **Cuba**, the Government acquired resources for the design and building of an urban information system on housing at local level.

In **Brazil**, the local urban observatories established in Rio de Janeiro in 2007 and in Maranhão in 2010 continued in 2014 to monitor the trends in urban conditions in 11 municipalities (Rio de Janeiro) and 4 municipalities (Maranhão). The information generated has strengthened the capacity of local authorities to analyse and use georeferenced data for planning and management of municipalities.

In **Saudi Arabia**, after training on urban observatories facilitated by UN-Habitat, 64 of the participants from the Ministry of Local Governments are using UN-Habitat methodology for data collection and analysis processes, to implement the nationwide Future Saudi Cities programme.

In **Kuwait**, UN-Habitat contributed to strengthening the Central Statistical Office and urban observatories through specialized training on data collection and analysis for monitoring the Millennium Development Goals.

In **Pakistan**, a baseline study for the formulation of an integrated slum improvement policy in Khyber Pakhtunkhwa was completed. The study is part of a number of slum surveys initiated by UN-Habitat working with the provincial governments of Khyber Pakhtunkhwa and the Khyber Pakhtunkhwa. Complementary surveys in the two provinces were used as a baseline for the expected policy on urban refugees from the Ministry of States and Frontier Regions.

In **Afghanistan**, in recognition of the importance of knowledge of the demographic, economic, cultural, physical and environmental dynamics of Afghan cities, the Government, with UN-Habitat support, launched the State of Afghan Cities Programme in November 2014. This programme is critical for planning and decision-making. The lead agencies are the Ministry of Urban Development Affairs, the Independent Directorate of Local Governance/General Directorate of Municipal Affairs and Kabul Municipality, working closely with UN-Habitat. An advisory committee was established in 2014 with membership from the Government, NGOs, civil society and the international community – UN Women, UNEP, United Nations Population Fund (UNFPA), UNDP, World Bank, Asia Development Bank, Government of Australia and UN-Habitat. A key programme outcome will be a “State of Afghan cities 2014–2015 report”.

In **China**, indicator systems for monitoring development trends and progress were developed with technical support from UN-Habitat and its partners. These include an eco-civilization indicator system, for monitoring the eco-city and low carbon development of cities. This system will be piloted by Guiyang city, in partnership with Shanghai Tongji Urban Planning and Design Institute, Asian Habitat Society, Energy Foundation, China Society for Urban Studies, China Academy for Urban Planning and Design and the Guiyang city.

In **Colombia**, the national Government adopted the City Prosperity Index in 23 cities. The information generated is being used to develop the national state of cities report, with specific focus on national urban policies and other local policies focusing on specific cities and regions. The policies have been integrated into the National Development Plan, which reflects an increase in awareness of the role of cities in sustainable development at large.

In **Mexico**, the use of the City Prosperity Index was implemented in four cities (Guadalajara, Zapopan, Corregidora and Ciudad Obregón). UN-Habitat provided technical support to different local and regional governments. Based on the benchmarks and the diagnosis provided through the City Prosperity Index, action plans and policy recommendations were designed for these cities. UN-Habitat signed an agreement with the Government of Mexico to expand the implementation of the initiative to 130 cities in 2014.

In **Ghana**, awareness on sustainable urban development to improve the monitoring of urban conditions and trends in the country was raised. This was done through UN-Habitat’s support, which was provided through organized forums and working closely with the Ministry of Local Government and Rural Development.

In **Kenya**, through the UN-Habitat supported Sustainable Urban Development Sector Project, the country selected to serve as the Secretariat for the Urban Vulnerability Forum. In 2014, the forum launched the “Indicator development for the surveillance of urban emergencies survey report”, which mapped vulnerabilities in the informal settlements of Korogocho and Mukuru (Nairobi) and Nyalenda (Kisumu). UN-Habitat provided tools for mapping vulnerability data to support sustainable urban development in the informal settlements. In **Nigeria**, the Ondo state government concluded plans to implement the Urban Observatory Programme with UN-Habitat support. The programme is providing statistics and information as the basis for developing policies and strategies for sustainable development. UN-Habitat trained officials on how to compute urban indicators from survey and census data and how to use the Urban Indicator Programme guidelines.

Mainstreaming cross-cutting issues

The City Prosperity Index has incorporated specific youth, gender, human rights and climate change indicators in the structure of the index and related indicators. The use of these indicators have contributed to a better understanding of the true condition and trends with regard to disparities in gender, youth and human rights indicators in cities. Metadata and specific processes for the collection of this information were prepared during 2014. The collection of data and information systematically includes the disaggregation of information by age and sex.

Expected accomplishment 7.2: Improved knowledge of sustainable urbanization issues at the local, national and global levels

There was improvement in the level of knowledge of sustainable urbanization issues at the local, national and global levels, as demonstrated by the increase in the number of local and national governments that used flagship publications and best practice databases for policy formulation, reaching 200 local governments and 10 national governments in 2014 (Table 26). This increase is largely attributed to the rapid demand for the City Prosperity Index. The number of partner countries producing national cities reports to enhance local and national policy planning has also increased from seven in 2013 to nine as at the end of 2014.

Global achievements

The international community is increasingly aware of the importance of sustainable urban development. UN-Habitat and partners are creating knowledge through flagship reports, regional and country reports and other knowledge products that show the transformative power of cities and urbanization. The proposed inclusion of a goal on urbanization as part of the sustainable development goals and the post-2015 development agenda is a clear indication of the improved awareness and appreciation of the role of cities in sustainable development.

A growing number of local and national governments and other partners are using findings and recommendations from UN-Habitat's flagship and regional reports as the basis for formulating their national and local policies to promote sustainable urbanization. The most notable change in 2014 was the integration of the City Prosperity Index as a policy assessment and formulation tool, as demonstrated in Colombia, Egypt, Ethiopia, Mexico, Saudi Arabia and Viet Nam. These methods are now implemented in more than 50 cities in the developing world, integrating, for the first time, spatial analysis and hard socioeconomic indicators. This change implies that for the first time cities are creating baseline data, proposing targets and monitoring progress of their conditions – extremely useful activities for the formulation of policies, strategies and specific plans. The connection of data, information and policies reverses years of practice in which policies were not substantiated by any evidence.

Based on the experience and lessons from the City Prosperity Index pilot phase, UN-Habitat and its partners have refined the methodology, integrating spatial indicators such as street connectivity, new dimensions of prosperity, and sustainable urban development pillars such as governance. Special software and tools have also been designed for street connectivity and urban form. UN-Habitat is currently supporting implementing countries in a wide range of technical advisory roles, from data collection to policy analysis and formulation.

The City Prosperity Index components, particularly spatial indicators and management dimensions that are strongly linked to the New Urban Agenda, are providing a clear technical and knowledge niche for the organization, elevating its status as a global normative organization.

UN-Habitat continues to strengthen partnerships with strategic institutions that are instrumental in the generation of knowledge products and their application to monitoring urban conditions and supporting policy formulation at local, national and global levels. In addition to the close partnerships with national and local governments and development banks for the implementation of the City Prosperity Index, UN-Habitat has expanded its technical-level partnerships. These include private companies (gvSIG, Ericsson, Telmex) and universities (Universidad EAFIT in Medellin, New York University Stern Urbanization Project). Partnerships with local universities and other knowledge based institutions have contributed to the production of state of cities and other reports, including “The future of Saudi cities”, “Monitoring post 2015 sustainable development agenda targets: sustainable urbanization in focus”, “The role of urban observatories”, and the “State of Egyptian cities report”, based on the new techniques and methods of analyses. Through partnership between UN-Habitat and the Joint United Nations Programme on HIV/AIDS (UNAIDS) a report “HIV in cities” has been produced using data and information from the urban observatories and national statistics offices. This is the first report on HIV/AIDS with disaggregated information at city level.

Disaggregated city-level information to fast-track HIV/AIDS responses

"Ending the AIDS epidemic is achievable if the world's major cities act immediately and decisively to fast-track their AIDS responses by 2020," said Michel Sidibé, Executive Director of UNAIDS during the launch of the "HIV in cities" report in 2014 in Paris.

The report by UN-Habitat and UNAIDS shows the potential to fast-track HIV/AIDS responses in cities. The report is based on data and information produced by UN-Habitat and partners, mainly urban observatories and national statistical offices. This report presented for the first time disaggregated information at city level. At the launch, 40 mayors from around the world (Europe, Latin America and the Caribbean, Asia and Africa) committed to implement the policy recommendations emanating from the report and signed a declaration to this purpose.

Mayors recognize that new data and evidence disaggregated at city level are needed to increase knowledge of the trend of HIV/AIDS within countries and cities. This local approach is a first and necessary step to focus responses in cities and geographical areas that are disproportionately affected by HIV/AIDS. The mayors underscored the role of the approach in becoming more effective in the policies and strategies that are devised to combat HIV/AIDS, arguing that it will help cities know where they are making a difference and where they can increase their efforts and efficiency.

The success of this story lies in the fact that the international community has taken more than 30 years – since the disease appeared – to understand the pivotal role that cities can play in the future of the AIDS response. The Declaration of Paris supporting the report findings confirms that "the future of AIDS will be fought in urban areas" using robust locally collected information. Without data disaggregated at city level it is extremely difficult to understand the dynamics of the disease, which shows a high level of concentration in a few areas and cities.

Regional achievements

Knowledge on sustainable urbanization was enhanced, with an increase in the number of regional reports published. In 2014, the Regional State of the Cities Reports Project delivered a number of results. A third regional report on Africa – "The State of African Cities 2014: re-imagining sustainable urban transitions" – was published in English and French in February 2014. The report was prepared in close partnership with United Cities and Local Governments of Africa and ICLEI-Local Governments for Sustainability. (In response to the BASF Evaluation Report (2014) to cut down on the cost of producing hard copies a total of 20,590 electronic copies were downloaded; 16,350 in English and 4,240 in French in 2014. The African Development Bank provided funding towards preparation of "The State of African Cities 2016: financial flows for urban development". "The State of Asia and Pacific Cities 2015: from quality to quantity" is currently being prepared in partnership with UNESCAP and will be launched in May 2015 at the Asia-Pacific Urban Forum.

The urban chapter of the "Arab sustainable development report", developed by the United Nations Economic and Social Commission for Western Asia and prepared by UN-Habitat, represents a regional milestone document for the benchmarking of the post-2015 agenda in the Arab region. The outcome document will improve awareness on the development challenges in the region, including sustainable urbanization challenges.

In Asia and the Pacific, UN-Habitat contributed towards enhancement of knowledge on urban development among academia, policymakers and researchers for influencing policy formulation by Governments. In addition to institutional capacity-building and technical support to practitioners, UN-Habitat continues to enhance the urban knowledge base and networks through knowledge sharing forums, workshops and high level events involving academia, researchers and practitioners. At the fifth Asia Pacific Ministerial Conference on Housing and Urban Development, held in Seoul (Republic of Korea) in 2014, the preliminary results of the report "State of Asia Pacific Cities 2015: from quantity to quality" were presented. Other important awareness-raising workshops included the international workshop on the Owner-Driven Housing Programme in Sri Lanka; the international workshop on the Incremental Housing Programme in Colombo, Sri Lanka; the policy workshop for Afghan urban refugees; and expert group meetings focusing on Habitat III.

In Latin America and the Caribbean, UN-Habitat and CAF presented a study on “Construction of more equitable cities: public policies for inclusion in Latin America”, examining, for the first time, income and consumption inequalities in a large sample of cities (nearly 300) over a period of 20 years (1990–2010). After comparing inequality trends, the study analyses the factors that have created and reproduced them. The study concludes with policy recommendations that local authorities and other tiers of government can implement to achieve more equitable cities. UN-Habitat presented the findings of the study to the European Union and agreed to work with the Euro-Latin American Parliamentary Assembly and Latin American parliamentarians to update and expand the study to assess the possibilities of implementation of the recommendations.

Country achievements

UN-Habitat’s efforts to promote the use of the City Prosperity Index in various countries using sound and simple methods has seen the tool adopted or scaled up by local and national governments.

In **Colombia**, with technical support from UN-Habitat, the national Government adopted the City Prosperity Index in 23 cities. The information generated was used to produce the national state of cities report, with more local policies focusing on specific cities and regions.

In **Saudi Arabia**, the Government is implementing the City Prosperity Index in 17 cities as part of the country’s strategy to generate information needed for the promotion of more productive cities and the creation of more harmonious urban development and shared prosperity.

In **Viet Nam**, UN-Habitat has since 2013 strengthened the urban observatory and statistical, evidence-based development planning and policies. The City Prosperity Index initiative introduced in 2014 is promoting the urban monitoring system and helping to evaluate policy implementation and support an evidence-based policymaking process at city and national scale. Three cities (Hanoi, Ho Chi Minh City and Da Nang) have committed to implementing the City Prosperity Index.

In **Brazil**, using a set of indicators based on the Millennium Development Goals, UN-Habitat in partnership with the Fluminense Federal University in Rio de Janeiro is supporting 11 municipalities to monitor the impact of the implementation of the Rio de Janeiro Petrochemical Complex. In partnership with the Federal University of Maranhão, the monitoring methodology has been replicated in four municipalities impacted by the Premium I refinery. National and international events have been used to disseminate knowledge, fostering dialogue on sustainable urban development in accelerated growth territories.

In **Kuwait**, UN-Habitat, jointly with the Arab Urban Development Institute, organized a regional workshop entitled “Monitoring post-2015 sustainable development agenda targets: sustainable urbanization in focus – the role of urban observatories” in May 2014. The workshop shared facts, lessons and policies on the implementation of the Millennium Development Goal targets among the participants, who included regional urban stakeholders, and discussed the monitoring of the post-2015 development agenda. It also covered key indices developed by the Global Urban Observatory, such as UN-Habitat’s City Prosperity Index and the Composite Street Connectivity Index. It also discussed the importance of developing capacity for data collection and analysis on urban issues at national and regional levels.

In **Egypt**, the first draft of the “State of Egyptian cities report” was developed, based on new techniques and methods of analysis using the City Prosperity Index. In addition, monitoring tools and a policy framework that present a prospective analysis of Egypt’s urban future, assessing different development scenarios, is being developed to provide opportunities for shared prosperity and sustainable urban development.

Expected accomplishment 7.3: Improved capacity of national and local authorities and partners to formulate and implement informed policies and programmes

There has been improvement in the capacity of national and local authorities and partners to formulate informed urban policies and programmes as evidenced by increase in the number of partner local and national authorities and partners from 10 in 2013 to 100 as of end of 2014, exceeding the target of 20 for the biennium. There has also been an increase in the number of policies and programmes using comprehensive disag-

gregated data in support of urban agenda from 10 in 2013 to 20 as of end of 2014, exceeding the average of 13 for the biennium 2014-2015.

Global achievements

Through UN-Habitat's capacity development and strengthening initiatives, a growing number of national and local authorities have improved capacity to formulate and implement informed policies and programmes promoting sustainable urbanization. Through strategic partnerships, a wide range of capacity-building initiatives were implemented at institutional and individual levels and contributed to increased understanding of the challenges of sustainable urbanization and the tools and know-how required to effectively address these challenges. In 2014, UN-Habitat paid special attention to building the capacities of national and local governments that are participating in the implementation of the City Prosperity Index.

To improve monitoring and the value and utility of the information generated, UN-Habitat is building the capacity of various observatories. Over 1,600 participants, mainly UN-Habitat partners (local government officials, members of civil society, institutions and the private sector) received training during the seventh session of the World Urban Forum in Medellin, Colombia. The training was on the latest innovative tools, methodologies, instruments and packages of knowledge to support sustainable urban development. It covered the theme of the World Urban Forum – “Urban equity in development: cities for life” – and provided opportunities for addressing increasing inequalities. The capacity of partners to implement evidence-based policies was enhanced.

The year 2014 marked the end of the United Nations Development Account (UNDA) project “Enhancing the contribution of local authorities and their partners towards achieving the Millennium Development Goals through capacity-building of local government training institutes”. A total of 132 participants from local governments and learning institutions representing 53 countries received training. Several participants reported using UN-Habitat tools, including the “Training for better cities” report as online resource material; the “Training needs assessment and training outcome evaluation manual” to support training design; and the “Capacity self-assessment methodology” for training institutions to review their capabilities and business models and thus become more efficient.

Collaboration with universities is part of the strategy to bring knowledge, research and practice closer to UN-Habitat programming and implementation, as well as to city and national governments. With the long-term goal of creating a new generation of urban practitioners, the Habitat University Network Initiative (UNI), a partnership between UN-Habitat and academia, is steadily engaging with universities and knowledge-based institutions. In 2014 the number of urban practitioner partnerships increased from 1,336 individual partners in 2013 to 1,473 by the end of 2014, and from 148 to 162 institutional members (universities). UNI has increased open access to higher education lectures on sustainable urbanization, including the Global Urban Lecture Series, a popular hit on UN-Habitat's website (about 3,000 hits in less than a month). UN-Habitat partners have acknowledged the importance of university-city cooperation, engagement of universities with communities and the need for facilitating knowledge and research reaching urban decision-makers (as evidenced during the round Tables of universities and researchers at the seventh session of the World Urban Forum). The round Tables gathered more than 400 participants.

In cooperation with the Institute of Housing and Urban Development Studies in the Netherlands, UN-Habitat organized a module on city-wide slum upgrading programmes for a group of practitioners from Asia, Africa and Latin America, focusing on the land and housing dimensions of sustainable urbanization. Thirty participants from 15 countries attended the training. The fourth annual Shelter Academy, on “Adapting and mitigating climate change: options for cities”, held in the Netherlands, targeting high-level officials from all regions, promoted knowledge on the topic of cities and climate change. It also fostered meaningful dialogue on how cities are responding to these challenges. In addition, climate change was discussed during the Asia-Pacific and Arab State workshops under the UNDA.

Regional achievements

The capacity of several regional institutions and individuals was strengthened through training by UN-Habitat and partners. Eight volumes of quick guides are being finalized for training policymakers on housing the poor in Africa. These easy-to-read publications will enable African training institutions to develop curricula and train urban specialists and policymakers on pro-poor housing issues in their countries. The capacity of the nine target institutions was strengthened following a training of trainers' workshop, supported by UN-Habitat, to roll out training in their countries and cities.

UN-Habitat, in partnership with Gangwon province and the International Urban Training Centre, held six international courses on housing policy and land use, solid waste management, urban economy - local economic activation and green eco-city, land readjustment. This training improved the capacity of over 100 municipal officials and urban professionals from the Asia-Pacific region for evidence-based policy formulation on sustainable urbanization. UN-Habitat's partner institution, the International Urban Training Centre, held training events in Viet Nam and the Philippines, as follow-up to the workshops held in Republic of Korea.

Through a training programme on land markets and informal settlement regularization, the knowledge and skills of 31 officials from municipal and local governments in Latin America and the Caribbean, including mayors, deputy mayors, heads of departments and senior managers, has been improved. This was achieved through the collaborative efforts of Valle University of Cali (Colombia), the Lincoln Institute of Land Policy (United States) and UN-Habitat.

Country achievements

UN-Habitat made a significant contribution towards strengthening the capacities of national and local governments on the application of the City Prosperity Index, as evidenced by the progress made in implementation at country level and city levels.

In **Saudi Arabia**, UN-Habitat is undertaking a national training needs assessment for four priority cities (Damman, Riyadh, Abha and Berydah) and supporting consultation among senior officials, mayors, deputy mayors and technical cadres to identify individual-related and institution-related performance gaps that obviate the effectiveness of policies and programmes at the local level. This is contributing to informed decision making about contemporary urban planning and management tools.

In **Ghana**, the capacities of selected national and local authorities in utilizing evidence-based information, including in national urban policies and national slum upgrading strategies, have improved. UN-Habitat is supporting Accra Metropolitan Assembly, Sekondi Takoradi Metropolitan Assembly and the Ministry of Local Government and Rural Development in the urban policy process, including effective implementation of the policy.

In **Ethiopia**, with UN-Habitat support, the Government commenced development of a Resilience, Green Growth and Governance Index for performance monitoring and evaluation to be applied all the way from local identification of priorities through developing action plans to determining results. The index framework will contribute to capacity development in results-based policy management and support evaluation of urban development.

In **Colombia**, the Government consolidated its National Urban Policy, as well as a municipality good practice exchange in an international network frame (safer cities, resilient cities, metropolitan integration), and supported the Asoareas and Asocapitales. UN-Habitat, as the technical secretariat to Asoareas, supported international exchanges of metropolitan and regional integration best practices among Brazil, Canada, France and Spain.

In **Argentina**, under Habitat UNI, the Gender Hub was launched in January 2014. The hub, hosted by the National University of Córdoba, is providing evidence and academic research to advance the integration of diverse social actors and gender issues in urban governance models. The Gender Hub is also disseminating knowledge on processes and tools to deliver sustainable urban development with a gender perspective in the framework of current critical global trends.

In **Papua New Guinea**, the capacity of the Association of Physical Planners was enhanced following a short course on urban planning and GIS, conducted by UN-Habitat in collaboration with the University of Papua New Guinea, in November 2014.

Opportunities, challenges and lessons learned

Opportunities

1. The Global Sample of Cities created by UN-Habitat helps the agency to monitor changes, trends and conditions of urbanization in the world's cities, providing the organization with the opportunity to be at the forefront of knowledge in the themes related to the New Urban Agenda (such as measurements of city extension, density and compactness). This knowledge will help UN-Habitat to connect empirical information and data with policymaking.
2. The City Prosperity Index, particularly its spatial indicators and other variables that are strongly linked to the New Urban Agenda, provides a clear technical and knowledge niche for UN-Habitat, and contributes to raising its visibility as a global normative organization.

Challenges

1. Creating a structure and operational conditions that can enable the agency to respond to the growing demand for the City Prosperity Index from countries and cities is a challenge. UN-Habitat is trying to decentralize some of the functions and create external support technical teams.
2. Spatial indicators such as street connectivity, public space and urban sprawl pose some methodological challenges in regard to metrics and measurements of the agglomeration areas and city borders.

Lessons learned

1. Through strategic partnership, UN-Habitat is advancing urban knowledge and developing sound techniques for global monitoring.

4.0 Cross-cutting issues of gender, youth, climate change and human rights

There has been a notable improvement in the mainstreaming of the four cross-cutting issues that comprise gender, youth, climate change and human rights. Mainstreaming of these issues has been institutionalized through the work of programme advisory groups that review all programmes and projects in UN-Habitat, ensuring that core values are integrated at all stages in the programme management cycle. Focal points of cross cutting issues support partners and the organization in ensuring that these issues are consistently integrated. Tools and capacity building are provided to strengthen mainstreaming of cross cutting issues in the respective thematic areas.

Gender

Strengthening capacity for mainstreaming gender equality and women's empowerment

Guided by Governing Council resolution 24/4, which calls for UN-Habitat and its partners to support gender equality and women's empowerment to contribute to sustainable urban development, the agency is mainstreaming gender in the implementation of the new Strategic Plan 2014–2019. The Policy and Plan for Gender Equality and the Empowerment of Women in Urban Development and Human Settlements, adopted in November 2013, has guided UN-Habitat's work in 2014. The policy has influenced UN-Habitat's engagement with national and city authorities and with implementing partners, drawing from the knowledge, skills and experience of both men and women. It ensures that UN-Habitat complies with the mandatory United Nations System-Wide Action Plan on Gender Equality and the Empowerment of Women by 2017.

UN-Habitat has made progress towards strengthening internal capacity for mainstreaming gender issues in its work. The Gender Equality Action Plan was developed in 2014 to support staff and implementing partners in their efforts to mainstream gender equality issues into programme work, and the work of Member States. In addition, the gender marker is being developed, which will assist UN-Habitat track the portion of funds devoted to enhancing gender equality as an indicator for progress in gender equality and women's empowerment. Three gender tools were developed in 2014 to support gender mainstreaming in thematic areas of work: the "Issues guide on urban research and capacity development"; the "Issues guide on risk reduction and rehabilitation"; and the World Urban Campaign gender toolkit. For ease of access and application, the tools have been consolidated into one database.

The UN-Habitat Advisory Group on Gender Issues (AGGI) advises the UN-Habitat Executive Director on all issues related to gender mainstreaming in UN-Habitat work and provides strategic guidance and policy advice on the development, implementation and assessment of the agency's strategic plans, including its gender equality action plans. AGGI played an important role in promoting sustainable urban development and gender issues during the seventh session of the World Urban Forum. AGGI members actively participated in the process that highlighted the importance of having both men and women included in all areas of sustainable urban development, as reflected in the outcome document, and ensured the incorporation of gender equality and women's empowerment perspectives in the Medellin Declaration of 2014. Some AGGI members left or retired before the end of their term, and the nomination of members to replace them is in progress.

In **Kenya**, awareness on the importance of the inclusion of gender equality perspectives in the county implementation development plans was enhanced by capacity training for the nine women governors and 47 women's representatives and other women in county leadership, which was held in 2014 in Maanzoni, Kenya. The training provided women with the opportunity to clarify their roles in the counties and with the skills to engage in meaningful development activities in their areas. It also helped the women in leadership to strengthen links between women's networks in Kenya and expand their membership so they are truly representative of all women and provide a forum to express and exchange views, formulate policy statements and act as a conduit to government, both national and local.

In **Zimbabwe**, under the “Strengthening citizenship participation in urban local governance” programme, gender budgeting skills were mainstreamed into the councils. To better address gender issues, the service charter of the city of Gweru has integrated participatory budgeting process in its activities. Consequently, inclusive workshops have been held, led by UN-Habitat, attracting a range of socioeconomic groups, including traders, residents’ associations, women and youth groups, the business community and service providers.

In **Sri Lanka**, UN-Habitat’s post-disaster recovery and reconstruction projects have focused on gender mainstreaming and empowerment of both men and women, in terms of access to economic opportunities, supporting vocational and leadership training and access to credit facilities. Improved representation of women in decision-making positions has been reported by various programmes, including in village reconstruction committees (BASF evaluation report, 2014).

Advocacy, research and capacity-building for gender mainstreaming

Gender equality and women’s empowerment in sustainable urban development were promoted through engagement in various international advocacy platforms in 2014, including the fifty-eighth session of the Commission on the Status of Women, the seventh session of the World Urban Forum (where the issue of gender in the context of the New Urban Agenda was discussed during the gender equality assembly and the gender and women’s round table) and the ECOSOC integration segment on urbanization.

UN-Habitat has contributed towards improved understanding of gender and the right to housing issues necessary for successful implementation of the Global Housing Strategy. The publication “Women and housing towards inclusive cities” explored the terrain of diverse women’s unrealized rights to adequate housing and the consequent negative implications for sustainable urbanization. The UN-Habitat Gender Hub was launched in January 2014 in Madrid, as part of a UN-Habitat partners’ initiative. The event was co-funded by UN-Habitat and the Programme for European Cooperation in Science and Technology. The Gender Hub is intended to promote centres of excellence in the field of gender equality, including through development of gender policies, tools and frameworks, and research on trends in the area of gender. Throughout the year different indicators and strategies were developed for mainstreaming gender into the agency’s activities.

Youth

UN-Habitat’s work on urban youth is one of the cross-cutting issues mainstreamed in the seven thematic areas of the Strategic Plan for 2014–2019. This is in recognition of the fact that although youths are integral to the prosperity of cities in the developing world, many barriers prevent them from fulfilling this role, most notably underemployment and unemployment, exclusion from decision-making and governance, lack of access to basic services and living in informal settlements. In partnership with other United Nations agencies, the private sector, international organizations, national and local governments, youth civil society and research institutions, UN-Habitat has developed innovative programmes and policies that address issues affecting urban youths. The programmes involve testing models and tools. Some of the established programmes include the Urban Youth Fund and the One Stop Youth Centre Model. Partnerships, research and advocacy continue to play an important role in promoting and mobilizing support for the urban youth agenda at all levels.

Advocacy, engagement and inclusion of youth

UN-Habitat maintained its advocacy efforts in promoting the urban youth agenda through international platforms and initiatives. By engaging with the Youth Advisory Board, UN-Habitat has strengthened the role of youths in urban governance processes and in UN-Habitat programmes and projects. At the seventh session of the World Urban Forum, the board organized the World Urban Youth Assembly, an advocacy platform and sessions on Habitat III and youth inclusion, resulting in a draft report on the role of youths in the New Urban Agenda. It also contributed to the drafting of the Medellin Declaration, ensuring youth issues were included.

UN-Habitat continues to play an active role in advocating and promoting the integration of youth and urbanization issues into the United Nations system. These include supporting the implementation of the Inter-Agency Network on Youth Development and the System-Wide Action Plan on Youth, and engagement in the work of the Executive Group of the Inter-Agency Network on Youth Development. Within the System-Wide Action Plan on Youth, UN-Habitat and UNDP have jointly coordinated the thematic area of civic engagement, political inclusion and participation, and youth rights. Building on evidence-based knowledge products, including innovations and practices from youth flagship programmes, UN-Habitat has contributed to the preparation of the first joint qualitative System-Wide Action Plan on Youth during 2014. UN-Habitat further supported the revision of the SWAP framework to mainstream the monitoring framework at global, regional and national levels.

In partnership with the Government of Sri Lanka and the United Nations Secretary-General's Envoy on Youth, UN-Habitat has supported delivery of the World Conference on Youth, held in Sri Lanka in May 2014. A key outcome of the conference was the Colombo Declaration: "Mainstreaming youth in the post-2015 development agenda", which supports deliberations on youth in the post-2015 development agenda and Habitat III processes. The Colombo Declaration calls for participation of youths within the United Nations and at all levels of governance. UN-Habitat contributed to the lobbying for the integration of the issues of climate change, resilience and urbanization, resulting in the development of a framework on youth and resilience.

Another major advocacy milestone on the youth achieved in 2014 was the adoption of the General Assembly resolution on establishing a *World Youth Skills Day* on July 15th, sponsored by the Government of Sri Lanka. This resolution was a follow-up from the World Conference on Youth. UN-Habitat supported the Government of Sri Lanka in drafting the resolution.

To enhance the sustainability of funded activities of youth groups, UN-Habitat introduced a mentorship programme using e-learning in collaboration with the private sector (Samsung and BASF). There are 11 active mentors, using professional networks to raise awareness of UN-Habitat work on urban youth issues, including through the Urban Youth Fund. For example, one of the youth fund mentors, Alexia Parks, who was recognized as "one of the 50 people who matter most on the Internet" by Newsweek magazine, wrote articles about the Urban Youth Fund in her online blogs and in the Huffington Post.

"In my role as a United Nation's global virtual mentor for the UN-Habitat Youth Fund, I now spend Monday mornings with Rehmah via Skype in Uganda. My assignments over the next 3-5 years will take me around the world. In a sense, this is technology transfer in action. It is a two-way transfer of ideas, images, and connections, as we both learn from each other".

Youth mainstreaming through research and knowledge generation

The knowledge base on youth and urban land issues is growing through UN-Habitat's normative work with partners. An "Issues guide on youth and land" for policymakers and practitioners has been developed through a youth-led action research project in Brazil, Kenya, Nepal, Yemen and Zimbabwe. Through mainstreaming of UN-Habitat's work in the GLTN, five best practices on youth and land issues have been used to refine and expand the research and policy aspects.

The youth responsiveness criteria land tool has been developed and tested by 20 youth champions in the cities of São Paulo (Brazil), Kathmandu (Nepal), Sana'a (Yemen), Nairobi (Kenya) and Harare (Zimbabwe). This tool enables policymakers and practitioners in the land sector to address issues of young people, including access to land and tenure security. The tool is being implemented by UN-Habitat in partnership with Habitat for Humanity International, ActionAid, Slum Dwellers International, International Fund for Agricultural Development (IFAD), FAO, International Federation of Surveyors, Norwegian University of Live Sciences and University of East London.

In **Nepal**, the youth-led Team for Nature and Wildlife undertook research in 2014 to determine the impact of existing land policies on youth participation in agriculture. The findings are being rolled out through the National Youth Campaign for Land, aimed at ensuring youths' access to land for commercial agriculture and agro-entrepreneurship in Nepal's towns and cities. These initiatives are part of UN-Habitat's Youth and Land programme in Kathmandu.

In Riyadh and Buraydah in the **Kingdom of Saudi Arabia**, youth has been mainstreamed into the national initiative that is promoting the new urban agenda under the Future Saudi Cities Programme receiving technical support from UN-Habitat. The component addresses the growing population of young women and men in cities and will be expanded into an additional 15 cities by 2016.

UN-Habitat continues to advocate youth engagement in governance at various levels by supporting the increased capacity of cities, Member States and United Nations agencies to develop policies and programmes that are supportive of improved livelihoods and opportunities. Within the United Nations system, this is being achieved through UN-Habitat work with the Inter-Agency Network on Youth Development, of which several United Nations agencies are partners, including UNDP, UNFPA, UNICEF and ILO.

UN-Habitat has enhanced the capacity of cities to develop policies and programmes that are supportive of improved youth livelihoods and opportunities, encompassing a range of activities, such as research into the linkages between youth, ICT and governance, as reflected in the "Global youth-led development series report 4". The ICT and Local Government Youth Marketplace programme on youth innovation in ICT for local governments was launched in 2014.

A High-Level Task Force on Youth 21, drawn from the Governments of Brazil, Nigeria, Somalia, South Africa and Sri Lanka, was launched during the Asker Conference on Youth and Governance, in 2014. UN-Habitat co-hosted the conference in partnership with the Norwegian Children and Youth Council and the municipality of Asker, Norway. The conference had as one of its keynote speakers the Crown Prince of Norway. Other speakers included the Norwegian State secretaries from the Ministry of Foreign Affairs and the Prime Minister's Office, and ministers from Brazil, Nigeria, Somalia and South Africa.

A policy report on "The right to participate" was launched through the Oslo Youth and Governance Programme, which is a joint venture of UN-Habitat and The Norwegian Youth Council. It presents a model for youth engagement based on theory and solid experience on the ground. Similarly, the Youth and Governance programme, in partnership with the Local Governance Unit and supported by Samsung, has developed the Youth Marketplace programme, which focuses on the development of applications for youth engagement.

Youth in post-conflict activities

UN-Habitat is responding to the request from post-conflict States by developing policies and programmes that support youth livelihoods in a post-conflict context. The agency in 2014 continued to work with the governments of Afghanistan, Somalia and Yemen to develop youth programmes and policies that improve the livelihoods of youths. In Sana'a (Yemen), the "Connecting Yemeni youths with state and endowment lands" project has contributed to the development of a national strategy for connecting youths with state and endowment lands. The final draft of the strategy was adopted in Taiz, Yemen, in late 2014, with UN-Habitat support.

In **Somalia**, awareness of the critical situation of youths has been raised through collaborative engagement with the Government, UN-Habitat and the United Nations Secretary-General's Envoy on Youth. Currently, UN-Habitat and the Government of Somalia, other United Nations agencies and the city of Mogadishu are developing a National Youth Policy, and the youth programmes of the New Deal for Somalia.

Climate change

Climate change occupies a dual position in UN-Habitat's Strategic Plan 2014–2019. On the one hand climate change is embedded in the programmatic structure with a planned expected accomplishment: "Improved policies, plans and strategies that contribute to the mitigation of and adaptation to climate change adopted by partner city, regional and national authorities". On the other hand, climate change is one of four cross-cutting issues being mainstreamed in all thematic areas through cross-programme linkages.

Global achievements

As reported under focus area 2, "cities" was a major theme of the September 2014 Climate Summit, and at the beginning of the year the United Nations Secretary-General appointed the UN-Habitat Executive Director to lead the "cities" work stream leading up to that summit. Preparations for the Climate Summit provided an excellent opportunity for cross-programme work and mainstreaming climate change as three thematic branches worked to develop the multipartner "city" initiatives that were launched at the summit. The Climate Summit also provided an opportunity for UN-Habitat to mobilize strategic partnerships for global-level action on cities and climate on the following initiatives:

1. Compact of Mayors Initiative – Urban Planning and Design Branch
2. Cities Climate Finance Leadership Alliance – Urban Planning and Design Branch
3. Urban Electric Mobility Initiative – Urban Basic Services Branch
4. Resilient Cities Acceleration Initiative – Risk Reduction and Rehabilitation Branch

UN-Habitat has also increasingly engaged in processes of the United Nations Framework Convention on Climate Change, with a cross-agency approach when appropriate. UN-Habitat participated in and provided support to the expert meeting of the Least Developed Countries' Expert Group in Dar es Salaam, on how member states can effectively engage with local authorities in the process of developing their National Adaptation Plans. The Agency also reported to the UNFCCC Secretariat in Bonn on progress in meeting city oriented objectives.

The Cities and Climate Change Initiative (CCCI) remains the driving force for work on climate change in the urban environment while its technical support team offers a key platform for intra-agency coordination. Building on UN-Habitat's experience in sustainable urbanization, CCCI has been instrumental in assisting partner cities to implement pro-poor and innovative climate change policies and strategies aimed at making cities more resilient to the impacts of climate change. Through the CCCI, normative tools have been developed to support city leaders and practitioners addressing the impact of climate change (adaptation) and reduction of greenhouse gas emissions (mitigation). Five of the seven substantive branches of UN-Habitat have actively implemented portions of this Initiative.

In 2014, UN-Habitat achieved a global-level impact in terms of enhancing knowledge via inputs to the Fifth Assessment Report of the IPCC with the urban adaptation chapter containing more than 40 citations of UN-Habitat publications or articles recently authored by UN-Habitat staff. In addition, the capacity of over 30 academic institutions from Africa and Latin America on the issue of climate change in urban areas was strengthened with tools partly developed under the CCCI.

Regional achievements

Through the Regional Knowledge Platform on Climate Change and Cities in Asia and the Pacific, UN-Habitat continues to support advocacy and capacity-building efforts through the CCCI. A dialogue on "climate change diplomacy and urban resilience" has been launched by 23 professionals from six Asian countries in collaboration with Konrad-Adenauer-Stiftung and the European Union. This was a result of the training on a simulation game on land-use plan preparation and a set of advocacy and training tools on pro-poor urban climate resilience for planners conducted by UN-Habitat, UNDP, United Nations Global Pulse and USAID.

At local level, the CCCI is strengthening the capacity of cities in the Asia-Pacific region to integrate climate change mitigation and adaptation strategies into urban development, aimed at making the cities more resilient. Partner cities in Fiji, Indonesia, Pakistan, Papua New Guinea, the Philippines, the Solomon Islands and Viet Nam have completed vulnerability and adaptation assessments, with UN-Habitat support through the CCCI. Similarly, Kathmandu valley and the capital cities of the Solomon Islands and Vanuatu have developed climate action plans.

New regulations to ensure sustainable and productive management of greenways, have been developed and households trained in rooftop gardening. This is an outcome of the flagship cooperation of CCCI with the Stichting International Network of Resource Centres on Urban Agriculture and Food Security (RUAF Foundation) in Bobo Dioulasso (Burkina Faso), Kathmandu (Nepal) and Kesbewa (Sri Lanka). This is an initiative of UN-Habitat in partnership with national actors and the Government of Norway aimed at building the resilience of cities through food for security, income generation and job creation. In addition, the project is enhancing collaboration with local governments and stakeholders in the horticulture, livestock, agroforestry and aquaculture sectors.

In **Nepal**, the Kathmandu city authority has drafted a Rooftop Gardening Policy and allocated USD 30,000 for its implementation in 2014. More than 250 households have been trained in rooftop gardening. Dissemination of educational materials that include training materials, rooftop garden case studies and regular updates on a local radio station are contributing to the adoption of rooftop gardening as a climate change adaptation strategy for cities. Further, guidelines developed by CCCI and Resource Centres on Urban Agriculture and Food Security Foundation in line with the national policy for the rehabilitation of abandoned paddy fields, have been used in the cultivation of 43 acres in flood risk zones in Kesbewa municipality. Increasing local food production in home gardens and abandoned paddy lands has reduced food imports, and the reduced emissions and fossil fuel use in the transportation of food. Households practicing intensive home gardening sell 53 percent more produce than before the training. In Papua New Guinea, the national Government with UN-Habitat support has formulated the National Climate Change Policy. The published policy covers human settlements, sustainable land use planning and subnational partnerships. UN-Habitat has used its experience to assist in the development of national climate change policies for Fiji, Nepal and Sri Lanka.

In **Pakistan**, the Government has prepared the “National report on climate change” for Habitat III with input from government officials, civil society representatives, urban practitioners, academicians and local communities, with technical support from UN-Habitat and funding from Oxfam GB.

Human rights

According to the human rights-based approach, the process of urbanization should follow human rights principles of equality and non-discrimination, inclusion and participation, accountability and the rule of law. The city, as the outcome of this process, should meet specified human rights standards, such as adequate housing; access to water and sanitation, health and education services, and work; and participation in decisions that affect city inhabitants, or any other rights codified in the human rights treaties ratified by the country in question.

UN-Habitat’s human rights-based approach adds value to urban planning by legitimizing prioritization of the interests of the marginalized in society and their participation in the urban planning process. Indeed, the creation and implementation of an appropriate form of urban planning is a precondition in many national contexts for the fulfilment of human rights obligations in the urban context. UN-Habitat has made progress towards the promotion of human rights, both in operational and normative activities.

Strengthening capacity for mainstreaming of human rights

A programmatic guidance note on human rights in cities for UN-Habitat staff has been finalized. This note introduces staff to the international human rights system and the human rights of relevance to UN-Habitat’s mandate and to the United Nations Common Understanding of a Human Rights-Based Approaches to Development Cooperation and Programming.

Other guidance and information materials have been developed, including the universal periodic review, and a language guide on human rights and urbanization issues is in progress, as is a human rights handbook. Other publications relevant to the human rights portfolio include the Joint UN-Habitat and Office of the United Nations High Commissioner for Human Rights (OHCHR) “Revised factsheet on forced evictions”, the “Handbook on assessing the impact of forced evictions”, “Women and housing: the infrastructure of everyday life”, and the UN-Habitat-supported “Handbook on realizing the human rights to water and sanitation”.

In addition, a training manual and a reference guide on “Human rights in cities” have been drafted. These are intended to guide the development of training modules for staff and modules for presentation by staff to an external audience.

UN-Habitat’s capacity to support mainstreaming of human rights in the management of its programme and project cycle is increasing. Human rights is a key pillar of UN-Habitat’s normative and operational work on land through the GLTN processes, as evidenced through its work on access to land, tenure security and the continuum of land rights. For example, the PILaR tool has made significant headway in promoting a rights based approach to land readjustment, as evidenced by pilot projects, for example in Medellin (Colombia). This new approach to land readjustment recognizes the basic right to adequate housing beyond those holding orthodox property and tenure rights.

Human rights has been mainstreamed at country level in the 35 Participatory Slum Upgrading Programme countries in the African, Caribbean and Pacific regions through the inclusion of the human-rights based approach in the implementation methodology. The human-rights based approach was integrated into the cross-cutting issues of gender and youth during 2014. UN-Habitat programming and priorities on youth and governance were guided by the 2013 report on “Advancing youth civic engagement and human rights”.

Partnerships for promoting mainstreaming of human rights in sustainable urbanization

Partnership between UN-Habitat and the OHCHR on the rights to adequate housing, safe drinking water and sanitation in the context of the GLTN has been strengthened. This is evident in the upgrading of the United Nations Housing Rights Programme to include the human rights mainstreaming component of the shared work related to housing rights and evictions. GLTN land tools have been positioned within a central debate around land rights and tenure security through engagement with international human rights mechanisms, including the special rapporteurs and the OHCHR. Further, UN-Habitat has supported the work on the United Nations Special Rapporteur on Safe Drinking Water and Sanitation in developing a handbook on her mandate.

Mainstreaming of human rights, including through leveraging the human rights-based approach in the post-2015 agenda, is being promoted by UN-Habitat through the United Nations Development Group’s human rights mainstreaming mechanism. UN-Habitat is collaborating with the United Nations Special Rapporteurs on the Right to Adequate Housing and the Right to Safe Drinking Water and Sanitation.

In **Colombia**, implementation of PILaR in the city of Medellin protects the rights and interests of those without formal property rights and integrates all residents into the decision-making processes of the project, regardless of their property rights status. The rights-based approach developed in this project is being integrated into other methodologies, and UN-Habitat is facilitating a PILaR methodology sourcebook, to be completed in 2015. With UN-Habitat’s technical assistance, Namibia is implementing the Flexible Land Tenure Act for the application of the continuum of land rights and associated tools, including the Social Tenure Domain Model and participatory enumerations.

In **Nigeria**, the federal and state governments are implementing the national programme on mainstreaming human rights into public policies, program designs, and decision-making. This emanates from the resolutions of the first National Housing Slum Summit held in November 2013, which formed a major component of UN-Habitat’s country programme in 2014.

In **Sri Lanka**, security of tenure and property rights have been integrated into UN-Habitat's work as a fundamental component of shelter and livelihoods, and a cornerstone for the realization of poverty reduction. The BASF evaluation (2014) has confirmed that securing land rights has been reversing gender discrimination, social exclusion of vulnerable groups, and wider social and economic inequalities linked to inequitable and insecure access to land.

5.0 Programme division

The Programme Division (former Project Office) is the organizational unit coordinating UN-Habitat's project portfolio, including overseeing the project management cycle - from strategy, resources, formulation, and approval to implementation and monitoring. Its strategic result is to 'strengthen project development and management processes and to ensure efficient and effective implementation of the project management cycle; thereby, increasing the impact of UN-Habitat interventions at local, national and regional levels'. Its expected accomplishments are: i) improved value and quality of UN-Habitat project portfolio; ii) improved gender sensitivity and the empowerment of women in UN-Habitat projects and programmes; iii) increased corporate resources and; iv) improved reflection of urban development issues in the UNDAF at country level.

Overall assessment

Progress was made towards the achievement of the expected accomplishments (table 29), particularly on improved collaboration and coordination between UN-Habitat organizational units. Out of the eleven indicators, three are slightly behind schedule. With centralized management of the branches and regions in one office (the Programme Division), there is now congruence in strategies, delivery and coordination. The relationship and partnership between the regional offices and branches has been strengthened and continues to improve. There is more joint programming, implementation and monitoring and these have contributed to the improved quality of the UN-Habitat project portfolio. A major achievement is that all the projects and programmes are now fully aligned to the strategic plan and contribute significantly to the achievement of the strategic results.

The demand for UN-Habitat expertise, products and services continues to grow, as demonstrated by the sustained increase of the value of the project portfolio (technical cooperation) under implementation in 2014 which rose from USD 140 in 2013 to USD 197 by the end of 2014. These contributions have enabled UN-Habitat to provide technical assistance, normative policy advice and capacity building, with a particular focus on local governance largely in Sub-Saharan Africa, Asia and the Pacific, Arab States, and Latin America and the Caribbean, in addition to regional programmes and global initiatives. On the other hand, the non-earmarked funding has not increased at the same level and this remains a key priority for UN-Habitat and every effort is being made to ensure that the situation improves.

Mainstreaming of gender equality and empowerment of women into projects and programmes has been progressively improving. The indicator on key events that reflect gender sensitivity is on course, having risen from 60 to 75 per cent. With the support and guidance provided, UN-Habitat programmes and projects now reflect gender and other cross-cutting issues. Work is being done to improve the mainstreaming of cross-cutting issues comprising Human Rights, Youth and Climate Change. The UN-Habitat Advisory Group on Gender Issues (AGGI) continues to advocate for gender equality for sustainable urbanization.

Efforts continue to be made to ensure that indicators lagging behind will meet their target by the end of 2015. Regular training and continued support will be provided to UN-Habitat staff to further strengthen their skills in order to improve the quality of project documentation. UN-Habitat is reviewing ways of strengthening project monitoring in order to ensure that the quality of project at entry will improve and meet its target at the end of 2015.

UN country teams are increasingly mainstreaming urban development issues in their UNDAFs and the target for this indicator was exceeded by 100 per cent, having increased from 7 to 22 in 2014, against a target of 14 for the end of 2015. This reflects that Member States are embracing issues of urban development in their national plans, a critical milestone towards addressing the issues of sustainable urbanization.

Table 28: Progress made towards indicator targets for each focus area by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



Table 29: Trends on indicators of achievements for Programme division

Expected Accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA (a) Improved value and quality of UN-Habitat project portfolio	Level of collaboration and coordination between organizational units	60 per cent of projects & programs developed jointly	100 per cent of projects & programs developed jointly	80 per cent projects/ programs developed jointly	
	Increased financial value of human settlements programmes and projects under implementation	USD 140 million	USD 323 million	USD 197 million	
	Percentage of projects that deliver planned outputs and outcomes within the planned project period	80%	100%	85%	
	Percentage of project documents that meet prescribed project at-entry quality standards	70%	100 %	80%	
	Percentage of projects and programmes that are contributing significantly to the focus area strategic results	98%	99%	100%	
EA (b) Improved gender sensitivity & the empowerment of women in UN-Habitat projects and programmes	Increased percentage of key strategic events that reflect gender sensitivity in line with the gender checklist	60%	80%	75%	
	Increased percentage of human settlements programmes and projects reflecting gender and other cross-cutting issues	60%	80%	65%	
	Increased number of partnerships promoting gender equality in sustainable urbanization issues as per gender checklist with assistance from UN-Habitat	30	40	36	
EA (c) Increased corporate resources	Increased number of cooperation agreements providing funding to UN-Habitat	70	90	117	
	Increased amount of earmarked and non-earmarked funding raised	USD 280 million	USD 350 million	USD 322 million	
EA (d) Improved reflection of urban development issues in the UNDAF at country level	Increased number of United Nations Development Assistance Frameworks incorporating urban development	7	14	22	

Expected Accomplishment (a): Improved value and quality of UN-Habitat project portfolio

Progress has been made towards achievement of this expected accomplishment, manifested through improved collaboration and coordination between UN-Habitat's organizational units which has brought about joint programming, implementation and monitoring (table 29). This process is facilitated through regular meetings and planning retreats. The integration of normative and substantive work has been strengthened as a result of this improved collaboration as has the quality of UN-Habitat's project portfolio. The number of technical cooperation agreements increased to 117 by the end of 2014 up from 70 at the end of 2013. In addition, the value of projects under implementation increased significantly from USD 140 to USD 197 million which represents a 21 per cent lead over the 2014 target of USD 161.5 (half the biennial target of USD 323 million). This is a reflection of increased demand for UN-Habitat's expertise, products and services, both in the normative and technical cooperation areas as well as increased efficiency of implementation.

RBM training was conducted to enhance staff skills, project quality checks were carried out and support was provided on project formulation. Whilst there are some improvements in the quality of project documents, there is a need for continuous learning and support. On the other hand, all projects and programmes are now fully aligned to the Strategic Plan and are contributing to its results as shown by the increase in the indicator assessing alignment that increased from 98 to 100 per cent in 2014. The PAAS facilitates this alignment and the Programme Advisory Group serves to ensure that this is observed consistently in order for the planned results to be achieved. Most of the projects formulated by the regional offices involved consultations with relevant branches for quality improvement and provision of inputs and vice versa. Collaboration and coordination between organizational units has significantly increased, mutual learning, informed decisions, and better working relations. The quality of projects at entry rose from 70 to 80 per cent in 2014, while the rate of delivery also rose from 80 to 85 per cent.

Expected Accomplishment (b): Improved gender sensitivity and the empowerment of women in UN-Habitat projects and programmes

UN-Habitat continues to build on its network of gender focal points at headquarters as well as in the regional and some country offices to ensure the inclusion of gender issues in the work of the different branches and offices of the organization. Progress was made towards achieving improved gender sensitivity and the empowerment of women in UN-Habitat projects and programmes. The percentage of key strategic events that reflect gender sensitivity in line with the gender checklist increased from 60 per cent in 2013 to 75 per cent in 2014 (for example, events such as the seventh session of the World Urban Forum , Urban Thinkers Campus now substantially reflect gender sensitivity and gender equality is mainstreamed into the events)

The proportion of human settlements programmes and projects reflecting gender and other cross-cutting issues increased marginally to 65 per cent in 2014 up from 60 per cent in 2013. However, notable progress has been achieved on gender mainstreaming when considered on its own, see the first indicator under EA 8.2 (table 29). The number of partnerships promoting gender equality in sustainable urbanization issues increase from 30 to 36 in 2014. Mainstreaming of gender in programmes and projects has improved and gender tools (e.g. Gender Issue Guides on the thematic areas of Urban Research and Capacity Building and Risk Reduction and Rehabilitation and the World Urban Campaign Gender Toolkit) have been developed to strengthen staff capacity in mainstreaming gender. The Programme Advisory Group ensures this happens and training is conducted on gender mainstreaming and the gender focal points (both at the HQ and regional offices) also provide guidance at the branch and regional level. However, a lot of work has been and is still being done on mainstreaming the other cross-cutting issues (Human Right, Youth and Climate Change). The current location of the focal points of the other three cross-cutting issues, within branches, tends to dilute their ability to focus on mainstreaming and reduce the oversight role of the Programme Division. This is an area that senior management plans to work on in the coming year.

Several outreach and advocacy efforts were made; particularly by the UN-Habitat Advisory Group on Gender Issues (AGGI) which continues to advocate for gender equality for sustainable urbanization and is attracting considerable interest. There are discussions on fostering new partnerships that should materialize in the coming year. UN-Habitat continues to advocate for the collection, analysis and dissemination of sex disaggregated data on urbanization issues including through the Cities Prosperity Index.

Expected Accomplishment (c): Increased corporate resources

As of end of 2014, core and non-core income received by UN-Habitat amounted to USD322million which exceeds that target for the year. This is based on a cash rather than accrual basis before the targets were set before implementation of the International Public Sector Accounting Standards (IPSAS). In terms of new agreements signed and pledges. UN-Habitat signed new contribution agreements and agreement extensions amounting to USD 138 million and mobilized new voluntary non earmarked contributions of USD5.8 million.

UN-Habitat adopted a multi-pronged approach to address its declining non-earmarked funding. In 2014, a strategy for engaging with the private sector has been developed, given the increasing importance of this donor category in the total contributions to UN-Habitat. The partnership strategy has been instrumental in enhancing resource mobilization efforts. UN-Habitat has also expanded and deepened the information on donors through the donor information system for main offices in order to harmonize the approach to donors. In addition, communication and sustained dialogue with traditional and non-traditional donor countries has been improved, with a number of bilateral consultations with major traditional donors (for example Norway, Spain, Sweden, United States) and regular official meetings with emerging donor countries at the high level and technical level (including China, India, Nigeria, South Africa).

At the same time, new and former traditional donor countries have joined the Foundation general account, with emerging donor countries consolidating their core contributions. While in 2013, three donor countries were sharing around 91 per cent of total core contributions, in 2014 the number of donor countries sharing the same percentage has risen to eight. Agreements on new contributions and increases in existing contributions have been achieved with Canada, China, Germany, Haiti, India, Myanmar, Rwanda and the United States. In 2014 additional measures were taken to strengthen the corporate resource mobilization and approach to donors. UN-Habitat's Resource Mobilization Strategy and Action Plan have been strengthened with the development of strategies by regional offices for resource mobilization at the regional level and by the Liaison Office in Brussels for engagement with the European Commission, which is one of the major contributors to UN-Habitat. The corporate strategy and coordination of the decentralized fundraising system has been supported with the approval and development of roles and responsibilities of main offices involved in the resource mobilization of UN-Habitat.

From an institutional perspective, progress has been achieved in defining and addressing donor priority countries for core contributions in close cooperation with regional offices. Further decisions have been agreed at the senior management board level in order to increase efficiency of the resource mobilization efforts between main offices involved and to ensure a more targeted approach to priority core donor countries.

Expected Accomplishment (d): Improved reflection of urban development issues in the United Nations Development Assistance Framework at country level

There has been progress in the level of reflection of urban development issues in the United Nations Development Assistance Framework (UNDAF) at country level, as evidenced by a drastic increase in the number of UNDAFs incorporating urban development, which rose from seven in 2013 to 22 by the end of 2014. This is partly attributed to the structure of UNDAF, which has increasingly become an integrated platform where the "One United Nations" philosophy and the "Delivering as one" approach are applied.

With UN-Habitat technical support, Bangladesh, Bhutan, Kenya, Malawi and Uganda have embraced the critical sustainable urbanization issues of land, delivery of urban basic services and gender equality in their current and future UNDAFs. UN-Habitat has supported inclusion of land in the UNDAF of Uganda (2016–

2020) as a key thematic area of focus. In Bangladesh the new UNDAF (2012–2016) has considered seven thematic pillars, including democratic governance and human rights, pro-poor urban development, and gender equality and women's advancement. The UNDAF (2010–2014) for Uganda has provided several entry points for climate change education and training, in particular outcome 2 on sustainable livelihoods and outcome 3 on quality social services. UN-Habitat has supported a climate change assessment for Kampala as part of the CCCI. UN-Habitat is further collaborating with Makerere University, which is hosting a hub on "Climate change and disaster risk reduction" as part of the Habitat University Network Initiative.

Assessing from the demand side, the contributions from national Governments to UN-Habitat's earmarked portfolio continued to increase in 2014, a clear indication of the growing demand for UN-Habitat's technical expertise and knowledge of urban development issues. This upward trend is consistent with UN-Habitat's strategy of expanding its earmarked project portfolio by ensuring that urban development issues are integrated into national development policies and legislation. In 2014, more than USD162 million has been spent to support programmes and activities in 16 countries in sub-Saharan Africa, 18 countries in Asia and the Pacific, nine countries in the Arab States, and 19 countries in Latin America and the Caribbean, in addition to regional programmes and normative global initiatives.

Challenges and lessons learned

Challenges

1. The decentralization of the Programme Advisory Group posed a challenge to the achievement of quality in projects and programmes and the effective application of results-based management at project level.

Lessons learned

1. Improved collaboration and cooperation between the branches and the regional offices enhances the matrix approach of the organization.
2. Continuous training and staff support for results-based management is required to achieve the desired level of quality in project and programme implementation.

6.0 Office of management

The strategic result of the programme support is '*strengthening organizational accountability, financial resources and systems management for effective delivery of the work programme and budget*'. Its expected accomplishments are: i) improved financial accountability and efficiency; ii) staff skills aligned with organizational priorities; iii) results-based management principles applied and; iv) increased efficiency in the completion of key business processes.

To achieve the strategic result and expected accomplishments, and to meet operational priorities, UN-Habitat has (i) established systems to ensure efficient, effective and transparent allocation of the human and financial resources of the organization and other assets; (ii) promoted transparent financial and programme performance management through adoption of centralized support systems, coordination of results-based management tools for programmatic activities, including through development of the tools and capacity building; and (iii) developed/or updated operational policies and procedures in critical business processes and tracking delivery of planned activities and overall service provisions at different levels.

Overall assessment

The major achievement under Programme Support in 2014 is implementation of the International Public Sector Accounting Standards (IPSAS) and preparations for the Umoja Enterprise Resource Planning system. Implementation of IPSAS enables UN-Habitat to report its financial information using a publicly recognized standard which supports greater accountability, transparency, credibility, comparability with other public sector organizations and this should enhance stakeholder confidence including donors. The standard also provides more comprehensive financial information including reporting of assets and liabilities for better financial and resource planning, management and reporting.

Deployment of the Umoja is now scheduled for June 2015 but the bulk of the preparations including data cleansing, data validation and collection of new data, training of key staff and simulation exercises were carried out in 2014. This is a major initiative, achieved within existing resources, that involves the whole organization and will enable business transformation including more efficiency, streamlined business processes, better internal controls and greater transparency.

The Project Accrual and Accountability System (PAAS) was enhanced in 2014 to enable alignment of all projects with the new 2014-2019 strategic plan and facilitate reporting on outputs. Staff skills are more aligned with organizational priorities following training in Umoja, IPSAS, PAAS, results-based management, gender mainstreaming, human rights, and dialogues on UN-Habitat's strategic thematic areas.

Progress was also made in institutionalizing results-based management in the organization. There is full alignment of the biennial strategic framework, work programme and budget and projects to the strategic plan. For the first time, UN-Habitat has a performance measurement plan for the strategic plan with baselines and targets. This achievement was noted by the OIOS in a recent evaluation. This notably strengthens programme planning, monitoring and evaluation. The culture of results in the agency was strengthened through a senior management retreat which met to refine the annual work plan for 2015 and to finalize the biennial programme of work for 2016-2017. The retreat strengthened programmatic coherency and strong integration between normative and operational activities, as well as ensuring that transformative and, strategic, and high value outputs are prioritized. Results-based management continues to be embedded through continuous training and coaching of staff at all levels, and updating of tools.

Table 29: Progress made towards indicator targets for office of management by December 2014

The rating compares the actual for 2014 against the midpoint between baseline for 2013 and the target for 2015



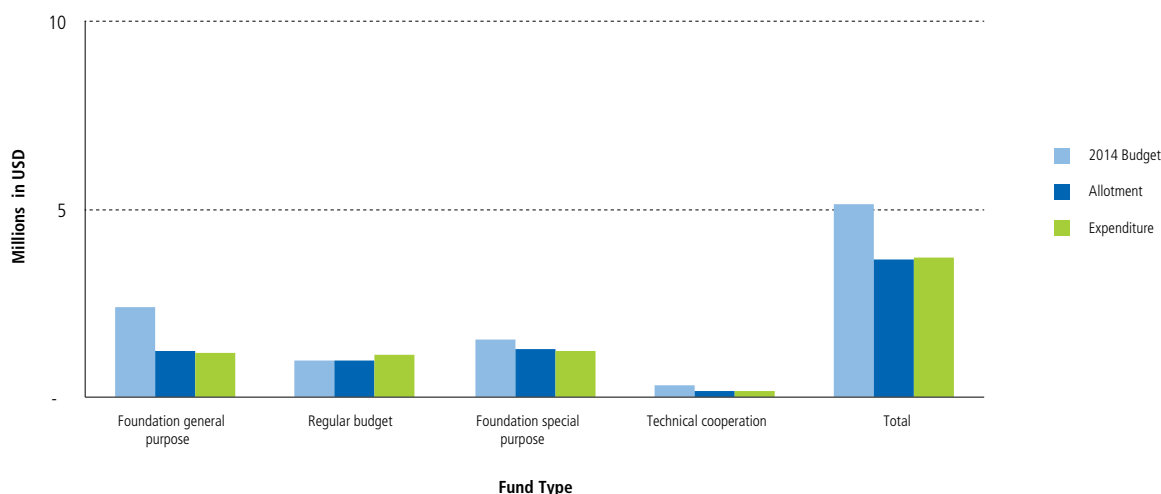
Table 30: Trends on indicators of achievements for office of management

Expected Accomplishment (EA)	Indicator of achievement	Baseline 2013	Target 2015	Actual 2014	Rating
EA (a) Improved financial accountability and efficiency	Increased percentage of projects compliant with financial policies and procedures in PAAS	90%	98%	96%	Green
	Increased percentage of mandatory reports streamlined and automated	70%	98%	95%	Green
	UN-Habitat financial statements comply with IPSAS	NA	100%	100%	Green
EA (b) Staff skills aligned with organizational priorities	Percentage of staff whose skills are aligned to organizational priority areas	85	100%	99%	Green
EA (c) Results-based management principles applied	Programmes derived from the six-year strategic plan	80%	90%	95%	Green
	Percentage of staff applying resultsbased management skills in their work	40%	75%	71%	Green
	Percentage of accepted audit and inspection recommendations on UN-Habitat implemented within the required time frame	92%	95%	95%	Green
EA (d) Increased efficiency in the completion of key business processes	Number of days taken for project approval	7	14	10	Yellow
	Percentage of out posted offices with easy access to UN-Habitat corporate administrative and internal communication systems	7	14	8	Red

Table 31: Planned budget and expenditure for program support (USD million)

Category	2014-2015 Budget	2014 Budget	2014 Allotment	2014 Expenditure
Foundation general purpose	4,736	2,368	1,212	1,159
Regular budget	1,926	963	950	1,147
Foundation special purpose	3,011	1,506	1,296	1,238
Technical cooperation	579	290	178	173
Total	10,252	5,126	3,636	3,717

Figure 28: Planned budget and expenditure for office of management



Financial analysis

Table 31 and Figure 28 present the planned budget, allotment and expenditure for 2014. From an initial budget of USD 5.1 million the allotment was reduced to of USD 3.6 million for 2014 to take into account the reduced level of voluntary non earmarked contributions to the foundation general purpose account. The overall utilization rate was 102.2 per cent. This area experienced financial challenges in 2014 particularly because the implementation of the Umoja Enterprise Resource Planning, a major initiative involving staff throughout the organization is carried out with no increase in resources.

Expected Accomplishment (a) Improved financial accountability and efficiency

A number of systems and processes adopted in 2014 have contributed to improved financial accounting and efficiency. The three indicator targets are on course to being met by the end of the biennium. UN-Habitat, along with the other UN Secretariat entities implemented the International Public Sector Accounting Standards (IPSAS) as of 1 January 2014. The shift to IPSAS from the United Nations System Accounting Standards (UNSAS), previously used by the UN, required significant upgrade in UN-Habitat financial systems and practices and human resources to meet international best practices set by IPSAS. Internal and external training opportunities were used to provide required capacity. In October 2014, the UN Board of Auditors completed a special audit of the transition to IPSAS. The audit gave an overall positive rating of UN-Habitat transition to IPSAS with recommendations for minor improvements which have substantially been addressed by UN-Habitat in coordination with UNON. UN-Habitat financial statements compliance with IPSAS level was 100 per cent by end of 2014.

Two dry-run sets of IPSAS financial statements were prepared as at 30 June, and 31 December 2014. Opening balances as at 1 January 2014, have been reviewed and action taken to identify conditional liabilities in relation to agreements; to correctly identify receivables as at 1 January 2014, especially with regard to contribution agreements signed up to 2013; and to have a complete schedule of assets.

The Office of Internal Oversight Services (OIOS) performed five audits in 2014 while the UN Board of Auditors completed the external audit of the biennium 2012-2013. Some 20 out of a total of 31 main recommendations issued by the oversight bodies were implemented. The rate of implementation is below the target mainly due to recommendations relating to Umoja and completion of the Secretary General's Bulletin (SGB) on UN-Habitat's final structure. With regard to Umoja, the deadline for deployment of the system was postponed for all Cluster 3 organizations from November 2014 to June 2015, and in the case of the SGB,

UN- Habitat made a submission to UN Headquarters for a final decision by the Secretary General, which is still pending.

Expected Accomplishment (b) Staff skills aligned with organizational priorities

More staff had their skills enhanced to align them more fully to organizational priorities. The indicator target is on schedule to being met at the end of the biennium. About 75 staff were trained in a wide range of courses: Umoja Generic Course: Performance Management and Development ; Managers/Supervisors ; Taking control of your career – A tool kit for change; Competency-based selection and interviewing skills for panel members; Umoja Real Estate Portfolio Management training of trainers; managing stress at work; collaborative negotiation; working together: professional ethics and integrity in our daily work; performance management and Development for Staff; Social Media and the United Nations; and Umoja Academy Local Process expert training in plant maintenance. The outcome is evidenced by the proportion of staff whose skills are aligned to their jobs which rose from 95 in 2013 to 99 percent by end of 2014. In 2014 a module was added to the training packages to handle staff being deployed in emergency situations alongside refining and updating staff details as received from *Integrated Management Information System* (IMIS). Staff data received from third party agencies; namely: UNOPS and UNDP were also updated.

Expected Accomplishment (c) Results-based management principles applied

Further progress made towards strengthening the culture of results-based management (RBM) in the organization and mainstreaming its application in UN-Habitat's work. Strategic planning, monitoring and reporting, performance analysis and accountability are fundamental elements of this approach. Several undertakings strengthened these elements at both strategic and programme levels as well as enhanced horizontal collaboration between and among Branches and Regional Offices.

Progress was made towards the application of RBM principles in UN-Habitat as evidenced by indicator trends (Table 29). All UN-Habitat projects are now fully aligned to the work programme that is derived from the strategic plan. This is evidenced by the number of projects and programmes derived from six year strategic plan that rose from 80 per cent in 2013 to at least 95 per cent by the end of 2014 (indicator i). All projects/programmes are prepared in the PAAS which has the entire work programme expected accomplishments (EAs), indicators and outputs. This makes it difficult to develop projects outside the work programme. This was done to strengthen application of RBM as well as ensuring that the Agency work is directly contributing to planned results.

Monitoring and reporting on programme performance continues to improve. The institutionalization of a senior management performance review process has enhanced management ownership of programme performance and related documents. It has also enhanced accountability and transparency. The percentage of monitoring reports assessed as being results-focused and of good quality by key stakeholders increased from 70 per cent in 2013 to 75 per cent. This indicator (c ii) is in progress to meet the target in 2015. Meanwhile, the capacity of branches, regional offices and country teams in RBM was strengthened as evidenced by the percentage of staff applying RBM skills in their work, which rose to 71 per cent by the end of 2014 from 40 per cent in 2013 (indicator c iii). 15 staff members from the Arab region, including Habitat Country Managers and CTAs were trained in RBM applications in June 2014.

With regard to strategic planning and programming, a senior management retreat was convened in October to: review programme performance, discuss substantive priorities for 2015 and beyond; review strategies and modalities of working and strategic partnerships; and highlighting key challenges and lessons learned for use in future programme planning. The retreat was used to advance the preparation of the work programme and budget for 2016-2017, which built on the coaching and briefing of Branches and Regional Offices on RBM methodologies and tools for planning and, later for monitoring and reporting. Emphasis was on making the outputs relevant, strategic, adequate and of high value for the achievement of the expected accomplishments and; ultimately, to the realization of the new vision. The biennial strategic framework and work programme for 2016-2017 are fully aligned to the strategic plan and set out the strategic priorities of UN-Habitat and the activities to be undertaken in the next biennium.

In 2014, UN-Habitat finalized the operationalization of the strategic plan 2014-2019 with the establishment of a performance measurement plan, which is the basis of strategic, programme and project planning, implementation, monitoring and reporting in UN-Habitat for the next six years. For the first time, UN-Habitat's results framework of the strategic plan has baselines and targets for the six-year period. The operationalization of the strategic plan was informed by lessons learnt from the implementation of the MTSIP for 2008-2013. The OIOS has noted that UN-Habitat is more prepared from an RBM perspective for effective implementation of the strategic plan 2014-2019.

Indicator (iii) reviews the percentage of accepted audit and inspection recommendations on UN-Habitat. UN-Habitat receives audit recommendations from its internal auditors, the United Nations Office of Internal Oversight Services (OIOS), and its external auditors, the United Nations Board of Auditors (BOA). In 2014, there were 21 audit recommendations due for implementation (12 issued by OIOS and 9 by BOA). UN-Habitat implemented 10 internal and 8 external audit recommendations within their purview while 2 internal audit recommendations could only be implemented by the Department of Management in the United Nations Head Quarters which has the sole authority for the final closure of these recommendations. The two implemented audit recommendations are related to the finalization of a new Secretary-General Bulletin. One external audit recommendation is in progress and is expected to be finalized by the end of 2015. The overall implementation rate of audit recommendations for 2014 was 95 per cent.

Expected Accomplishment (d): Increased efficiency in the completion of key business processes

The major increase in the level implementation by 26 per cent achieved with a lower level of core resources in a year that has also seen the implementation of two major initiatives, IPSAS and Umoja, is an indication of increased organizational efficiency. This efficiency is facilitated by improved interaction between field and Headquarters offices. In terms of connectivity, UN-Habitat staff in Barcelona Office was for the first time connected into the organizational common applications and systems (including ICT infrastructure). While the percentage of out posted offices with easy access to UN-Habitat corporate administrative and internal communication systems has increased only slightly from seven in 2013 to eight by end of 2014, this was due to a postponement to the connectivity projects to ensure that implications of Umoja are taken into account after the user access role mapping exercise which clarifies what type of access is required by each office. Greater usage of internet (IP) phones resulted in lower communications costs and easier access with outposted office phones having the same extensions as Headquarters.

The Project Accrual and Accountability system (PAAS) has been enhanced in 2014 to support the agency's programme planning by providing strategic linkage of programmes and projects to the six-year strategic plan 2014-2019. Project staff continued to be trained in PAAS and almost 90 per cent of projects entered in the system directly by staff with only 10 per cent entered with the support of the Office of Management. Various knowledge features (database for evaluations, archives of past agreements and reports) have been enhanced to support knowledge reuse and organizational learning, and a market intelligence page included for research on information supporting resource mobilization.

Opportunities, challenges and lessons learned

Opportunities

1. Umoja will be a critical driver for improving business processes and enhancing integrated and efficient delivery of programmes and projects, and enabling more informed decision making for improved management.
2. Implementation of IPSAS enables UN-Habitat to report its financial information using a publicly recognized standard which supports greater accountability, transparency, credibility, comparability and thereby enhanced stakeholder confidence. The standard also provides more comprehensive financial information including reporting of assets, liabilities thus enabling improved financial management.

3. Umoja will also guide the investment ICT infrastructure which is required to improve connectivity throughout the organization for easy access to centralized systems.
4. PAAS has strengthened alignment of strategic, programme and project results and outputs and ensured that projects that are not derived from the approved work programme and budget are not approved by the Programme Advisory Group.
5. The institutionalization of the senior management strategic planning retreat and the senior management programme performance review has contributed to improved embedment and application of results-based management in the organization. These mechanisms offer a real opportunity for continuous improvement in the delivery of UN-Habitat's mandates.

Challenges

1. Low bandwidth, limited investment in ICT infrastructure, and changing requirements associated with organizational and system change contributed to challenges in accessing some centralized systems particularly from outposted offices. Improvement of the ICT infrastructure was postponed to take into account with Umoja user access requirements.
2. Implementation of IPSAS and Umoja, two major UN wide initiatives involving the whole organization are being without additional resources. Also, implementation of IPSAS had to be completed before Umoja deployment, the system that supports the IPSAS standard; therefore temporary time-consuming workarounds had to be put in place.
3. Application of UN Secretariat administrative rules and regulations have an impact on business processes particularly the time it takes to recruit personnel and procure goods and services and this impacts the competitiveness of UN-Habitat in achieving efficient delivery particularly for operational programmes.

Lessons learned

1. Continuous monitoring of data input, particularly qualitative data, into PAAS is essential for streamlined reporting including reporting on the value and impact of programmes and for effective programme and project management.

7.0 Habitat III and Post-2015 process

Habitat III

Habitat III, also known as the *UN Conference on Housing and Sustainable Urban Development*, is the third UN Conference on Sustainable Human Settlements that will take place in October 2016, in Quito (Ecuador). In accordance to resolution 66/207 and in line with the bi-decennial cycle (1976, 1996 and 2016), the UN General Assembly ruled to convene, the Conference to reinvigorate the global commitment to sustainable urbanization, to focus on the implementation of a 'New Urban Agenda', building on the Habitat Agenda of Istanbul in 1996. Specifically, the conference will seek to define global urban priorities for the next twenty years based on the challenges and opportunities of housing and sustainable urbanization towards achieving sustainable development goals.

The UN inter-agency coordinating committee for Habitat III established in July 2013 has held several meetings (July 2013 in Geneva, November 2013 in New York and April 2014 in Medellin) for preparations. Major milestones include the formation of Habitat III Secretariat on 4 February 2014 and UN-Habitat proposal to introduce an agenda item on 'A new UN Urban Agenda' at the 23rd session of the High-level Committee of Programmes of the UN System Chief Executives Board for Coordination. On the other hand, Habitat III Secretariat jointly with the Committee of Permanent Representatives Subcommittee on Policy and Programme of Work has held preparations meetings for Habitat III, focusing on the organizational aspects and documentation, including the draft think piece, and the road map for the preparatory process.

All Member States and relevant stakeholders, including parliamentarians, civil society organizations, regional and local government and municipality representatives, academia, foundations, women and youth groups, trade unions, and the private sector, as well as organizations of the UN system and intergovernmental organizations will participate in the conference. UN-Habitat has in 2014 engaged local Governments and other Habitat Agenda partners through the World Urban Forum, the World Urban Campaign, and regional fora such as AMCHUD through the Strengthening Partnerships for an African Urban project. Complementary activities have also been conducted at regional and country levels, including preparation of Habitat III National Reports.

Member States (including Brazil, Colombia, the Philippines, Indonesia, Pakistan, Jamaica, South Africa, Rwanda, Cameroun, Ethiopia, Kenya and Nigeria) have organized national urban fora, promoting dialogue and consensus among stakeholders (national government, local authorities, private sector, grassroots organizations, and academia). The governments of the Asia-Pacific region held preparatory meetings in the countdown to Habitat III, in Bangkok in October 2014. The consultations learned from UN-ESCAP's 2013 event on the role of local governments in 'The future we want', also supported by UN-Habitat and the government of Indonesia. The Government of Indonesia in November 2014 hosted the Asia Pacific Expert Group Meeting, in line with the agreement between the government and UN-Habitat to collaborate on the national and regional preparations on Habitat III.

By early July 2014, Arab states were at different stages as 11 had commenced preparation of Habitat III National Reports. In the Asia-Pacific region, this number stood at 14 countries. Of those countries, 11 had established national Habitat committees, while 10 were preparing Habitat III National Reports. In the Philippines, the government has constituted the National Steering Committee for Habitat III since early 2014, headed by the Housing and Urban Development Coordinating Council. There are six thematic working groups each handling a theme of the report, headed by a relevant government agency. UN-Habitat is providing technical assistance, engaging urban specialists to document the consultations and write the report drafts for review. In Cuba, a dialogue has been institutionalized as a tool for building national consensus on sustainable urbanization.

Post-2015 development agenda

In response to Governing Council resolution 24/10, UN-Habitat provided information to Governments, United Nations system organizations and other stakeholders on the role of urbanization in sustainable development, with a view to ensuring that sustainable urbanization is properly reflected in the post-2015 development agenda, including the sustainable development goals (SDGs).

UN-Habitat continues to participate in the work of the UN System Task Team on the Post-2015 Development Agenda and in its Working Groups on Indicators. The Agency has significantly contributed to the seventh session of the Open Working Group, held in January 2014, including co-drafting briefs on sustainable cities and human settlements. UN-Habitat has partnered with UNEP, and 12 other funds, agencies and regional commissions in this process. As Vice-Chair of UN-Water, UN-Habitat also contributed to the sustainable development goals consultation process and to the discussions on the Post-2015 Development Agenda on water and sanitation.

At the integration segment of the Economic and Social Council held in May 2014, there was full support for a stand-alone Sustainable Development Goal on sustainable cities and human settlements. By end of 2014, goal 11 entitled “Make cities and human settlements inclusive, safe, resilient and sustainable” was proposed. The final proposal contains three other Sustainable Development Goals, which to a large extent are relevant to UN-Habitat strategic plan (2014-2019). These are: proposed goal 6: “Ensure availability and sustainable management of water and sanitation for all”; proposed goal 7: “Ensure access to affordable, reliable, sustainable and modern energy for all”; and proposed goal 9: “Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation”.

Proposed goal 11 has seven action targets covering: (11.1) adequate, safe and affordable housing, basic services and slum upgrading; (11.2) safe, affordable, accessible and sustainable transport systems; (11.3) capacities for participatory, integrated and sustainable human settlement planning and management; (11.4) protection and safeguarding of the world’s cultural and natural heritage; (11.5) reduction of the impact of disasters, including water-related disasters; (11.6) reduction of the adverse per capita environmental impact of cities, including air quality, municipal and other waste management; and (11.7) safe, inclusive and accessible, green and public spaces.



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