

**Seventh Bureau meeting of the Executive Board for the year 2021
Tuesday 19 October 2021 14:30 -16:30 EAT**

Statement by

H.E. Ms. Saqlain Syedah, Permanent Representative of the Islamic Republic of Pakistan to UN-Habitat and Chair of the Ad-Hoc working group on programmatic, budgetary and administrative matters

based on Provisional Agenda shared with Member States on 12 October 2021

Agenda item 3 - Summary update on the work of the ad hoc working group on programmatic, budgetary and administrative matters, including on the draft work programme and draft budget of UN-Habitat for the year 2022 and the QCPR alignment

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[After the Chair of the Executive Board gives you the floor]

Thank you, Mr. Chairman, for this opportunity to brief the Bureau at this meeting on the work of the working group on programmatic, budgetary and administrative matters.

I will first update you on the discussions held by the ad hoc working group on the draft programme and budget for the year 2022 and on the alignment of UN-Habitat planning cycles with the Quadrennial Comprehensive Policy Review. I will then brief you on the discussions held by the ad hoc working group with respect to the normative and operational activities of UN-Habitat.

Excellencies,

As may be recalled, the Executive Board at its second session in 2021, requested in paragraph 3 of its decision 2021/1 that the ad hoc working group should continue its discussions on the United Nations Habitat and Human Settlements Foundation non-earmarked budget of UN-Habitat for 2022 to be within the range of \$10 million to \$12 million. In that decision, the Board also requested the Executive Director to finalize a draft annual work programme and budget for 2022 based on feedback from the Committee for Programme and Coordination and the Advisory

Committee on Administrative and Budgetary Questions, utilizing all projected sources for funding of the overall budget of the UN-Habitat, and to present it for further consideration by the Executive Board at its second session of 2021.

Excellencies,

I wish to report that the Ad Hoc working group did follow-up on the recommendation of the Executive Board in decision 2021/3 and met on **15 September and 13 October 2021** to discuss the draft work programme and draft budget of UN-Habitat for 2022, including the Foundation Non-Earmarked Budget of UN-Habitat for 2022.

Draft work programme and draft budget of UN-Habitat for 2022

At the meeting held on 15 September 2021, the Secretariat provided a briefing on the draft work programme and draft budget of UN-Habitat for the year 2022. The Secretariat referred Member States to the draft work programme and budget of UN-Habitat for the year 2022 which was presented at the first session of the Executive Board for the year 2021.

During its briefing, the Secretariat recalled that the draft work programme and budget of UN-Habitat for the year 2022 was presented with the recommended budget range for the United Nations Habitat and Human Settlements Foundation non-earmarked budget for 2022 of between \$10 million and \$12 million and other extrabudgetary resources. The Secretariat indicated that subsequently the draft work programme of UN-Habitat for the year 2022 was presented to the Committee for Programme and Coordination (CPC) and the draft budget of UN-Habitat was presented to the Advisory Committee on Administrative and Budgetary Questions (ACABQ). UN-Habitat stated that the proposed draft budget for the year 2022 was based on the needs of the Programme to build back better after the Covid-19 crisis and to address the shortfalls in some key components of the budget based on the 2020-2023 Strategic Plan.

The Secretariat reiterated that the draft United Nations Habitat and Human Settlements Foundation non-earmarked budget for 2022 is of an amount of \$ 11,9 million as indicated in the draft work programme and budget of 2022 .

Following the presentation by the Secretariat, there were no general objections to the proposal that the budget for the year 2022 of the United Nations Habitat and Human Settlements Foundation non-earmarked budget of UN-Habitat be within the range of \$10 million to \$12 million. Member States reiterated the importance of providing adequate resources to UN-Habitat to deliver efficiently the four sub-programs of the programme of work for the year 2022. It was further emphasized that a drawdown could have consequences in terms of core competencies and human resources for UN-Habitat.

One Member State, however, noted that the United Nations Habitat and Human Settlements Foundation had only received \$1.5 million non-earmarked budget in 2021, which was only 10% of the approved non-earmarked budget for the year 2021 and further requested the secretariat to prepare and present a revised draft work programme and draft budget for the year 2022 which should be based on the actual revenue levels of the United Nations Habitat and Human Settlements Foundation for 2021.

In response, the Secretariat noted that the draft work programme and budget of UN-Habitat for the year 2022, having been presented to the Executive Board at its first session for the year 2021, was forwarded to the ACABQ based on the guidance received from the Executive Board at that session, with the recommended budget range for the United Nations Habitat and Human Settlements Foundation non-earmarked budget for 2022 between \$10 million and \$12 million. The secretariat stated that due to time constraints on the schedule of the ACABQ, it would not be possible for UN-Habitat to go back and present a different budget to the ACABQ for consideration.

The Secretariat indicated its readiness to provide further details to the ad-hoc working group on possible areas of prioritization based on continued funding projections.

At the meeting on 13 October 2021, Member States further discussed the draft work programme and budget for the year 2022. The Secretariat provided further details to the ad-hoc working group on possible areas of prioritization based on continued funding projections.

- i. One Member State expressed difficulties in his country supporting the proposed draft budget for the year 2022, with the United Nations Habitat and Human Settlements

Foundation non-earmarked budget to be a maximum of \$11.9 million but promised to seek guidance from his headquarters.

- ii. Some Member States reacted to the position stated above, appealing Member States to provide to UN-Habitat the realistic minimum budget it needs to deliver efficiently its mandate and the four sub-programs of the programme of work for the year 2022. One Member State further noted that it would be unrealistic to ask the Secretariat to perform activities that Member States do not provide sufficient resource for.
- iii.

The ad hoc working group made the following **recommendations** :

- i. The ad hoc working group provided its support to the proposed work programme for 2022, which aligns with the 2020- 2023 Strategic Plan;
- ii. The ad hoc working group was not in a position to reach consensus on supporting the proposed draft budget for the year 2022, with the United Nations Habitat and Human Settlements Foundation non-earmarked budget to be a maximum of \$11.9 million;
- iii. The ad hoc working group noted that some Member States would consult further with their respective capitals on the matter;
- iv. The ad hoc working group recommended that the Executive Board, based on continued funding projections, provides further guidance on possible areas of prioritization of the draft work programme for the year 2022 to match funding that may be available for 2022
- v. The ad hoc working group noted UN-Habitat's concrete actions to seek alternate sources of funding to support the implementation of the UN-Habitat Strategic Plan 2020-2023, particularly from the private sector and acknowledged the additional information on contemplated innovative ways to raise both earmarked and non-earmarked resources through a financial vehicle in a form of a facility to allow for third party financial support to the organisation.

Excellencies,

Alignment of UN-Habitat planning cycles with the Quadrennial Comprehensive Policy Review process

In addition to what I have just presented on the Budget for 2022, the working group, during its meeting on 15 September and 13 October 2021, also discussed the alignment of UN-Habitat planning cycles with the Quadrennial Comprehensive Policy Review process (QCPR).

At the meeting held on 15 September 2021, and based upon the request of the Executive Board at its 2021 first session, the ad-hoc working group continued its consultations on the various options for the alignment of the quadrennial comprehensive policy review process (QCPR) with the UN-Habitat planning cycles with a view to report thereon to the Executive Board at its second session of 2021. The following were the recommendations of the working group which provide a number of options and opinions for the alignment of the QCPR with the planning cycles, but which were far from consensus:

1. It was noted the final decision on the alignment will be made by the UN-Habitat Assembly, at its second session scheduled for the year 2023.
2. It was suggested that this ad-hoc working group makes a recommendation to the Executive Board at its second session for the year 2021 to recommend four options for alignment to the UN-Habitat Assembly with the view that the UN-Habitat Assembly should consider all four options and take a final decision. The four options mentioned were as follows:
 - i. Consideration for an interim Strategic plan for 2024 to 2025.
 - ii. That the format for the UN-Habitat Assembly in 2025 could be virtual.
 - iii. That the UN-Habitat Assembly should consider empowering the Executive Board to approve the strategic plan on exceptional basis.

- iv. That the UN-Habitat Assembly should consider changing the Rules of procedure to allow the Executive Board to permanently approve the strategic plan.
3. Possibility to retain the current Strategic Plan 2020-2023 for the full term and develop an Interim two-year Strategic plan for the period 2024-2025 and develop a Strategic Plan for the period 2026-2029 (Scenario 2). In this scenario it was stated that an interim Strategic Plan would be better fit for purpose to reflect the current needs and realities on the ground, specifically under the Covid-19 circumstances.
4. Possibility to extend the current Strategic Plan 2020-2023 by another two years to the period 2020-2025 and develop a Strategic Plan for the period 2026-2029 (Scenario 3). In this scenario it was stated that the high-level midterm review of the Committee of Permanent Representatives (CPR) to UN-Habitat held in June 2021 did not call for a change of the 2020-2023 Strategic Plan and as such that strategic plan remains relevant. Under this scenario, one delegation suggested that in June 2023, only the second session of the UN-Habitat Assembly should be held and not the CPR meeting scheduled to prepare for that session.
5. The need to have any recommendation of the Executive Board on the alignment of planning cycles of UN-Habitat with the QCPR being considered by the UN-Habitat Assembly, and with CPR taking up the discussions on the two scenarios, that is scenario 2 and scenario 3.
6. Recalling the delicate discussions to create the new governance structure of UN-Habitat, the need to respect the new governance structure with its three bodies with distinct functions, these are the Executive Board, the CPR and the UN-Habitat Assembly was mentioned.
7. There was suggestion that decision language could be worked on and recommended by the Bureau for the Executive Board to consider at its second session for the year 2021 for further recommendation to the UN-Habitat Assembly.

At the meeting on 13 October 2021, in order to move forward on this matter, the ad hoc working group recommended the following:

1. The Bureau of the Executive Board may work on a proposed decision language for the Executive Board to consider at its upcoming session, taking into account the different options considered by the ad-hoc working group and referring the matter to the UN-Habitat Assembly, for the UN-Habitat Assembly to take a final decision on this matter at its second session scheduled for 2023.
2. The proposed language will be discussed during the informal consultations on the draft outcomes of the second session prior to that session.

I believe that the recommendations from the Ad Hoc working group will enable the Bureau to forward the proposed language the Executive Board for consideration at its upcoming session. The Executive Board hopefully would then conclude discussions on the alignment of the QCPR with the panning cycles of UN-Habitat by referring the matter to the UN-Habitat Assembly for consideration and decision at its second session in 2023.

Normative and operational activities of UN-Habitat

Excellencies

The working group at its meeting on **13 October 2021** also discussed the normative and operational activities of UN-Habitat.

At that meeting, the Secretariat updated the working group on UN-Habitat's new initiatives in both normative and operational activities, with a focus on engagement in housing policy issues and priorities in Europe; engagement on migration and displacement, including progress on flagship programme 4 on inclusive cities for migrants. The briefing also highlighted the role of UN-Habitat in supporting voluntary local reviews on the Sustainable Development Goals, in line with paragraph 10 of recommendation 2021/1, adopted by the Committee of Permanent Representatives at the first meeting of the high-level midterm review.

The Secretariat also briefly presented a plan towards developing the institutional anchoring of capacity-building as a cross-cutting function as well as a briefing on the effective implementation of the United Nations System-wide Guidelines on Safer Cities and Human Settlements, including the terms of reference of a peer review mechanism for an effective implementation of the Guidelines. The ad hoc working group was also briefed on cooperation with the UNEP.

The working group acknowledged UN-Habitat's professionalism and its strategic positioning in the implementation and delivery of its normative and operational activities.

Finally, as recommended by the Bureau on 8 September 2021 and reiterated at the meeting today, the ad hoc working group will be instrumental in the prior informal consideration of any draft decisions before they are formally discussed and adopted by the Board at its second session. It is my understanding that these informal consultations are tentatively scheduled for 2 and 8 November 2021. You can count on my support as Chair of the working group to implement the recommendation from the Bureau.

Thank you, Mr. Chairman. I now give the floor back to you.
