

MEMBER STATES INDUCTION SEMINAR UN-HABITAT RESOURCE MOBILIZATION

TALKING POINTS

1. Slide 2

- In 2019, the UN-Habitat Assembly in its first meeting approved the UN-Habitat Resource Mobilization Strategy 2020-2023 (henceforth UNH Strategic Plan). The aim of the strategy was to **secure adequate, predictable and flexible funding** to implement the UNH Strategic Plan. **Our mission is to be results-focused, efficient, transparent, and accountable to maximize grants and investments' return on value.**
- Since 2020, the UN-Habitat Resource Mobilization Strategy is guided by these six major objectives:
 - secure adequate funding to implement the UNH Strategic Plan
 - support delivery of urban SDG targets and the New Urban Agenda by aligning with the UN Sustainable Development Cooperation Framework at the country level and by adhering to the UN Funding Compact
 - develop and enhance strategic partnerships with donors and recipient communities
 - diversify UN-Habitat's donor base
 - demonstrate that UN-Habitat implements programmes in an accountable, efficient and transparent manner that produces transformative results and impact
 - find innovative methods for funding raising
- Various actions are being taken to fulfil the six objectives.

2. Slide 3

- This slide shows the current status of funds as compared to the targets set in the UN-Habitat Resource Mobilisation Strategy with the ultimate aim of raising USD 1 billion to implement the Strategic Plan, including USD 60 million for regular budget, USD 109 million for non-earmarked budget, USD 262 million for foundation earmarked funding and USD 607 million for technical cooperation. As the Committee of

Permanent Representatives have recommended a two-year extension to the UNH Strategic Plan, we have an additional 48 months to raise the requisite funds. The CPR was clear that Covid-19 and the ensuing economic crisis meant that more time was needed to reach those targets.

- All the figures shown here do not include pledges.
- The “Health Indicator”¹ (the traffic light) is based on the comparison between the percentage of the target achieved VS where we stand in terms of the timeline.
- In 2020-2022, we have managed to raise approximately USD 540.6 million which is 49% of the total target. This is on-track as compared to the timeframe.
- In terms of fund type, the acquisition of regular budget is mostly consistent, with USD 45.1 million or 75% of the target of USD 60 million for the entire period of the Strategic Plan.
- In terms of foundation earmarked budget for normative activities, out of a target of USD 262 million, we have achieved USD 122.8 million (47%).
- In terms of technical cooperation (country programmes), out of a target of USD 607 million, we achieved USD 357.7 million (59%).
- The foundation non-earmarked budget has acquired USD 15 million, which is low compared to the overall target of USD 109 million set in 2019. Efforts to increase the acquisition of core funding is still very much need. However, going forward, the modality of a realistic budget complimented by a scalability model is welcomed by the Executive Board.

3. Slide 4

- This slide demonstrates the income trends by fund from 2016 to 2022 and the financial performance of UN-Habitat in the year 2022.
- In 2022, UN-Habitat has acquired 156.7 million USD, which meets 64% of the total target of the year.
- Noticeably, the acquisition of foundation non-earmarked has reached 7.3 million USD, which is the highest in the last six (6) years and has more than doubled the amount

¹ We have in total 72 months (2020-2025) to raise the funds and as of 30 Sep, we stand at 46% in terms of the timeframe. We consider a fund **healthy (green)** if the acquisition/target % is **equal to or above the timeline percentage**, thus green for regular budget and technical cooperation. Additional attention needs to be given to a fund that is **lagging behind the target by less than 10%**, thus Foundation Earmarked has a “**yellow light**”. Flags are raised for a fund for which the target completion rate is **more than 10% lower** compared to the timeline, thus a “**red light**” for Foundation Non-Earmarked.

acquired last year. 24 Member States have made contributions in 2022, of which 55% give consistent, predictable funds. There are four new contributors to UN-Habitat core funding from Angola, Azerbaijan, Guinea and Somalia, with Angola, Guinea and Somalia covering the current year and previous commitments. This also includes Azerbaijan who contributed USD 3 million to our core fund. Malaysia, Germany, Portugal, Singapore and the United Republic of Tanzania have returned to providing core contributions; Additional six (6) countries have made one-time pledges .

- The acquisition of the core funding in 2022 well exceeded the expenses under the austerity measures and realistic budget control, resulting in a reserve of over USD 5.5 million in the core fund.
- In 2022, foundation earmarked budget for normative activities has acquired 29.6 million USD, meeting 43% of the target for 2022. Technical cooperation acquired 106.1 million USD, 71% of its yearly target. This does not include the value signed in the agreements yet to be transferred.

4. Slide 5

- In the first two months of 2023, we have acquired USD 6.23 Million in total, with \$3 million contributed to the regular budget, \$2.97 million to the technical cooperation fund, and \$0.18 million to the foundation earmarked fund. The foundation non-earmarked fund received contributions from three Member States, totalling \$83,011, as most countries transfer their core contributions after the first two months of the year. Germany and China have pledged EUR 1 million and US \$350,000, respectively.
- Additionally, we are working on the funding packages for the UN Human Settlements Assembly and the Governing Bodies trust fund, and sending appeals to potential donors for their support.