Agenda Item 2:

Adoption of the Draft Minutes of the 39th Regular Session of the Committee of Permanent Representatives (CPR), which was held on 16 December 2010 (HSP/CPR/40/2/Rev. 1).
Draft minutes of the thirty-ninth regular meeting of the Committee of Permanent Representatives to the United Nations Human Settlements Programme, held on 16 December 2010

Opening of the meeting

1. The meeting was opened at 9.50 a.m. on Thursday, 16 December 2010, by Mr. Sergey Trepelkov, Deputy Permanent Representative of the Russian Federation to the United Nations Human Settlements Programme (UN-Habitat), who took the chair in the absence of Mr. Macharia Kamau, Permanent Representative of Kenya to UN-Habitat and Chair of the Committee, who was unable to attend the meeting.

2. The meeting was attended by 70 participants from 45 countries and one observer mission.

3. The Chair noted that it was unprecedented for a meeting of the Committee to be conducted in Russian. He recalled that Mr. Joan Clos of Spain had been appointed as Executive Director of UN-Habitat for a term of four years in October 2010, bidding him welcome. He thanked Ms. Inga Björk-Klevby for her work as the Officer-in-Charge of UN-Habitat in the period between the departure of the former Executive Director, Ms. Anna Tibaijuka, and the arrival of Mr. Clos.

4. He welcomed the following new permanent representatives to the Committee: Mr. Geoff Tooth (Australia), Mr. David Collins (Canada), Mr. Konrad Paulsen (Chile), Mr. Liu Guangyuan (China), Mr. Geert Aagaard Andersen (Denmark), Mr. Kadri Fathi Abdel-Mottaleb (Egypt), Mr. Etienne de Poncins (France), Mr. Sibabrat Tripathi (India), Mr. Adel Mustafà K. Al-Kurdi (Iraq), Mr. Toshihisa Takata (Japan), Mr. Yaqoub Y. Alsanad (Kuwait), Mr. Per Ludvig Magnus (Norway), Mr. Octav-Dan Paxino (Romania), Mr. Ndumiso Ndima Ntshinga (South Africa) Ms. Susannah Goshko (United Kingdom of Great Britain and Northern Ireland) and Mr. Yassine Ahmed Mokbel (Yemen). He bade farewell to the following permanent representatives who had departed the Nairobi duty station, thanking them for their contribution to the Committee’s work, which had greatly assisted it in discharging its mandate: Ms. Elisabeth Barbier (France), Mr. Yaw Konadu-Yiadom (Ghana), Ms. Elisabeth Jacobsen (Norway) and Ms. Jacqueline Mendoza (Bolivarian Republic of Venezuela).

Item 1: Adoption of the agenda

5. The agenda was adopted on the basis of the provisional agenda set forth in documents HSP/CPR/39/1/Rev.1 and Add.1.
Item 2: Adoption of the draft minutes of the thirty-eighth meeting of the Committee of Permanent Representatives, held on 15 September 2010

6. The Committee approved and adopted the draft minutes of its thirty-eighth meeting, held on 15 September 2010, as set out in document HSP/CPR/39/2.

Item 3: Election to replace the departing member of the Bureau of the Committee of Permanent Representatives for biennium 2010–2011

7. The Committee elected Mr. Masoud Gharanfoli, Deputy Permanent Representative of the Islamic Republic of Iran to UN-Habitat, to the position of Vice-Chair of the Bureau of the Committee of Permanent Representatives for the biennium 2010–2011.

Item 4: Quarterly report on UN-Habitat country activities

8. Introducing the item, the Chair said that the quarterly report on UN-Habitat country activities, as set out in document HSP/CPR/39/4/Rev.1, described the projects in each region completed between September and November 2010 and their expected results and included details of budgets and funding agencies. The report had been revised following its submission to the Committee in December 2010.

9. In his introductory statement, the Executive Director said that the report reflected recommendations made by member States and its scope had been widened to incorporate newly opened and completed projects from other divisions in addition to the activities of the Regional and Technical Cooperation Division. The report complemented the biennial report on country activities submitted to the Governing Council. The challenges of fieldwork and programme execution notwithstanding, UN-Habitat had maintained a dynamic portfolio responsive to regional and national needs, he said, inviting the Committee to provide feedback and guidance thereon.

10. In the ensuing discussion, all the representatives who took the floor welcomed Mr. Clos and congratulated him on his appointment. Several welcomed the fresh ideas that he brought to UN-Habitat and looked forward to working with him in putting them into effect and strengthening the organization. Another said that the appointment of Mr. Clos was timely, as the multilevel governance review and drive for organizational reform provided an opportunity to streamline UN-Habitat and ensure its high performance in tackling existing challenges and adapting to emerging issues in the urban agenda; progress had already been seen, he said, in the improved relationship between the Committee and the secretariat. Another representative said that the appointment of Mr. Clos would give fresh impetus to both the normative and operative work of UN-Habitat that would enable the organization to become more dynamic and focused.

11. Several representatives expressed appreciation for the report and the impressive activities of UN-Habitat at the country level. One said that the report improved understanding of the capabilities and competencies of UN-Habitat in carrying out projects at that level and would encourage other countries to seek partnerships with UN-Habitat to implement similar projects. Another said that the organization deserved more credit internationally for its activities and those should be conveyed more strongly to the international community. He emphasized, however, that projects selected for support should contribute to capacity-building at the country level and also provide a knowledge base for the normative work of UN-Habitat, and he sought the views of the Executive Director on the link between the organization’s practical and normative work. Another welcomed the vision for UN-Habitat set out by the Executive Director and the new priorities that he had announced of strategic planning, urban mobility, urban legislation and municipal finance during his speech at the third congress of United Cities and Local Governments held in Mexico City in November 2010. Some emphasized the importance of all new work being firmly rooted in the framework of the medium-term strategic and institutional plan.

12. Several representatives said that the forthcoming twenty-third session of the Governing Council was an opportunity to explore the above issues further and expressed willingness to work closely with UN-Habitat on preparations for the meeting.

13. One representative expressed appreciation for a meeting of bureau heads for Asia and Latin America that had taken place, calling for a similar meeting for Africa. Another stressed the importance of regional balance and suggested that more attention should be paid to Eastern European countries, urging greater cooperation in that region through the improved status of the UN-Habitat office in Moscow.

14. The representative of Japan informed the Committee of his Government’s contribution to UN-Habitat activities: $31 million for infrastructure in Afghanistan in 2010 and $76 million for projects in Afghanistan, Pakistan, Senegal and Somalia in 2011.
15. The representative of Pakistan expressed appreciation to UN-Habitat and other development partners for their support in projects relating to internally displaced persons in his country. The representative of Sri Lanka thanked UN-Habitat for its contribution following the tsunami that had afflicted his country, emphasizing the importance of support for small island developing States in the prioritization of regional projects.

16. Responding to the comments, the Executive Director assured the Committee that he would promote close cooperation between the secretariat and the Committee as an important element of the governance structure of UN-Habitat. In the face of financial challenges, it was important for UN-Habitat to continue to have high-quality projects in many countries, as illustrated in the report. Such projects would require the support of member States in increasing productivity and efficiency. He thanked the staff of UN-Habitat for their personal commitment and professional work.

17. In his response on behalf of the secretariat, Mr. Daniel Biau, Director of the Regional and Technical Cooperation Division, noted the importance of the post-conflict aspect of the country activities of UN-Habitat, pointing out that it was illustrative of most country activities in combining the three dimensions of policy advisory services, capacity-building and specific operations in the field. It was hoped that the budget of UN-Habitat for country activities would rise to $150 million in 2011, he said, noting that 70 per cent of that amount was mobilized at the country level by member States; in that connection, he thanked the Government of Japan for its contribution. Up to 10 per cent of funding was raised by developing countries themselves, illustrating the interest of recipient countries in UN-Habitat activities. The decentralization of funding, however, also presented challenges in terms of regional prioritization. Although dependent on country-level funding, UN-Habitat was nevertheless working in all regions and the regional offices would be strengthened with the opening of the office in Cairo in 2011.

**Item 5: Six-monthly progress report on the implementation of the medium-term strategic and institutional plan**

18. Introducing the item, the Chair recalled that Governing Council resolution 21/2 of April 2007 had requested the Executive Director to provide a regular report to the Committee on the progress and challenges related to the implementation of the medium-term strategic and institutional plan, as set out in document HSP/CPR/39/5.

19. In his introductory statement, the Executive Director welcomed the achievements made to date in the implementation of the medium-term strategic and institutional plan but emphasized that a number of challenges remained to be overcome. Highlighting some examples, he said that UN-Habitat had continued to make progress in the six focus areas, the enhanced normative and operational framework, and in the cross-cutting issues of gender, young people and disaster management.

20. In the ensuing discussion, several representatives thanked the Executive Director for his presentation and welcomed the progress made in the implementation of the medium-term strategic and institutional plan, highlighting in particular the work on climate change, urban safety and development, and youth and gender issues. One representative expressed appreciation for the presentation of the report. Another thanked the secretariat for the attention paid to the Committee’s comments on the report.

21. One representative expressed satisfaction with the growing culture of evaluation in UN-Habitat, which was an essential component of effective programme assessment. Another voiced concern regarding the implementation of the guidelines on decentralization and access to essential services, and drew attention to some gaps in the report with regard to management excellence, both of which were considered priorities by his Government. He also emphasized that the priorities identified by the Executive Director would not be satisfactorily implemented unless accompanied by serious consideration of the governance of UN-Habitat. Another representative urged the Executive Director to include improved access to land and housing as one of his priorities.

22. In his response, the Executive Director acknowledged the importance of priority areas raised by the representatives, notably the focus on access to housing, which would continue to be one of the main flagships of UN-Habitat, and the issue of excellence in management, which was important for increasing the efficiency of the organization. As his review of the organization made progress, he said, further areas of work would be identified that needed to be considered.
Item 6: Report of the working groups for the preparation of the twenty-third session of the Governing Council

23. Introducing the item, Mr. Konrad Paulsen, Permanent Representative of Chile to UN-Habitat and Rapporteur of the Bureau of the Committee of Permanent Representatives, outlined the activities of the five working groups, which had met 22 times in total during the period since the Committee’s previous meeting to discuss the reports to be presented to the Committee and to the Governing Council at its twenty-third session and preparations for the latter, as set out in document HSP/CPR/39/6.

24. In the ensuing discussion, several representatives requested that the minutes of the working group meetings should be circulated to the Committee immediately after the respective meetings.

25. One representative called for the issues of gender and young people to be reflected in the main theme of the Governing Council session and also requested the completion of evaluations of UN-Habitat activities, such as the slum upgrading facilities and water and sanitation trust funds, so that those might be presented to the Council. Another requested the secretariat to prepare a report on the contribution of UN-Habitat to the United Nations Conference on Sustainable Development to be held in Rio de Janeiro, Brazil, in 2012, and also proposed that the guidelines on decentralization and access to basic services should be discussed by the Council. Another representative requested the financial report for the preceding year to be provided to participants in advance of the session to inform their deliberations on the work and budget of UN-Habitat.

26. The Executive Director thanked the representatives for their interventions and took note of the comments.

Item 7: Report on the deliberations at the sixty-fifth session of the General Assembly

27. The Executive Director provided an overview of two reports that had been submitted to the Second Committee of the General Assembly on 2 November 2010 in relation to the agenda item on UN-Habitat at the Assembly’s sixty-fifth session. He said that, at the session, representatives had recognized the unique and pivotal role played by UN-Habitat in the pursuit of sustainable development and the progress that it had made in the implementation of the medium-term strategic and institutional plan and experimental reimbursable seeding operations. While recognizing UN-Habitat fund-raising efforts, representatives had expressed concern at the organization’s continued funding difficulties, which were seen to be hampering the efficiency and effectiveness of its operations. He said that a draft resolution related to the agenda item on UN-Habitat was before the Assembly for its consideration and possible adoption.

28. In the ensuing discussion, one representative drew attention to the interconnected nature of the targets of the Millennium Development Goals and the consequent need for a holistic approach to their attainment.

29. Another representative expressed her Government’s support for paragraph 14 of General Assembly resolution 62/198 of 19 December 2007, by which the Assembly had emphasized the importance of the Nairobi headquarters location of UN-Habitat and requested the Secretary-General to keep the resources needs of the organization and the United Nations Office at Nairobi under review so as to permit the delivery, in an effective manner, of necessary services to UN-Habitat and other United Nations organs and organizations in Nairobi.

30. The representative of Kenya announced her Government’s offer to host and support the proposed United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in 2012.

31. One representative highlighted, among other things, the importance of the UN-Habitat Millennium Development Goal implementation strategy and underscored that, in the light of the Monterrey Consensus, global partnerships should be strengthened for the delivery of commitments to help developing and least developed countries.

32. Another representative highlighted the importance of the General Assembly invitation to UN-Habitat to upgrade the overly modest target of the Millennium Development Goals on improving the lives of slum-dwellers, calling for the matter to be discussed at the twenty-third session of the Governing Council in the lead-up to the United Nations Conference on Sustainable Development.
Item 8: Report on the preparation of the work programme and budget for the biennium 2012–2013

33. Introducing the item, the Executive Director drew attention to the report on the preparation of the work programme and budget for 2012–2013 set out in document HSP/CPR/39/8. The work programme was closely aligned to the medium-term strategic and institutional plan and was based on the strategic framework for 2012–2013. It reflected a strong results-based orientation and lessons learned from the implementation of previous work programmes and sessions of the World Urban Forum. In addition, it was prioritized, which would facilitate decision-making on the allocation of resources should funding be unavailable for the entire work programme. It had been closely reviewed by the Committee and amended on the basis of members’ comments.

34. In the ensuing discussion, representatives expressed support for the draft work programme and budget for 2012–2013 as presented. One said that the third biennial work programme was a significant improvement on previous work programmes. A number expressed the hope that the Executive Director would find sufficient flexibility to adapt his vision to the work to be undertaken. One representative expressed sympathy for the Executive Director’s circumstances, having joined UN-Habitat with an abundance of ideas that were restricted by its budget, which allowed little space for manoeuvre. The Executive Director should be given reasonable flexibility to accommodate new priorities in the 2012–2013 work programme and budget, which was the final phase of the medium-term strategic and institutional plan. His Government would support such flexibility as long as the new priorities were clear and transparent. Several representatives voiced support for the Executive Director’s priorities. One expressed the hope that the priorities would have a positive impact on the topic of security in cities, while another commended improvements in management and organizational reform.

35. One representative drew attention to the need for a timely, finalization, approval and implementation of the work programme given the links and communications constraints with United Nations Headquarters.

36. One representative expressed appreciation for the Executive Director’s willingness to implement the recommendations of the organization review in consultation with the Committee, including the appropriation of the special allocation incorporated into the budget. He urged the Executive Director to provide further clarity on planned organizational reform and the use of funds in that regard. One representative welcomed discussions between the secretariat and the Committee on the budgetary allocations for the realignment of the medium-term strategic and institutional plan, and sought clarification thereon prior to the twenty-third session of the Governing Council.

37. Several representatives welcomed the inclusion of the World Urban Forum as one of the main UN-Habitat outputs in the work programme. One said that his Government had been impressed by the secretariat’s efforts to broaden the Forum activities. It was important, he said, to consider how resources could be channelled to the Forum, which represented a key global event in promoting the sustainable urban agenda. Another underscored the vital importance of public relations in promoting the Forum, which was the most visible aspect of UN-Habitat work. As the Forum could bring dramatic change to parts of the world, resources needed to be directed to that end. One representative said that the inclusion provided a better understanding of Forum activities and their relevance to the organization’s other activities.

38. One representative suggested that a reference to the host country’s contribution to the Forum should be removed from the report as it did not provide an adequate reflection of that contribution.

39. Another representative drew attention to the need to understand the relationship between wealthy people and the urban poor in the continuing discussion on urban poverty, suggesting that measures such as taxation were important priorities for the prosperity of cities.

40. One representative welcomed the work programme’s five new areas of emphasis and the participation of the Executive Director in discussions with the Committee on the work programme. She stressed that strengthening the secretariat’s organizational management was an area of key importance for her Government and had been highlighted by the medium-term strategic and institutional plan peer review as one that required attention.

41. The Executive Director thanked members for their comments and support. He undertook to provide the Committee with greater clarity as to the intended use of the allocation for ‘organizational realignment’ that now appears in the Draft Work Programme and Budget under ‘executive direction and management’ prior to the next meeting of the Governing Council. He said that the secretariat would take taxation into account in the organization’s new emphasis on the urban economy and
municipal finance and would put emphasis on the improvement of management. The secretariat would
devote due attention to the draft work programme and budget on the basis of members’
comments. He recognized the emphasis by member States on security in cities, which was a topic that
had been the subject of much work by UN-Habitat and one that was extremely relevant to slums in
megacities.

42. The Committee approved the draft work programme and budget for the biennium 2012–2013.

**Item 9: Quarterly report on the financial status of UN-Habitat**

43. The Executive Director drew attention to the quarterly report on the financial status of
UN-Habitat set out in document HSP/CPR/39/9, providing a brief summary of the organization’s
financial situation and thanking a number of countries for pledges, contributions and support. He
urged member States to pledge their contributions without delay to enable effective planning and
prioritization of activities and encouraged them to consider adopting flexible earmarked funding
mechanisms aligned with the focus areas of the medium-term strategic and institutional plan.

44. The Committee took note of the quarterly report on the financial status of UN-Habitat.

**Item 10: Progress report on the governance review process**

45. The chair of the governance review process presented a progress report on the governance
review process, as set out in document HSP/CPR/38/10, which included a list of additional quick-wins
and a list of proposed medium/long-term interventions. He also explained that a consultant was being
hired to gather information on the governance structure of UN-Habitat in the context of the wider
United Nations system and continuing reform thereof, and to assess the current situation and define
options for the way forward. The implementation team on the governance review process would
review the consultant’s work and a report on options would be submitted to the Governing Council at
its twenty-third session. Highlighting the increased trust and understanding between the secretariat and
the Committee as a result of the governance review process, he thanked the implementation team
members and looked forward to their continuing work.

46. One representative thanked the secretariat, the chair and members of the implementation team
for their hard work. He noted that much remained to be done with regard to the review process and
expressed his willingness to provide support thereto.

47. The Committee endorsed the additional quick-wins and medium/long-term interventions, as
set out in document HSP/GC/38/10, as amended.

**Item 11: Other matters**

48. Introducing the item, the Chair presented the proposed dates for the regular sessions of the
Committee of Permanent Representatives to UN-Habitat for 2011, as set forth in document
HSP/CPR/39/11, noting that any proposals for changes thereto should be submitted to the secretariat
no later than 23 December 2010.

49. One representative requested that, with regard to the concept paper and background documents
for the sixth session of the World Urban Forum, the secretariat should use the nomenclature of
“Persian Gulf” as the standard geographical designation for the sea area between the Arabian
Peninsula and the Islamic Republic of Iran in accordance with the United Nations editorial directive on
the matter.

50. Mr. Chris Mensah, Secretary of the Governing Council of UN-Habitat, said that, at the
previous meeting of the working group on preparations for the sixth session of the World Urban
Forum, the secretariat had undertaken to circulate the theme paper for that session by 16 December
2010, but had been unable to do so as a result of consultations between States on phraseology in some
aspects of the text. It was to be hoped that consultations in that regard would be finalized shortly and
the document dispatched.

**Closure of the meeting**

51. The Chair declared the meeting closed at 12.45 p.m. on Wednesday, 16 December 2010.