Statement by Dr. Joan Clos, Executive Director

Executive Director’s Informational Briefing
to the Committee of Permanent Representatives

Agenda Item 3

HSP/CPR/44/3
Nairobi, 3 April 2012
Mr. Chairman, Excellencies, Distinguished Delegates,

Allow me now to update you on a number of issues of importance to UN-Habitat at present, including: (a) Progress with the Organisational Review; (b) Preparations for Rio+20; and (c) Preparations for the 6th Session of the World Urban Forum (WUF 6).

Before going into these three main issues, I would like to let you know that we are now in the process of thinking about the modalities of Habitat III, in particular about innovative ways of handling the preparatory process. Once we are through with this preliminary work, we will share with you our suggestions, for consideration in the preparation of the second resolution on Habitat III to be adopted by the General Assembly later this year.

**Progress with the Organisational Review**

Subsequent to the briefings made at the CPR Regular Sessions in September and December last year, it is my pleasure to share with you the progress with the organizational review process.

I wish to reiterate that the re-organization was initially borne out of a genuine organizational need following recommendations made by Member States and UN-Habitat’s key development partners and to ensure optimal delivery of the agency’s mandate. In parallel, the impact of the global economic crisis has introduced additional and critical considerations for this agency’s future. In the context of the projected shortfall in the general purpose income and in order to address consistent calls by Member States and donors for increased efficiency, productivity as well as accountability, I have continued with cost controls and strict management measures, such as the moratorium on recruitment, reduction in the use of consultants, travel, and general operating expenditures. As you may recall, these measures have so far resulted in the reduction of the organization’s budgetary deficit from USD 5.8 million in 2010 to USD 581,000 in 2011.

UN-Habitat has made significant progress with the organizational review, which was formally launched in February 2011. Various consultations with staff at large, staff representatives as well as UNON and various other pertinent stakeholders have taken place throughout the organizational review process. Close coordination with the Department of Management has also been established, and I greatly appreciate their continued support towards UN-Habitat’s reform.

As stated earlier, the purpose of the organizational review is to establish a structure capable of ensuring more effective and efficient delivery of UN-Habitat’s mandate at the country, regional and global levels. A transitional period has been established to allow some of the key change components to mature and take shape. The transitional period will also accommodate the drafting of the new Secretary-General’s Bulletin to reflect the proposed final organizational structure. The proposed transitional structural measures - which have been identified and are being implemented - involve some changes to our current organizational structure. The key changes can be summarised as follows.

(a) The substantive part of both the transitional and proposed final structure consists of the following seven Branches, each focusing on the design and implementation of normative and operational projects in one substantive area.
1. Urban Legislation, Land and Governance;
2. Urban Planning and Design;
3. Urban Economy;
4. Urban Basic Services;
5. Housing and Slum Upgrading;
6. Risk Reduction and Rehabilitation;
7. Research and Capacity Development.

Each Branch has 3 to 4 Units composed of a number of projects with similar thematic character. I also wish to emphasize that each of the seven branches fit neatly within the existing sub-programmes, as endorsed by the governing bodies of UN-Habitat.

(b) The proposed Management Office conflates elements of the mandates of the former Programme Support Division and some elements of the Office of the Executive Director.

(c) The newly proposed Project Office also combines some elements of the former Programme Support Division as well as elements from the former substantive Divisions.

(d) The Regional Offices are expected to contribute to project identification and formulation functions, and identifying regional resources and funding opportunities. During the transitional period, the implementation arrangements for the on-going regional and country activities remain unchanged.

The envisaged final organizational structure will incorporate the transitional measures, whilst also strengthening the External Relations Office (a part of the Office of the Executive Director during the transitional period) as a separate organizational unit.

The seven substantive areas are also the Focus Areas in the proposed Strategic Plan for 2014-2019 and the Subprogrammes in the Work Programme and Budget for 2014-2015, thus ensuring complete alignment between the six-year strategic plan, the two-year strategic framework, the two-year work programme and budget, and the organizational structure of the agency.

On the programmatic side, UN-Habitat’s work will continue to be guided by the MTSIP until the end of 2013, after which the new Strategic Plan for 2014-2019 will take effect. The foreseen complete alignment will simplify accounting and reporting, and enhance accountability and transparency. A plan to guide the delivery of the outputs of the 2012-2013 work programme and implementation of the MTSIP 2008-2013 through the new organizational structure has been developed.

Change management is a long term process which requires careful consideration and gradual implementation, with particular attention to the management of the people-side of change. In addition to the various channels of communication, I have given my full commitment towards the establishment of an Ad-Hoc Staff Management Consultative Committee for designated staff and management representatives to conduct effective consultations on the reorganization of UN-
Habitat. I trust that the Committee will provide a useful platform for additional consultations on the reform.

I have already assigned responsibilities to Branch Coordinators, Unit Leaders and Acting Heads for the Project Office and the Management Office. I intend to assign the remaining supporting staff for these branches and units immediately after the necessary consultations between management and the staff representatives, and with the respective Branch Coordinators, senior managers and individual staff members have matured. One-to-one consultations between staff and their respective supervisors are now being finalized. So far these direct consultations with the staff have been well received.

Excellencies,

Safeguarding rights, interests, responsibilities and obligations of staff members remains one of the cornerstones of the on-going reform of UN-Habitat. I am therefore committed to move swiftly with the implementation of the proposed transitional measures in anticipation of the finalization of the reorganization process, which will culminate in the issuance of a new ST/SGB on the organization of UN-Habitat, to be approved by the Secretary-General. We will keep you informed of further progress.

Preparations for Rio+20

Turning to preparations for Rio+20, you will recall that the conference will focus on two themes: a green economy in the context of sustainable development and poverty eradication and the institutional framework for sustainable development.

The UN-Habitat Governing Council, at its 23rd session, adopted resolution 23/17 on “Sustainable urban development through expanding equitable access to land, housing, basic services and infrastructure”. The report of the one-day Dialogue on this theme was sent by the President of the UN-Habitat Governing Council to the Rio+20 Bureau.

Also as part of the preparations for Rio+20, UN-Habitat submitted formal inputs to the draft outcome text of the Conference, The Future We Want, and the Rio+20 Secretariat and Member States have identified cities as one of the most critical issues for sustainable development.

UN-Habitat also contributed proposals for a dedicated urban goal and targets to the draft Sustainable Development Goals (SDGs). One of the proposed draft Sustainable Development Goals in the outcome text is on “Safe and sustainable cities for all by 2030”.

In addition, UN-Habitat is also engaging with the Group of Friends on Sustainable Cities. This is a group of approximately 20 Member States, co-chaired by Singapore and Sweden. It is envisaged that this collaboration will be carried forward beyond Rio+20.

In the current draft outcome text, the section on “Cities” has increased from 1 to 31 paragraphs, showing that there is significant interest in the topic in the on-going negotiations. These
negotiations started in New York during the period 19 to 28 March 2012, and will continue from 23 April to 4 May.

During Rio+20, UN-Habitat will be engaged in the final Preparatory Committee (13-15 June), the Sustainable Cities component of the Dialogue for Sustainable Development (16-19 June) and the Summit itself (20-22 June).

Just before the Summit, UN-Habitat will facilitate an event with key local government organizations on “The Role of Cities in future Sustainable Development”, to be hosted by the Mayor of Rio de Janeiro.

More significantly, UN-Habitat will organize a high level side event on Future Cities and National Urban Policies with high level speakers representing various levels of government, private sector and academia, focusing on commitment to develop National Urban Policies to promote sustainable development. The event will be co-organized by the Government of Norway.

On the advocacy side, UN-Habitat is leading the mini-campaign on Sustainable Cities, in collaboration with UN-DESA, within the framework of “The Future We Want”. Rio+20 will also be a launch pad of an Awareness Campaign, “I’m a City Changer”.

UN-Habitat will also be involved in a number of other activities organized by several Governments, sister UN agencies and partners such as ICLEI.

UN-Habitat stands prepared to further support member states in the lead up to Rio+20 and beyond, to develop targets, indicators, policies, plans and strategies related to sustainable cities, in collaboration with other UN agencies.

Preparations for WUF 6

Excellencies,

Allow me now to turn to preparations for the sixth session of the World Urban Forum (WUF 6). After five sessions of the Forum, the sixth session will take place during the first week of September in Naples (Italy).

Participation in the Forum has been rising significantly, from 1,200 delegates at the inaugural session in Nairobi in 2002, to almost 14,000 at the Fifth Session in Rio de Janeiro in 2010. 100 countries were represented at the Third session and at the Fourth session the number rose to 146, and rose again to 150 at the Fifth session.

The benefits of the World Urban Forum are: advocacy, publicity and image projection; new and strengthened partnerships; strengthening of international cooperation; opportunities for policy debates and information dissemination; sharing of best practises; peer review; and capacity building.
Preparations for the sixth session of the World Urban Forum are going on well. WUF6 will be supported by all three levels of the Italian Government: the National level, the Region of Campania, and the City of Naples.

Following political changes in local and national political authorities in Italy last year (2011) and in the wake of the downturn of the economy worldwide, the host country called for a revision of the earlier agreement and the programme of the WUF in January 2012.

A new agreement was signed on 28th February 2012, committing the Italian Government to host WUF6 in the Mostra d’Oltramare, Naples, during the first week of September; reducing some of the sessions; and promoting virtual sessions and innovative participatory tools. The final budget for WUF6 is 1.2 million euros.

The topic of WUF 6 is Urban Future and four main dialogues will be organized: the first on Productive Cities; the second on “Urban Planning”; the third on “Equity and Prosperity”; and the fourth on “Urban Mobility, Energy and Environmental Sustainability”.

Apart from the dialogues, roundtables, networking, training and side events will be organized. Application is open to some of them on our website (www.unhabitat.org/wuf) and the deadline has been extended to 27th April, due to the high demand.

Invitations to countries and all Habitat Agenda Partners were sent during December 2011 and January 2012. Registration will be open during the month of April.

WUF 6 will also host an exhibition, part of it open to the citizens. The World Urban Campaign and “I’m a City Changer” campaign will be present at the exhibition and an important part of the World Urban Forum. WUF6 will also be the first strategy session for Habitat III.

Mr. Chairman, Excellencies and Distinguished Delegates, I thank you for your kind attention.