• Assessment of Progress of Focus areas against targets for 2011
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This section assesses progress of each focus area, at the expected accomplishment level using indicators of achievement against targets set for 2011. Colour coding is used to indicate whether performance is on track (green), shows mixed progress (yellow) or needs high attention (red).

The key for performance colour coding is as follows:

<table>
<thead>
<tr>
<th>On track – satisfactory progress</th>
<th>Mixed progress - stay alert</th>
<th>High attention required</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater than 75%</td>
<td>Greater than 50% but less than 75%</td>
<td>Less than 25%</td>
</tr>
</tbody>
</table>
Expected Accomplishment 1: Improved awareness of sustainable urbanization issues at national and global levels.

**Indicator (a): Number of media articles on flagship reports: Target set for 2011 is 16,000 articles**

- The number of media articles on the *State of the World’s Cities report 2010/2011: Bridging the Urban Divide* and the *Global Report on Human Settlements 2011* increased by 56% to reach a record of over 25,000 in 2011 up from from 14,022 for and exceeded the target of 16,000 articles.

**Indicator (b): Number of downloads from UN-Habitat website of sustainable urbanization materials: Target for 2011 was 900,000 downloads**

- UN-Habitat recorded 1,076,039 downloads of publications from its website in 2011, up from 822,156 in 2010 and an increase of 31% above the target of 900,000 downloads.

**Indicator (c): Number of countries with National Urban Forums: Target for 2011 was 17 countries**

- A growing number of countries established National Urban Forums (NUFs) as platforms for awareness raising and policy debates on sustainable urban issues. The number of countries with NUFs was 35 as of December 2011, compared to 20 in November 2010.
Focus Area 1

Expected Accomplishment 2: Habitat Agenda partners actively participate in the formulation of sustainable urbanization policy

*Indicator of achievement (a): Number of partnerships (by category) contributing to sustainable urbanization. Targets for 2011: 35 international organizations; 45 national governments; 32 training institutions/universities; 10 foundations; 36 private sector organizations and 50 civil society organizations.*

- In 2011, UN-Habitat signed cooperation agreements with 188 partners. These partnerships included 73 international organizations, 40 national governments and local authorities, 31 private sector organizations, 20 training institutions, and 24 youth groups, indicating increased participation of Habitat Agenda partners in the formulation of sustainable urbanization policies.

Expected Accomplishment 3: Monitoring of sustainable urbanization conditions and trends improved

*Indicator of achievement (a): Number of operational Urban Observatories – 2011 target is 160*

- In 2011, UN-Habitat facilitated the establishment of 82 national and local urban observatories. By December 2011 UN-Habitat was supporting operations of 237 national and local urban observatories, up from 155 by November 2010.
Focus Area 1 continued.

**Overall assessment of progress in Focus Area 1:** UN-Habitat’s self-assessment, based on the indicator of achievements and targets for 2011 places all three expected accomplishments of FA1 on track. Figure 2 shows the 2011 estimated annual budget (USD 33.1 million) and allocated amount (USD 54.8 million, which includes the allocation for country projects) for FA1, as well as expenditure (USD 40.9 million) as of 31 December 2011, by type of funding. The utilization rate of all the funds allocated to FA 1 for the year is 74.6%.
Annual estimated budget, allocated resources and expenditure for FA1 by type of funding
FA2: Participatory urban planning, management and governance (UPMG)

**Expected Accomplishment 1: Improved policies, legislation and strategies support inclusive UPMG**

*Indicator of achievement (a): Number of countries whose policies, legislation and strategies incorporate sustainable urbanization principles. Target for 2011 was 30 countries.*

- 39 countries, against a target of 30 for 2011, improved their policies, legislation and strategies for urban planning, management and governance (UPMG), with UN-Habitat’s support.

*Indicator of Achievement (b): Number of crisis-prone and post-crisis countries whose policies, legislation and strategies incorporate urban risk- and vulnerability-reduction measures. Target for 2010-2011 is 10.*

- A total of 11 crisis prone and post crisis countries are implementing policies that incorporate urban risk and vulnerability measures, in 2011 up from 9 in 2010. Madagascar and Haiti are the new countries.

**Expected Accomplishment 2: Strengthened institutions promote inclusive Urban Planning, Management and Governance.**

*Indicator of achievement (a): Number of institutions in targeted countries that actively promote sustainable urbanization dimensions. Target for 2011 was 50*

- 53 institutions, by December 2011 (up from 41 institutions at the end of 2010), were promoting sustainable urbanization. Of these, 27 are local government training institutions, 14 are universities and 12 are local government associations and regional or global local government training institutions.
FA 2, cont.

Expected Accomplishment 3: Improved implementation of inclusive UPMG

Indicator of achievement (a): Number of cities implementing inclusive UPMG. Target for 2011 was 139

- As of December 2011, a total of 147 cities were implementing inclusive UPMG, with support from UN-Habitat, through participatory action planning and implementation in the areas of governance, safety, environment, risks and crisis, with an additional of 15 cities from 132 cities at the end of 2010 that were implementing inclusive UPMG.

Overall assessment of FA2: On the basis of the indicators of achievement, FA2 is on track in all 3 expected accomplishments. However, measuring inclusive UPMG is still work in progress. There is a need to establish means, partnerships and monitoring systems to assess results and reflect them in periodic reporting. The figure below shows the annual budget estimates (USD 23.6 million) and allocation (USD 47.2 million) for FA2, as well as expenditure (USD 30.1) as of 31 December 2011. This makes the utilization rate of 64% of all allocated funds, the lowest among the FAs for the year.
Annual estimated budget, allocated resources and expenditure for FA2 by type of funding
FA 3: Pro-poor land and housing

Expected accomplishment 1: Improved land and housing policies implemented

*Indicator of achievement (a): Number of countries implementing improved land and housing policies. Target set for 2011 is 30 countries.*

- As of December 2011, a total of 37 countries (compared to 33 in 2010) were developing, implementing or completing land and housing reforms. The new countries are Burundi, DRC, Iraq and South Sudan.

Expected Accomplishment 2: Security of tenure increased

*Indicator of achievement (a): Number of countries implementing policies to improve security of tenure, including reduced forced evictions. Target for 2011 was 21 countries.*

- Through normative tools and technical assistance, UN-Habitat mobilized governments and Habitat Partners to improve security of tenure and reduce forced evictions. As of December 2011, 29 countries (compared to 24 in 2010) were implementing policies to improve security of tenure and reduce forced evictions, including in post-disaster and post-conflict situations.
FA 3 Continued.

Expected accomplishment 3: Slum improvement and prevention policies promoted

Indicator of achievement (a): Number of countries implementing slum prevention and improvement policies. Target for 2011 was 26 countries.

- As of December, 2011, 33 countries (17 in Africa and Arab States, 10 in Asia and the Pacific, one in Europe and five in Latin America and the Caribbean) were implementing slum prevention and improvement policies with UN-Habitat support which is above the 2011 target of 26 countries. 12 of them prepared slum upgrading and prevention programmes for implementation with support from the Participatory Slum Upgrading Programme and funding from the European Commission.

Overall assessment of FA 3: Based on targets and indicators of achievement, assessment puts FA3 on track. Good progress has been made in policy advocacy, tool development and application in land, housing and security of tenure. The figure shows the annual budget estimate (USD 25.4 million) and allocation (USD 106.2 million) for FA 3, as well as expenditure (USD 84.1 million) as of 31 December 2011. This gives a 79.1% utilization rate of all funds allocated for the year.
Annual estimated budget, allocated resources and expenditure for FA3 by type of funding

FA3: Pro-poor land and housing

- Regular Budget
- Foundation General Purpose
- Foundation Special Purpose
- Technical Cooperation
- Total

Fund Type:
- 2011 Budget Estimate
- 2011 Allotment
- Jan to Apr 2011 Expenditure

Millions of USD
Expected accomplishment 1: An enabling policy and institutional framework promotes expanded access to environmentally sound urban infrastructure and services

**Indicator of achievement (a): Number of countries progressively adopting relevant policies that aim to expand access to environmentally sound urban infrastructure and services. Target for 2011 was 30 countries.**

- Participating countries in the *Water for Cities* programmes, progressively adopted policies aimed at expanding access to environmentally sound urban infrastructure and services. By December, 2011 36 countries (13 in Asia and the Pacific, seven in Latin America and the Caribbean, 15 in Africa and one in Central America), up from 35 in November 2010 were involved which exceeded the 2011 target of 30 countries. The new country is Honduras.

**Indicator of achievement (b): Number of institutions in target countries progressively adopting institutional mechanisms that expand access to environmentally sound urban infrastructure and services. Target for 2011 was 105 institutions.**

- The number of institutions in target countries progressively adopting institutional mechanisms that expand access to environmentally sound urban infrastructure and services reached 126 by December 2011, up from 123 institutions in November 2010. This is above the 2011 target of 105 institutions.
Expected Accomplishment 2: Increased institutional efficiency and effectiveness in provision of basic urban infrastructure services

**Indicator of achievement (a): Percentage of service providers (water and sanitation utilities supported by UN-Habitat) recovering at least 95% operation and maintenance cost of services. Target for 2011 was 40%.

- The survey for setting the baseline and targets for this indicator was not undertaken due to budgetary constraints. However, UN-Habitat worked with service providers to improve institutional efficiency and effectiveness of water and sanitation utilities:
  
  a) Through the Lake Victoria programme, seven water utilities in 3 countries integrated improvements in physical infrastructure with training and capacity building. Four of the seven utilities are achieving over 95% cost recovery and one other utility is achieving 86% cost recovery and is on track to achieve the 95% target.

  b) Under the southeast Asian MEK-WATSAN programme, two towns, namely Xieun Ngeun and Sayabouly both in Lao People's Democratic Republic are recovering 100% of operations and maintenance costs.

**Indicator of achievement (b): Percentage of consumers of targeted UN-Habitat partner service provider organizations reporting satisfaction with services provided. Target for 2011 was 62%.

- The survey for this indicator was not undertaken due to resource constraints. However, a stakeholder survey conducted in 2011 as part of the external evaluation of the Water and Sanitation Trust Fund revealed that 83% of the respondents perceived the programme had created visible results to beneficiaries.

- *Urban inequities Surveys* were carried out in the 10 Lake Victoria towns where short term interventions were completed and the facilities are operational. Preliminary results from the surveys that have been completed (in 5 towns) indicate significant improvements in the level of satisfaction with water, sanitation and solid waste management services as a result of the UN-Habitat interventions.
Expected Accomplishment 3: Enhanced consumer demand for efficient and environmentally sustainable basic urban infrastructure and services.

Expected Accomplishment (a): Percentage of consumers ranking basic urban infrastructure services in the first three of their priority needs.

- The survey for this indicator was not undertaken due to resource constraints. However, community participation and empowerment is a key feature of UN-Habitat’s water and sanitation programme. In Nepal, following UN-Habitat’s interventions, citizens in seven municipalities and 14 small towns reported increased awareness and empowerment to demand and access improved services. In the Mekong River region, consumer groups formed in 26 small towns in Cambodia, Lao PDR and Vietnam – have strong participation from women’s groups.

- Under the LWATSAN, an estimated 220,000 persons, from mainly vulnerable families, benefited from improved water services through piped connections, access to community-managed water kiosks and rainwater catchments. These improvements resulted in major reductions in the cost of water for the poor, both in terms of the price paid for water and the opportunity cost of the time spent fetching it.

Indicator of achievement (b): Percentage of initiatives with a difference in the price of basic urban infrastructure services paid by the poor vis-à-vis the rest of consumers in selected communities. The Target for 2011 was 22%.

- Assessment of progress on this indicator requires a survey yet to be conducted. However, lessons learned from UN-Habitat’s pro-poor approach in water and sanitation programmes in urban areas show that the poor tend to pay more for water. By facilitating pro-poor tariff setting, UN-Habitat’s interventions in service provision reduced the price the poor had to pay. During 2011, through the water and sanitation programmes in the LWATSAN and the MEKWATSAN programmes, 15,000 and 10,000 additional people, respectively, benefitted from pro-poor water and sanitation tariffs.
Overall Assessment of FA4

Overall assessment of FA 4: Based on indicators of achievement and targets, as well as the findings of the evaluations of the Water and Sanitation Trust Fund conducted in 2011, the assessment considers Expected Accomplishment 1 on track while 2 and 3 are on track on 50% of their indicators. The figure below shows the annual budget (USD 30.1 million) and allocation (USD 78.9 million) for FA 4, as well as expenditure (USD 63.1 million) as of 31 December 2011. This gives a utilization rate of 80% of all funds allocated for 2011.
FA 5: Human settlements finance systems

Expected Accomplishment 1: Financing raised for and increases recorded in affordable and social housing stock and related infrastructure

**Indicator of achievement (a):** Value of commercial loans, government subsidies and donor grants made available for projects financing affordable housing, upgrading and basic infrastructure in targeted countries and communities. Target for 2011 was about USD 7,000,000.

- Two financial services programmes, revolving loan fund of the experimental reimbursable seeding operations (ERSO) and a grant programme of the Slum Upgrading Facility (SUF) raised USD 3,629,597 million and USD 19,233,000, achieving a total of USD 22.8 million by December 2011 which is three times the target.

**Indicator of achievement (b):** Percentage of housing loans by domestic banks and micro-finance institutions going to low-income families and people with informal incomes. Target for 2011 was 5% of housing loans.

- Progress on this indicator would require a survey. However, performance measurement has been on monitoring the number of low income households directly benefitting from housing loans and housing and infrastructure improvements through domestic banks and micro finance institutions collaborating with the ERSO programme. During the reporting period low income households directly benefiting from ERSO increased from 800 in 2010 to over 8,000 in 2011.

Expected Accomplishment 2: Increase in activities in municipal finance and affordable housing finance

**Indicator of achievement (a):** Funding raised and leveraged for municipal finance for affordable housing and basic infrastructure. The Target for 2011 was about USD 6,800,000 raised.

- During field-testing of ERSO that ended in April 2011, UN-Habitat raised USD 3,629,597 of which USD 2.75 million was disbursed as loans.
Overall assessment of FA 5: Based on targets and indicators of achievement, the assessment for 2011 shows that indicator (a) expected accomplishment 1 exceeded its target while all other expected accomplishments remained on ‘mixed progress’. External evaluations conducted in 2011 indicated that both ERSO and SUF programmes had innovative financial impacts. Figure below shows the annual budget estimate (USD 21.2 million) and allocation (USD 18.3 million) for FA 5, as well as expenditure (USD 13.1 million) as of 31 December 2011. This gives a utilization rate of 71.6% of all the funds allocated for 2011.
Expected Accomplishment 1: Staff are empowered to achieve planned results

**Indicator of achievement (a): Percentage of staff whose skills set is aligned with their MTSIP compliant job description. Target for 2011 was 100%**

- The alignment of staff skills with the MTSIP stood at 99% by the end of 2011. The anticipated review of job descriptions to align the remaining 1% with the MTSIP however was postponed due to the organisation review and will resume in January, 2012. A revised skills inventory was introduced to reflect the additional new priorities of the organisation and over 90% of staff participated.

- Staff have been empowered through development and training programmes, including: Management Development Programme (50% of eligible staff trained); performance appraisal of staff; and about 80 staff trained in RBM in 2011.

**Indicator of achievement (b): Percentage of staff reporting improved information and knowledge sharing. Target was 60% for 2011.**

- The survey to capture specific data on this indicator will be conducted in the first quarter of 2012. However, there has been an improvement in general in the internal information sharing platforms. The new intranet (Habnet), and the redesigned website, www.unhabitat.org, are both improved information technology platforms for information sharing.

- Information has also been shared through town hall meetings, the directors meetings, senior managers meetings, as well as divisional and focus area retreats.

- The monthly staff newsletter “What’s Up” which was introduced in response to the findings of the 2009 staff survey was also a major channel for updating staff across the agency as it was distributed electronically and provided updates on the new developments in the agency.
Expected Accomplishment 2: Institutions aligned to deliver MTSIP results.

**Indicator of achievement (a):** Percentage of staff reporting increased inter-divisional and focus area collaboration. Information for assessing progress on this indicator will be available after the staff survey is conducted in the first quarter of 2012.

**Indicator of achievement (b):** Number of key restructuring decisions implemented as recommended by organizational review. Target 2013: 100%

- The UN-Habitat organizational review for the rationalization of current structures to enhance efficiency and effectiveness of the Programme has been completed. Key reform components have been determined which take into account all the six recommendations on institutional reform from the MTSIP Peer Review of 2010.
FA6. Continued

Expected Accomplishment 3: RBM principles applied

*Indicator of achievement (a): Percentage of programmes and projects that are contributing to focus area results. Target for 2011 was 98%.*

- There is improved alignment and contribution of UN-Habitat programmes and projects to MTSIP and work programme results with the proportion rising from 97% in 2010 to 98% in 2011, as verified by an internal assessment which showed that all programmes and projects contribute to one or more focus area results.

*Indicator of achievement (b): Willingness to be held accountable for MTSIP results. Target is 2.9 on scale of 5 (58%).*

- Specific information for this indicator will be available when the staff survey needed for this indicator is conducted in the first quarter, 2012. However, general assessment indicates that institutionally, structures have been improved, including the creation of the MTSIP Steering Committee, Task Forces on thematic areas of the MTSIP, the Programme Review Committees, and focal points for MTSIP reporting etc. These new structures are enhancing effective accountability of MTSIP results at the organizational level.

- At the level of personal accountability, the responsibilities of individual staff members are defined in their job descriptions and in their EPAS performance appraisal plans. Also from the EPAS, staff performance appraisal system, and findings of the institutional reviews conducted in 2011, it is evident that staff are enthusiastic and committed for the delivery of the MTSIP results.
Expected Accomplishment 4: Financial resources achieve MTSIP results

**Indicator of achievement (a): Degree to which resource targets for non-earmarked and earmarked funding are met. Targets for the 2010-2011 biennium were USD 57 million for non-earmarked funds and USD 252 million for earmarked funds.**

- As of 31 December 2011, USD37 million had been received for non-earmarked funds, which is about 65% of the target of USD57 million for the biennium 2010-2011.

- For earmarked resources, USD371 million had been received during the 2010-2011 biennium, which exceeds the biennium target of USD252 million by 47%.

**Indicator of achievement (b): Percentage of earmarked/non-earmarked resources allocated to MTSIP focus area priorities.**

- For the biennium 2010-2011, 100% of both the non-earmarked and the earmarked resources were allocated to MTSIP focus areas priorities.
Overall assessment of FA 6: Taking all critical factors for Excellence in Management into account, overall, FA 6 can be assessed as having satisfactory progress, however, the staff survey to provide information on progress on most of the indicators was postponed until the first quarter of 2012. Progress was made especially in the area of institutional reform. The organizational review was completed and implementation of key reform decisions are on track. In terms of resource utilization in relation to the delivery of the 2011 work programme, the figure shows an overall utilization rate of 72% of all allocated funds for 2011. The annual budget estimate for FA 6 was USD 10.1 million but the received allocation was USD 11.7 million and expenditure was USD 8.4 million as of 31 December 2011.
Annual estimated budget, allocated and expenditure for FA6 by type of funding

Expenditure

FA6: Excellence in Management

Millions of USD

Fund Type

- Regular Budget
- Foundation General Purpose
- Foundation Special Purpose
- Technical Cooperation
- Total

- 2011 Budget Estimate
- 2011 Allotment
- 2011 Expenditure

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