STRATEGIC PLAN OF UN-HABITAT FOR 2014-2019: PART III

[First Draft, 14 May 2012]
III. Strategy Implementation

A. Introduction

Part I presented the rationale of this strategic plan, highlighting the external and internal factors that have shaped its content. Part II presented the core elements of the strategic plan, including its vision, mission, goal, strategic result, focus areas and the plan’s results framework. Part III describes how the strategic plan will be implemented, focusing on: overall strategy and phases for the implementation of the strategic plan; the new organizational structure and management approach through which the plan will be implemented; how the plan’s implementation will be monitored and evaluated, within the context of results-based management and using the results framework presented in Part II; and, finally, the financial and human resources required for the successful implementation of the plan.

B. Implementation Strategy and Phases

The Habitat Agenda (1996) and General Assembly (GA) resolution 56/206 contain the latest descriptions of the functions of UN-Habitat. UN-Habitat is the focal point for the implementation of the Habitat Agenda and its primary functions are:

- Providing substantive servicing to the Governing Council of the Human Settlements Programme;
- Coordinating, within the UN system, the implementation of the Habitat Agenda;
- Monitoring global urbanization trends and conditions and assessing progress in the implementation of the Habitat Agenda;
- Facilitating and executing adequate shelter and sustainable human settlements development programmes and projects;
- Within the legal framework of each country, promoting and consolidating collaboration with all partners, including local authorities, the private sector and non-governmental organizations, in the implementation of the Habitat Agenda; and
- Facilitating global exchange of information and best practices and initiating public information activities on adequate shelter for all and sustainable human settlements development.

In light of the above, UN-Habitat will, on the normative side of its work, seek to raise awareness and inform Governments and local authorities of changing urban conditions and trends, as well as effective policies, strategies and practices. On the operational side, UN-Habitat will assist Governments and local authorities to plan, govern and manage cities in accordance with the guiding principles of sustainable development, as well as to deliver urban basic services to their citizens more efficiently and equitably.
Implementation of the plan through biennial work programmes and budgets

This strategic plan will be implemented in three successive phases, linked to the biennial work programmes and budgets approved by the Governing Council and by the General Assembly. Whereas in the past strategic planning in UN-Habitat was undertaken separately from the development of work programmes and budgets, the three successive work programmes for 2014-2015, 2016-2017 and 2018-2019 will be fully aligned with this strategic plan. In this respect, the strategic plan’s seven focus areas will be identical to the work programme’s sub-programmes. The strategic plan’s overall strategic result and focus area strategic results, and their respective indicators of achievement, will also be identical to those in the work programme.

Phase 1, 2014-2015, will include delivery of the following:

- Increase of UN-Habitat’s income by 30 per cent, principally through an increase in the size of the project portfolio, with income for the 2012-2013 biennium being the baseline;
- Establishment, within the first three months, of a strategic plan steering committee to oversee the implementation of the plan;
- Finalization, within the first three months, of an action plan, including a roadmap for the implementation of the strategic plan;
- Finalization of policy papers for the focus areas, resource mobilization, monitoring, evaluation, and advocacy;
- Establishment of baselines for all indicators of achievement in the results framework;
- Establishment of a UN-Habitat database, accessible to both internal and external users, containing core data and indicators necessary for the global monitoring of progress in the implementation of this plan and the Habitat Agenda in general;
- Adjustment of the UN-Habitat PAAS based reporting system to reflect the change from the six MTSIP focus areas and four subprogrammes in the work programme, to seven strategic plan focus areas and seven subprogrammes in the work programme;
- Finalization of regional implementation strategies and habitat country programme documents (HCPDs).

Phase 2, 2016-2017, will include delivery of the following:

- Increase of UN-Habitat’s income by another 30 per cent, with income for the 2012-2013 biennium being the baseline;
- Mid-term evaluation of the implementation of the strategic plan at the end of 2016, including the first reporting on the indicators of achievement of the plan’s overall strategic result;
- Global assessment of progress in the implementation of the Habitat Agenda, as an input to both the preparatory process for Habitat III and the mid-term evaluation of the strategic plan;
• Holding of Habitat III and adoption of a new urban agenda for the twenty-first century;
• Adjustment of the strategic plan on the basis of the mid-term evaluation and the new urban agenda for the twenty-first century and implementation of those elements of the adjusted strategic plan that can be implemented as part of the 2016-2017 work programme and budget.

Phase 3, 2018-2019, will include delivery of the following:

• Increase of UN-Habitat’s income by another 40 per cent, with income for the 2012-2013 biennium being the baseline;
• Full implementation of the adjusted strategic plan, taking into account the new urban agenda for the twenty-first century and the mid-term evaluation of the strategic plan;
• Final evaluation of the strategic plan, including reporting on the overall strategic result’s indicators of achievement.

The activities in each work programme will be highly focused. The number of outputs will be considerably less, in comparison to the 2012-2013 work programme, but more purposeful. Both normative and operational outputs will be produced as part of projects of not less than US$300,000, and will be designed to contribute to transformative strategic actions that have the potential to trigger or catalyze change at the city level. Both normative and operational projects, and the outputs from them, will aim at assisting city, regional and national authorities responsible for the development of urban and other human settlements to significantly improve the effectiveness of their planning, governance and service delivery systems.

**Catalytic role and partnerships**

Greater emphasis will be placed on UN-Habitat’s catalytic role in global monitoring, assessment and advocacy, as well as in national policy and institutional capacity development. Consistent with this catalytic role, a more systematic approach to partnerships will be developed. The ultimate objective is to increase the number of partners and networks engaged in supporting the implementation of the sustainable urbanization agenda at the global, regional, national and local levels. Accordingly, the partnership and networking approach will be mainstreamed across all seven focus areas of the strategic plan.

Partnerships will be strengthened and expanded with United Nations bodies, international finance institutions (IFIs), and Habitat Agenda partners for the monitoring, reporting and advocacy of urbanization issues, and in capacity development and technical assistance at the national and local levels. On particular importance will be UN-Habitat’s continued participation in the Delivering as One initiatives at the country level, including its participation in the United Nations Country Teams (UNCTs) and the United Nations Development Assistance Frameworks (UNDAFs).
Common objectives and activities to promote sustainable urbanization will be agreed upon with specific Habitat Agenda partner groups, principally through the World Urban Campaign (see Box 1) and the World Urban Forum as key catalytic vehicles for mobilizing partnerships and networks.

**Box 1. The World Urban Campaign**

The World Urban Campaign offers a broad platform to promote the urban agenda, improve policies at national level, and raise awareness of sustainable urbanization. Coordinated by UN-Habitat, but owned and driven by Habitat Agenda partners, the Campaign has four goals, listed in the adjacent column. Its success will be measured by the presence and enactment of more effective policies promoting sustainable urban development at the national level.

1. **TO UNITE**
   - Convence public, private and social sectors that investing in creative, resilient and sustainable cities and communities are essential to our shared future.

2. **TO CONNECT**
   - Create lasting linkages among all city changers and facilitate the coherent and strategic coordination of partners.

3. **TO ENABLE**
   - Provide the means to achieve creative, resilient and sustainable cities and communities.

4. **TO MEASURE**
   - Establish benchmarks, monitor progress and share knowledge worldwide.

In addition, for each substantive focus area, UN-Habitat will strengthen its working relationships with key networks of professionals and other partners.

For Focus area 1, Urban Legislation, Land and Governance, fruitful relations already exist with parliamentarians, associations of local authorities at the international, regional and national levels, and also with surveyors and land professionals under the auspices of the Global Land Tool Network. Urban legal specialists represent an additional professional group to be engaged in efforts to strengthen legal frameworks for sustainable urbanization.

In Focus Area 2, Urban Planning and Design, UN-Habitat will continue to strengthen its ties with national, regional and global professional institutes or associations of urban and regional planners, in particular regional planning associations (such as the African Planning Association), the International Society for City and Regional Planning (ISOCARP), the Commonwealth Association of Planners and the Global Planners Network (GPN).

In Focus Area 3, Urban Economy, on the basis of a well-established track record of building partnerships between local governments and youth for entrepreneurship and skills development, UN-Habitat will leverage global and regional networks on local economic development, such as the Local Economic Development Network of Africa, and ensure their inclusion of cities in the developing world.

In Focus Area 4, Urban Basic Services, UN-Habitat will intensify existing relationships with international finance institutions (IFIs) to increase the flow of
investments into this critical sector, in particular the African Development Bank, the Asian Development Bank and the Inter-American Development Bank.

For Focus Area 5, Housing and Slum Upgrading, UN-Habitat will build a platform to promote adequate housing, slum upgrading and prevention through stronger partnerships with national and local governments; civil society, particularly slum dweller organizations, such as Slum Dwellers International (SDI), housing federations, advocacy groups and academia; as well as the private sector and finance institutions.

For Focus Area 6, Risk Reduction and Rehabilitation, UN-Habitat will continue to contribute to inter-agency cooperation, principally through the Inter-Agency Standing Committee (IASC) mechanisms, in particular the cluster approach. It will continue building other partnerships and networks outside the UN system for emergency interventions linked to long-term technical and capacity building support to countries facing or recovering from crisis. Important partners will include the International Federation of Red Cross and Red Crescent Societies and the International Migration Organization.

Finally, with respect to Focus Area 7, Research and Capacity Development, UN-Habitat will continue to depend on partnerships with local and national urban observatories, national statistics offices, academic institutions and local government training institutions in monitoring and assessing local, national and global urban conditions and trends. As part of the Delivering as One approach, UN-Habitat will intensify partnerships with UNICEF and WHO in the establishment of a joint system for data collection and analysis of urban issues in developing countries.

Cross-Cutting Issues

In the past decade, rapid growth across much of the developing world has meant broad progress in reducing overall levels of income poverty. Despite this remarkable achievement, multiple forms of inequality and marginalization persist. Gender, age, ethnicity and geography are some of the forms of exclusion which limit participation in political, social and economic spheres. A particularly pressing problem is that, in some countries, these divides have deepened in the wake of economic transformation. UN-Habitat will ensure that gender and youth perspectives are mainstreamed in the agency’s programming through both careful integration in both normative and operational projects as well as monitoring using data disaggregated on the basis of age and gender.

The other cross-cutting issues, in addition to gender and youth, will be:

- Partnerships;
- Climate change;
- Capacity development;
- Best practices;
- The ‘Delivering as One’ approach;
- The human rights approach; and
- Advocacy, outreach and communication.
The above cross-cutting issues will be mainstreamed throughout the seven focus areas, with projects related to these issues being located in the most appropriate branches, depending on their substantive content. The responsibility for mainstreaming across all seven focus areas will lie with a dedicated unit within the Project Office.

In light of the growing importance of youth issues in the UN system as a whole, in response to the recent global increase in youth unemployment and the resulting social and political upheavals in some parts of the world, special attention will be paid to projects designed to support the creation of decent jobs for the youth in urban areas. A specific Youth Unit within the Urban Economy Branch will be responsible for these projects.

The seven focus areas are not water-tight compartments. Rather, there is an inevitable overlap among the themes and issues. For this reason, cross-programme linkages will be encouraged during the life of this six year strategic plan.

**Risk Management**

The major risk likely to affect the implementation of the strategic plan is financial. While UN-Habitat’s earmarked income, mainly from technical cooperation activities, has been increasing during the last few years, non-earmarked income has been declining, partly as a result of the global economic and financial crisis. Income from the UN regular budget is likely to remain stagnant, or to decline as well. The imbalance between earmarked and non-earmarked income is likely to persist, especially as increasing the project portfolio at the country level is likely to be the most feasible way of increasing UN-Habitat’s overall income. If this trend persists, UN-Habitat’s activities will be increasingly donor-driven, and its ability to implement the approved work programme, especially the normative elements, will be increasingly constrained.

To mitigate the financial risk, a number of strategies will be pursued. These will include:

- Enhanced pursuit of non-conventional avenues for fund-raising, including mass appeals and working with private sector organizations committed to corporate social responsibility as well as profit-motivated investment in pro-poor housing and urban infrastructure development;
- Expansion of partnerships with international institutions and regional development banks, building on the success already achieved in this respect, especially with the Asian and African regional development banks;
- Enhancement of multi-year agreements with development partners in order to increase non-earmarked and soft-earmarked income. This will build on the experience of existing successful agreements with a number of development partners, including Norway, Sweden and Spain. As part of this, the existing
system of joint annual consultations with development partners will be strengthened.

Another risk in implementing the strategic plan is likely to arise from the lack of in-house expertise in the areas of project-based accountability and management practices, knowledge management, human resources management in the context of flex-teams, and results based management, although some progress has been made with the latter as part of the implementation of the MTSIP 2008-2013. To mitigate this risk, the staff training system initiated during the implementation of the MTSIP 2008-2013 will be strengthened and maintained.

C. Organizational Structure and Management Approach

Through its Resolution 21/2 of April 2011, the Governing Council requested that priority be given to institutional reforms necessary to bring about better organizational alignment in the delivery of the Medium Term Strategic Institutional Plan (MTSIP). An MTSIP Peer Review carried out in 2010 recommended that “… the next Executive Director of UN-Habitat should consider a new organizational structure with the aim of achieving better alignment with the MTSIP focus areas. Achievement of results within the MTSIP priority areas should be the primary motivation for any such reorganization.”

Towards the end of the 2008-2013 MTSIP cycle, an organizational review of UN-Habitat was carried out. The new organizational structure resulting from this review is now in place (see Figure 1). Its main rationale is to ensure more effective and efficient delivery of UN-Habitat’s mandate at the country, regional and global levels.

Figure 1. UN-Habitat’s New Organizational Structure
In more specific terms, the organizational structure and management system aims at:

- Increasing project efficiency in the field, especially in the early stages of implementation;
- Increasing the productivity of the normative work performed at headquarters;
- Increasing transparency in UN-Habitat’s management and substantive work;
- Increasing accountability at all levels; and
- Reducing the silo-mentality by enhancing team work and integrating normative and operational activities.

As shown in Figure 1, the strategic plan will be implemented through seven thematic branches corresponding to the plan’s seven focus areas and the biennial work programme’s seven sub-programmes.

However, the required organizational culture change will take longer to achieve, and will continue to be implemented during the life of the 2014-2019 strategic plan. This will be achieved through staff training, coaching and mentoring.

The main characteristics of the new organizational structure and management system are as follows:

- A horizontal, flatter matrix organization;
- A project-based management system which brings together normative and operational work under each project;
- A flexible organization working through flex teams established around projects;
- An organization with clear delegation of authority, down to the project level, and accountability through a new project based accrual and accountability system (UN-Habitat PAAS).

The UN-Habitat PAAS, an enterprise-wide computer software business solution for managing and coordinating all resources, information and functions of the organization from a shared data source in which data and information can be attributed to and managed through individual projects, is central to the new project-based management system.

Also central to the new system are flex-teams. A flex-team will be established for each project and a staff member may be assigned to several projects, against which their time is accounted. Each flex team will exist for as long as the project exists, after which staff will be reassigned to new projects. This will ensure maximum flexibility and efficiency in the use of human resources.

D. Performance Measurement

Monitoring, evaluation and reporting are critical elements of results-based management (RBM) and together constitute the foundation of UN-Habitat’s
accountability and transparency to the Member States. Performance information from monitoring and evaluation will be used more systematically so as to take corrective action, to enhance programmatic or organizational decision-making and accountability and to ensure that programme objectives are met within a given budget by comparing actual progress against what was planned.

In addition, monitoring and evaluation information will be used for organizational learning, by sharing lessons learned internally and with governing bodies and development partners. Through mandatory progress reports, monitoring and evaluation information will be used to hold UN-Habitat accountable to Member States and development partners by communicating the extent to which resources are efficiently and effectively used to achieve developmental results.

UN-Habitat is committed to meeting international standards of excellence in monitoring and evaluation. In the coming years, it will focus on improving the capacity of the agency to contribute more systemically to producing significant outcomes and development impacts.

Monitoring and reporting

The implementation of the Strategic Plan for 2014-2019 will be systematically monitored in order to effectively manage the achievement of results. The primary responsibility of monitoring the plan will lie with branches, assisted by the Project and Regional offices. The Quality Assurance Unit, Under the Management Office, will be responsible for the overall coordination of monitoring and reporting.

Monitoring activities will be based upon the results frameworks of the biennial work programmes and budgets, themselves derived from the strategic plan’s results framework. Clear baselines will be established at the beginning of the implementation of the strategic plan. Information and data on the indicators of achievement for all focus areas will be collected and entered into the UN-Habitat PAAS on a continuous basis. It will be possible to print the latest information and data required for different monitoring reports at any time.

As shown in Figure 2, progress on the indicators of achievement for all focus area expected accomplishments (results) will be reported every six months, on the basis of information and data collected continuously and entered into the UN-Habitat PAAS. The main reporting mechanisms will be the six-monthly progress report on the implementation of the strategic plan and IMDIS.
Progress on the indicators of achievement of the strategic results of the plan’s seven focus areas will be reported every year, mainly through the annual report on progress in the implementation of the strategic plan, as well as through IMDIS and the biennium programme performance report prepared at the end of every biennial work programme and budget for purposes of accountability to General Assembly.

Progress on the topmost indicators of achievement, i.e. those for UN-Habitat’s strategic result, will be reported only twice, half-way through the life of the strategic plan and at the end, because of the amount of survey and evaluation work required to achieve this. The main reporting mechanism will be the mid-term evaluation and the final evaluation of the strategic plan.

**Evaluation**

UN-Habitat’s evaluation policy will be finalized during the first three months of the strategic plan for 2014-2019. Evaluations during the plan’s life will provide information to guide efforts in change management and will recommend measures for enhanced relevance, efficiency, effectiveness and sustainability of sub-programmes, projects and substantive themes.

Biennial evaluation plans will be developed as part of the biennial work programmes and budgets. The evaluation plans will be prioritized, ensuring adequate coverage of UN-Habitat’s work. Mandatory evaluations specified in resolutions of the General Assembly, the Governing Council and other intergovernmental bodies, and those specified in cooperation agreements with development partners, will take high priority.

The UN-Habitat PAAS will provide evidence-based information that is credible, reliable and useful, thus enabling the timely incorporation of evaluation findings, recommendations and lessons into decision-making processes of UN-Habitat.

The Independent Evaluation Unit, located in the Executive Direction Office, will plan and coordinate all evaluations approved in the biennial evaluation plans and ensure consistent application of evaluation norms and standards of the UN system.
To ensure a maximum degree of impartiality and independence of evaluation findings, external evaluators will conduct most of the planned evaluations, while the Evaluation Unit will conduct only a few of the evaluations.

Recommendations of evaluation will be discussed by senior management, leading to the formulation and adoption of plans for their implementation. This will ensure corporate ownership of the whole process. An evaluation tracking database will be integrated in the UN-Habitat PAAS in order to ensure implementation of evaluation recommendations as well as monitoring of the implementation process. The implementation of evaluation recommendations will be reported on regularly. The capacity of UN-Habitat managers and staff in evaluation will be strengthened through regular training, offered as part of results-based management courses.

All projects with a budget of over US$3 million will be subject to external evaluation upon completion. All focus areas of the strategic plan (or sub-programmes of the work programme) will be evaluated at least once during the life of the plan. The strategic plan itself will be evaluated twice, through the mid-term evaluation and the end-of-plan evaluation.

All evaluation reports will be made available on the UN-Habitat evaluation website. Biennial evaluation reports will be prepared for presentation to the Governing Council. The reports will summarize the results of the evaluations carried out during the preceding biennium, including lessons learned, recommendations and action taken to implement those recommendations.

As development occurs over time, it is important to report on short-term outcomes, as well as intermediate and long-term results. Reporting on short-term outcomes will highlight immediate outcomes and relevant outputs, on the basis of information and data derived from the monitoring process. Reporting on long-term results is essential and will involve measurement of long-term impacts. The emphasis will be on contribution to development results rather than attribution.

Dialogue with the Committee of Permanent Representatives and development partners on improving the quality of results reporting will take place during the implementation of the strategic plan in order to agree on simple, clear and easily understandable reporting formats that demonstrate progress in achieving planned results. A web-based facility listing key results for each UN-Habitat project will be created. The facility will be accessible to both UN-Habitat staff and external users.

E. Financial and Human Resources Required for Plan Implementation