Topics

- Finance and administration questions raised by CPR members
  - in other sub-committees
  - Generally

- Finance and Administration priorities within UN-Habitat

- Priorities under discussion in UN system and General Assembly
Cost recovery - update

Framework

- GA resolution – QCPR
- Harmonized principles across the UN System

2013

- Tools to support cost recovery
- Review of cost recovery policy
- Alignment of principles with other UN Agencies
- Cost recovery from projects of US$ 1m projected in 2013

2014

- Updated cost recovery policy
- Full implementation
- Reporting on levels recovered
- New income agreements negotiated accordingly
- Higher levels of cost recovery from earmarked projects
- Review pros and cons and possible refinement
<table>
<thead>
<tr>
<th>Why needed</th>
<th>Transition</th>
<th>Challenges</th>
<th>Main changes</th>
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<tbody>
<tr>
<td>Publicly recognized standard</td>
<td>Joint working groups with UNON and UNEP</td>
<td>No new funding to support implementation</td>
<td>Annual reporting</td>
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<td>Greater accountability, transparency</td>
<td>Staff training</td>
<td>Timing of Umoja IT system to support standard</td>
<td>Better, comprehensive management, reporting of assets, liabilities</td>
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<td>Credibility, comparability</td>
<td>Policies and procedures</td>
<td>Higher staff workload to collect more data, new business processes</td>
<td>Improved internal controls</td>
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<td>Improved financial management</td>
<td>Data collection</td>
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<td>Reporting of in-kind contributions</td>
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<td>Donor confidence</td>
<td>Systems to support standard</td>
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<td>Financial simulations</td>
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Umoja – Enterprise Resource Planning

"Umoja is designed to help harmonize the way the UN works, providing a single data repository with reliable, real-time information. It is far more than an Information Technology project; it is an organizational transformation that will enable high-quality and cost-effective service delivery around the world." – Ban-Ki-moon
Heads of Management in UN Agencies, ICSC, Staff Representatives

Extension of retirement age to 65; aimed at longer contributions to pension fund due to higher life expectancy

Options proposed:
- All retirements extended to 65 from 2014
- Only staff recruited from 2014 retire at 65
- Opt-in option for staff recruited prior to 2014

Implications for cost-cutting and realignment to new priorities

Compensation package review
- Pay for what you do not who you are
- Greater predictability of expenditure
- Noblemaire principle:
  - UN vs. US or vs wider basket of countries?
  - Margin between UN package and comparable civil servants
- GS salary scales staff in different duty stations
Thank you