Progress Report on the Financial situation of
UN-Habitat

Statement

By

Anna Kajumulo Tibaijuka
Under-Secretary-General and
Executive Director of UN-HABITAT

Agenda Item 3

CPR Meeting: 28th September 2006
Madam Chair, Excellencies, Distinguished Delegates,

It is my pleasure to provide you with a brief summary of the financial situation of UN-Habitat. In this regard, you have received a report entitled “Financial update August 2006” providing detailed information regarding the organization’s present financial situation.

I am happy to report that UN-Habitat continues to maintain a rising trend in contributions, with total contributions pledged and receipted as at 31st August 2006 amounting to US$65 million.

The organization has to date received confirmed general purpose commitments amounting to US$9.0 million, of which only US$2.6 million has already been paid. The forecast for general purpose contributions is currently US$11.3 million. This reflects a projected increase of 8% in general purpose contributions compared to 2005. I thank all the governments that have committed funds to the programme this year.

Madam Chair, this being the first year of the biennium, I would like to take this opportunity to reiterate that the annual target general purpose income approved at the 20th Session of the Governing Council was US$12.5 million.

Recalling GC resolution 20/19 whereby the Governing Council requested the Secretariat to develop an overarching resource mobilization strategy, an initiative is currently underway to explore options to broaden the donor base, and in particular, to encourage non-earmarked contributions.

We are therefore optimistic that with your support the annual target general purpose income of US$12.5 million will be achieved. The increase in non-earmarked resources is the only manner in which we can ensure timely, effective and concrete implementation of the approved work programme. I therefore urge you once again to maintain, and preferably to increase your general purpose contributions.

I would also like to acknowledge and extend my sincere gratitude for the recent general purpose contributions from the Governments of Barbados, Czech Republic, Ethiopia, Finland, France, Indonesia, Kenya, the Netherlands, the Russian Federation, Uganda and the United States of America. These governments paid their contributions during the period May to August 2006. UN-Habitat has also received a contribution from the Government of Chile during the month of September, which will be reflected in the next financial report.

As we approach the last quarter of this year, I would once again like to invite all governments, which have not pledged funds for this year to do so. I also urge all those governments that have yet to honor their outstanding financial obligations to do so as soon as possible.
In addition, I am pleased to announce that the level of prior year unpaid pledges has reduced by approximately 20% to US$73,153 of which US$26,958 relates to pledges made prior to the year 2003.

Excellencies, in line with the UN-Habitat policy on write-offs, all general purpose pledges that remain outstanding for a period longer than four years, will be recommended for write-off at the end of 2006 and reported to the next Governing Council. I therefore appeal to those Governments that have not settled their pledges, to do so at their earliest convenience.

Madam Chair, you will note that as at 31 August 2006, the Programme had received contributions towards specific project activities and programmes (earmarked contributions) amounting to approximately US$ 56 million of which over 73% of the contributions were towards technical cooperation activities at the country level.

In noting the continued support towards the victims affected by the Tsunami and the earthquake in Pakistan, I once again thank the governments of Canada and Italy; the City of Munich; the Knorr-Bremse; the Red Cross; UNDP and UNICEF.

Excellencies, allow me to record our appreciation to all the Governments, various organizations and public agencies who have partnered with UN-Habitat to provide the much-needed support towards the Water and Sanitation Trust Fund, the Programme for the Palestinian People and the Slum Upgrading Facility. I take this opportunity to thank the Governments of Canada, the Russian Federation, and the United Kingdom (through the Cities Alliance) respectively, for their 2006 contributions towards these initiatives.

Madam Chair, with the successful conclusion of the Third World Urban Forum, I wish to express my sincere gratitude to all the Governments that participated and contributed to the success of this Forum. I take this opportunity to acknowledge the generous contributions from the Governments of Canada, Norway, the Russian Federation, and Trinidad and Tobago for their contributions, as well as the Governments of Spain and Sweden for their pledges. The total amount pledged and contributed towards the Third World Urban Forum was approximately US$ 3.0 million.

Excellencies, as we embark on our preparations for the next Governing Council, I urge you to recall the numerous resolutions adopted during the previous Governing Council session that require additional financial support to implement and appeal for your assistance.

Madame Chair, Excellencies, this concludes my introduction to this agenda item, and I thank you for your kind attention.