Financial update December 2005

Programme Support Division
UN-HABITAT
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1. Introduction and summary

This report provides an overview of the financial situation of UN-Habitat, as at 31 December 2005. The report now includes additional information namely, schedule of contributions received from Public Donors (Annex C1), the top ten donors to UN-Habitat (Annex E), and the schedule of Agreements signed and Income received towards both the Water and Sanitation Trust Fund and the Programme for the Palestinian People (Annex F).


UN-HABITAT general-purpose contributions amounted to US$10.5 million for the year 2005 of which, US$10.4 million has already been paid (Annex B).

Special purpose contributions earmarked for projects and programme activities for 2005 totalled US$100.9 million, of which, US$36.5 million was towards the Foundation and US$64.4 million towards Technical Co-operation activities. The income received in 2005 was approximately 35% higher than the total special purpose contributions (US$74.7 million) received in 2004 (Annex C).

All core budget allotments remained in line with the budgetary provisions approved during the 19th Session of the Governing Council.
2. **Status of the Core Budgets (Annex A)**

   **i). Regular Budget Allotment:**

   The regular budget allotment for 2005 was US$8.8 million, bringing the total regular budget allotment for the biennium 2004/2005 to US$17 million. The regular budget allotment was fully utilized.

   **ii). Foundation Allotment:**

   The total foundation allotment for 2005 was US$9.3 million. The core foundation allotment issued for the year 2005 was US$8.0 million, while the allotment for project and information activities was US$1.3 million.

   Therefore, the total approved allotment for the biennium 2004/2005 was US$19.4 million and included an allocation of US$780,000 for Habitat Programme Managers. Expenditures incurred were at 86% of the authorized allotment.

   **iii). Foundation Programme Support Allotment:**

   The approved foundation programme support budget allotment for the year 2005 was US$1.3 million against the originally forecasted annual income of US$2.0 million. However, it is worth noting that the actual programme support income earned during this period exceeded the forecasted amount and was a total of US$2.6 million.

   The total approved budget allotment for the biennium 2004/2005 was US$2.7 million while the total expenditures incurred during this period were at 82% of the authorized level. The actual programme support cost income earned during this period was US$4.6 million against the original income forecast for the biennium of US$4.0 million.

   **iv). Technical Co-operation Programme Support Allotment:**

   The approved budget allotment for the biennium 2004/2005 was US$9 million, which included US$0.6 million for costs associated with Habitat Programme Managers. The original income forecast for this account was US$9.3 million. Total programme support earned against this account during the biennium amounted to US$10.3 million. Expenditure levels at the end of the year were at 93% of the approved allotment for the biennium 2004/2005.
3. Foundation General Purpose Income *(Annex B)*

*Annex B* provides the current status of the 2005 general purpose pledges and contributions to the Foundation. As at 31 December 2005, thirty-seven governments had made firm commitments to UN-HABITAT amounting to US$10.5 million, of which 99% (US$10.4 million) has already been paid.

The outstanding pledges to the United Nations Habitat and Human Settlements Foundation from previous years currently stands at US$32,158. Those governments with outstanding dues are urgently requested to settle their accounts.

4. Special Purpose Contributions *(Annex C)*

As at 31 December 2005, contributions to UN-HABITAT for specific programme and project activities amounted to US$100.9 million for the year 2005. This reflects an impressive growth of 35% over the contributions received in 2004. Of this amount, US$36.5 million was towards the Foundation and US$64.4 million was for Technical Cooperation activities. This data is based on actual receipt of monies from 22 governments and other partners, including the European Commission, World Bank, and other United Nations Agencies as detailed in *Annex C and C1*. The schedule of contributions received from “Other Public Donors” is provided in *Annex C1*.

*Annex D* is an overview of the special purpose contributions by type of activity (including Technical Cooperation). More than 71% of the total contributions received in 2005, was towards specific country activities, of which, US$17.2 million is towards the countries affected by the Tsunami namely Indonesia, Maldives, Somalia and Sri Lanka. The other country activities are primarily in Afghanistan, Iraq, Serbia and Somalia.

*Annex E* gives details of the Top Ten Donors (Governments) to UN-Habitat during the period 2001-2005.

Schedule of Agreements and income received towards the Trust Funds is outlined in *Annex F*. As at 31 December 2005, the signed agreements towards the Water and Sanitation Trust Fund and the Programme for the Palestinian People amounted to US$47.6 million and US$1.2 million respectively.