Mr. Chairman, Excellencies,

Thank you for your continued and untiring support to UN-HABITAT, especially, during the Governing Council when you took a substantial amount of your time to review, provide inputs, and approve both the organizations Programme of Work and Budget.

I also express gratitude to all our benevolent donors who have continued to respond to UN-HABITAT’s calls for financial assistance in a positive and constructive manner. These funds have been crucial in enhancing the scope of the organization’s activities, and in providing the resources necessary to improve the delivery of our existing programmes and services. It is through such support that UN-HABITAT is able to fulfill its mandate and plan coherently for the future.

Please allow me to provide you with a brief summary of the financial situation of UN-HABITAT.

You have received a report entitled “Financial update May 2005” providing detailed information regarding the Programmes current financial situation.

UN-HABITAT anticipates receiving general-purpose contributions to the tune of US$9.5 million in 2005, of which we have to date received confirmed pledges amounting to US$3.4 million. This estimate is based on a conservative view of the exchange rate of
the Euro/European Currencies vis-à-vis the US dollar. I would also like to thank all the
governments that have already committed funds to the Programme for the current year. I
urge all governments, which are in a position to do so, to come forward and support UN-
HABITAT.

This is an opportune moment to thank all the governments that have made an effort to
pay their outstanding obligations in particular Venezuela. I further appeal to those that
have not settled their outstanding obligations, to do so at their earliest convenience.

UN-HABITAT has noted with sincere appreciation that the governments of Algeria,
Austria, Botswana, Germany, Israel, Namibia, South Africa, Tunisia, and the United
Kingdom have already paid their 2005 contributions in full. I am also grateful to the
governments of India, Italy, Kenya, United States of America and Venezuela for their
pledges for the current year.

Annex C of the report provides some information on the status of earmarked
contributions to UN-HABITAT. You will note that as at 15 April 2005 the Programme
had received more than 23 million dollars in actual receipts for earmarked activities.
This is thirty percent (30%) of the total earmarked contributions received in the last year.

Annex D of the report illustrates the activities for which the contributions in 2005 are
earmarked. The level of contributions towards technical cooperation activities at the
country level has risen from an 80% average to approximately 90% of the total
earmarked contributions. By far the greatest proportion of these funds approximately 8
million dollars was received from the Government of Italy towards the reconstruction
activities in Serbia. In addition, the UN-HABITAT flash appeal towards the Tsunami
affected countries yielded US$6.3 million to be utilized namely in Indonesia, Maldives
and Sri Lanka. We are grateful to all the donors that have provided support to the
countries affected by the Tsunami namely China, New Zealand, Japan, City of Munich,
City of Vitoria and UNDP.
Mr. Chairman, Excellencies, this concludes my introduction to this agenda item, and I thank you for your kind attention.