Progress Report
Implementation of the MTSIP
10 September 2007

Background

The present report provides an overview of the progress made in putting in place the institutional arrangements for implementing the MTSIP.

These institutional arrangements include the establishment, by the Executive Director, of a Steering Committee comprising Divisional Directors under the leadership of the Deputy Executive Director. To date, four inter-divisional task forces have been formed to work on specific issues related to the MTSIP (the Attached Memo from the Executive Director explaining the internal UN-Habitat Task Force Setup in detail).

Objectives

The overall objective of the steering committee and of the task forces is to prepare a set of revised policies and procedures in support of the MTSIP and a Road Map for its implementation. The target date for completion of the Road Map, together with funding scenarios, is early December 2007 for presentation to the Committee of Permanent Representatives.

In addition to its coordinating role, the Steering Committee will propose further institutional adjustments for the effective implementation of the MTSIP as well as measures in support of UN system-wide reform. So far some institutional adjustments have taken place including the initiation of recruitments for strengthening the monitoring and evaluation function, a chief of a resource mobilization unit, and the development of habitat program country documents (HPCD) as instruments for improved management of country assistance.

Task Forces

Terms of reference for each of the task forces have been prepared on the basis of analysis of the activities required to implement the MTSIP, and of the relevant operative paragraphs of resolutions of the Governing Council. Log frames and detailed work plans are also being developed by each taskforce. The four taskforces are addressing the following key areas:

- Enhanced normative and operational framework
- Resource mobilization
- Results-based and knowledge management
- Human resources and management

Each task force meets regularly and reports to the Steering Committee on progress and for coordination purposes. A brief progress report from each task force is provided below touching on mandate, actions taken so far and issues arising.

Reporting

The Steering Committee proposed a timetable for the implementation of the Road Map which coincides with reporting to the Governing Council, as follows:

- Phase I: September 2007-December 2008
- Phase II: January 2009-December 2010
- Phase III: January 2011-December 2012
Task Force on the Enhanced Normative and Operational Framework (ENOF) - Towards a Policy and Road Map

The Medium Term Strategic and Institutional Plan (MTSIP) calls for the development of an Enhanced Normative and Operational Framework (ENOF), described as "an integrated approach to support Governments and their development partners to achieve more sustainable urbanisation."\(^1\)

**Objective**

To prepare and monitor the implementation of an Action Plan for the priority outputs falling within the critical path for developing and implementing the Enhanced Normative and Operational Framework.

**Priorities Identified**

- Global Campaign for Sustainable Urbanisation launched and under implementation
- Focus Areas and Work Plans refined
- Integrated activities at global, regional, national and local levels
- Partnership Strategy, including Habitat Agenda Task Monitoring system in place

**Mandate**

- **Resolution 21/2 O.P.3**
  “Endorses the six focus areas and the enhanced normative and operational framework of the Medium-term Strategic and Institutional Plan and requests the Executive Director, in consultation with the Committee of Permanent Representatives, to elaborate a process for improvement of the Plan, including the agreement of specific “SMART” indicators, targets and priorities in order further to refine each of the focus areas and for reflection in the United Nations Human Settlements Programme’s Strategic Framework and work programme and budget”

- **Resolution 21/2 O.P.4**
  “Requests the Executive Director, within the context of sustainable development, to ensure that cross-cutting issues such as gender, environment, youth and disaster prevention response are duly reflected in the implementation of the Enhanced Normative and Operational Framework, including in the indicators for each focus area”

- **Resolution 21/2 O.P.8**
  “Encourages Governments to establish or strengthen broad-based national UN-Habitat committees or other participatory bodies to promote the implementation of the enhanced normative and operational framework”

**Actions/Decisions taken since GC21**

(a) ENOF Task Force has been established, and met several times.

(b) A paper “Towards a Policy and Roadmap” has been produced. The MTSIP Steering Committed and other Task Forces adopted it as the model to be followed.

(c) Principles of ENOF have been introduced to the sessions of Programme Review Committee to ensure that new projects apply the ENOF concepts.

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\(^1\) (UN-HABITAT) Medium Term Strategic and Institutional Plan 2008-13 - Supplementary Report, GC21/5 Add. 1, p. 7.
Actions/decisions in process

Global Campaign for Sustainable Urbanization
Programme of activities to launch of the Global Campaign for Sustainable Urbanisation at the 4th World Urban Forum, in Nanjing, People’s Republic of China, in October 2008

- Development of Campaign concept paper including definitions, rationale, targets and monitoring framework, programme, institutional structure, roadmap and budget;
- Circulation and debate with partners to refine the content and roadmap of activities;
- Integration of Campaign into UN-HABITAT resource mobilization/allocation strategy;
- Launch of the Global Campaign at the 4th World Urban Forum; and
- Implementation of the Campaign by Agency and partners as part of the integrated programme of activities at global, regional, national and local levels

Focus Areas and Work Plans activities

- Preparation of Focus Area Concept notes (to be detailed in policy papers) outlining principles, strategies, specific value-added, key partners and available resources..
- Preparation of four policy papers for Focus Areas on participatory urban planning, management and governance; land and housing; infrastructure and basic services; and human settlements finance.
- Elaboration of six-year work plans for each Focus Area
- Guidelines for project formulation and evaluation in each Focus Area

Steps proposed for integrating activities at global, regional, national and local levels

- Preparation of Concept Paper for the integrated approach
- Deputy Executive Director and Directors prepare institutional recommendations with a view to more effectively align the organisation behind the goals of the MTSIP
- Consultations, review of options and recommendations by Steering Committee
- Preparation of phased implementation programme for 2008-13, including external activities and internal reforms
- Phased implementation, with the incremental adaptation of work plans & PAS’s.

Effecting a Partnership Strategy, including Habitat Agenda Task Monitoring system

- Preparation of a Concept Note summarizing UN-HABITAT’s broad strategy and approach to partnerships; Identifying key partners and mechanisms for engagement.
- Preparation of a Concept Note outlining the purpose, outputs, activities, institutional arrangements, roadmap of activities for a Habitat Agenda Task Monitoring system;
- Discussion of both documents with Habitat Agenda partners at key events, including ECOSOC, World Urban Forum, Governing Councils, etc.; and
- Launching and ongoing implementation of the system.

Issues arising

(a) Funding arrangements for ENOF activities for 2008-2013.
(b) Utilizing the PRC to ensure that ENOF principles are applied to all new proposals
(c) Utilizing PAS to allow for personnel time could be allocated to undertake activities.
Resource Mobilization Task Force (part one)

Objectives

- Consolidate the existing donor base
- Broaden the donor base
- Partnering and leveraging of resources
- Strengthening the pre-investment role of UN-HABITAT
- Tapping non-conventional sources of funding

Priorities identified

- Consolidating the donor base to secure adequate core predictable funding is considered critical to the successful implementation of the MTSIP, especially in its start-up phase. It will help UN-Habitat achieve management excellence, and fine-tune both the strategic and institutional components of the Plan, and stick to its work programme.

- Key approaches for broadening the donor base include, inter alia, partnering with appropriate international financial institutions and regional development banks and moving towards a voluntary indicative scale of contributions. In parallel, efforts will be undertaken to mobilise non-conventional sources of funding, including mass appeal, working with the private sector organisations that are committed to CSR and interested in direct investment in pro-poor housing and urban infrastructure. This will require putting in place a robust communications strategy to support mass appeal and appeal to foundations and other private sector organisations.

Mandate

- Resolution 21/2 O.P. 2
  “Requests the Executive Director to establish a process of dialogue with the Committee of Permanent Representatives on further refining the resource mobilisation strategy, including, among other things, innovative and non-conventional funding sources and options adopted by other United Nations bodies for broadening the donor base and, in particular, encouraging non-earmarked contributions.”

Actions/decisions taken since GC21

(a) Resource Mobilization Task Force has been established, 1 staff member redeployed and appointed secretary of the TF; other human resources are being identified.

(b) A Road Map draft (till January 2008) has been prepared for discussion/approval by the Steering Committee.

(c) TOR have been prepared for a P-5 Head of Resource Mobilization Unit position and an L-4 Resource Mobilization Specialist. A potential candidate has been identified; employment conditions are to be discussed.

(d) Specific resources for the RMTF have to be identified and allocated; additional resources are to be discussed/agreed upon with the CPR.

(e) A corporate communication/branding strategy has been outlined.

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2 See HSP/GC/21/5/Add.3
Actions/decisions in process

(a) A Resource Mobilization Unit is being established. Job descriptions for key staff are being revised by the Task Force in compliance with the MTSIP.

(b) The involvement of PSD is required to undertake an analysis of resource mobilization/allocation systems within the Organization.

(c) A fund-raising policy is to be prepared involving all departments within the Organization, including Regional and Country offices.

(d) A Donors’ profile data-base will be developed in collaboration with members of the CPR to enable UN-Habitat to develop a forward-looking strategy.

(e) A catalogue of projects giving a perspective of selected UN-Habitat operational activities including in the humanitarian sector is being prepared; a Concept Paper to this end has been prepared; work is ongoing.

(f) An internal Positioning Workshop on Resource Mobilization to brainstorm and gain consensus at Agency level on the targets/achievements to be attained in resource mobilization is scheduled for end of September 2007.

Issues arising

- **Issues related to other task forces**

  (a) Resource mobilisation policy and strategy needs to be coordinated carefully with ENOF, results-based management and results-based reporting

  (b) Steering Committee to look at institutional arrangements dealing with possible co-location of Information Services, knowledge management and resource mobilisation

- **Issues related to decisions/actions by other authorities**

  (a) Review of policies and practices of other UN bodies in broadening the donor base including the use of a voluntary indicative scale of contributions

- **Issues requiring external expertise/assistance**

  (a) Agreement reached with OIOS Management Services to hold Positioning Workshop on Resource Mobilization, end of October 2007

- **Issues for consideration by CPR**

  (a) Secondment of an expert to assist UN-Habitat in non-conventional resource mobilization and mass appeal

  (b) Donors’ profile Database
Resource Mobilization Task Force (Part Two)
Experimental Reimbursable Seeding Operations (ERSO) 2007-2011

A sub-set of the Resource Mobilization Task Force is the forthcoming ERSO programme for which preparatory work has been undertaken.

Objectives

- Prepare a Framework for ERSO operations 2007-2011 based on resolution 21/10
- Draw on a wide experience of finance institutions both private and public
- Form a specific trust fund for ERSO operations within UNHHSF
- Convene the ERSO Steering and Monitoring Committee (SMC) within the terms of the Framework above
- Agree ERSO operational procedures and guidelines for the experimental activities with the CPR
- Integrate the ERSO programme with the development of the ENOF concepts
- Establish monitoring and evaluation systems within the Framework above

Priorities Identified

- In order to establish a realistic Framework for the ERSO operations, an internal technical task force has been established to draw on a balance of UN systems expertise and international financial expertise that will set out the expected achievements of the ERSO programme in terms of deliverables, and establish the terms of reference for the ERSO Steering and Monitoring Committee, together with the identification of likely candidates for appointment to the Steering and Monitoring Committee in consultation with the CPR Working Group. The Framework will be discussed within the CPR Working Group meetings in October and November.
- Identify a range of likely ERSO projects for experimental operations within the time period.

Mandate

- Resolution GC21/10 O.P. 2
  “Requests the Executive Director to establish a trust fund within the foundation to support the introduction of experimental reimbursable seeding operations as described in paragraph 7(d)(iv) of the present resolution, as well as other innovative finance mechanisms, building upon the experiences with instruments and partnership networks such as the Water and Sanitation Trust Fund and the Slum Upgrading Facility, for a four year experimental period from 2007 to 2011, and further requests the Executive Director to submit for the consideration of the Committee of Permanent Representatives proposed operational procedures and guidelines, taking into consideration the relevant elements of the draft Operational Procedures and Guidelines.”

Actions/decisions taken since GC21

(a) ERSO Technical Task Force has been established within Human Settlements Financing Division with a period of consultancy inputs together with coordination undertaken by staff members involved in other MTSIP Task Forces.
(b) A Road Map draft (up to January 2008) has been prepared for approval and discussion by the MTSIP Steering Committee

**Actions/decisions in process**

(a) Discussions to be held with interested international financial institutions for partnering and advice roles.

(b) Outline ToRs for the ERSO Steering and Monitoring Committee to be prepared for discussion purposes.

(c) Draft ERSO operational procedures and guidelines to be prepared for discussion purposes.

**Issues arising**

(a) Funding arrangements for the in-house activities of the Foundation and consultancy arrangements within Human Settlements Financing Division.

(b) Funding for capitalisation of the ERSO experimental activities.

(c) Relationships with WSTF and SUF and their respective Consultative Groups to be clarified.

(d) Discussions with CPR Working Group on ERSO Steering and Monitoring Committee ToRs and membership

(e) Discussions with CPR Working Group on ERSO Operational Procedures and Guidelines.
Results-Based Management and Knowledge Management Task Force

Objective

To establish a framework for strengthening RBM (principles and techniques). RBM is a critical element for effective and efficient implementation of the Medium-term Strategic and Institutional Plan (MTSIP) for 2008-2013.

Priorities identified

- The Programme Review Committee (PRC), an internal management and peer review instrument for all project proposals in UN-HABITAT, is an essential element of RBM and the knowledge management framework. A revised policy and set of guidelines, including SMART indicators, will be prepared to ensure that all new project proposals are aligned with the focus areas of the MTSIP; comply, where appropriate with ENOF framework; and provide for results-based monitoring and reporting on lessons learned;
- Results-based management and reporting to be integrated with Performance Appraisal System (EPAS) of all directors and senior managers to support a results-based management culture and to ensure compliance.

Mandate

- Resolution 21/2 O.P. 3
  “Requests the Executive Director, in consultation with the Committee of Permanent Representatives, to elaborate a process for improvement of the MTSIP, including the agreement of SMART\(^3\) objectives, indicators, targets and priorities in order to refine each of the focus areas and for reflection the UN-HABITAT’s Strategic Framework and work programme and budget.”

- Resolution 21/2 O.P. 10
  “Further requests the Executive Director to give immediate priority to the proposed institutional reforms, including further implementation of results-based management, robust knowledge management systems and any institutional adjustment necessary to better align the organization with the MTSIP.”

- Resolution 21/2 O.P. 16
  “Also requests the Executive Director to make optimal use of efficiency gains from the reform process in order to redeploy resources for the implementation of the plan; and report on progress and challenges related to the implementation of the MTSIP on regular basis to the Committee of Permanent Representatives (paragraph 20), and to conduct a mid-term review of the MTSIP and present the results of the review to the GC at its twenty-third session (paragraph 21.”

Other relevant resolutions/decisions/declarations

- Secretary-General’s report on the programme of reform (A/51/950) refers to the need to: “Review existing arrangements governing planning, programming and budget processes in order to enhance strategic direction, establishing better performance and focusing more on accountability for performance.”

\(^3\) Specific, Measurable, Achievable, Realistic and Time-bound.
- **Resolution 55/231, the GA approved the shift to Results Based Budgeting (RBB)** points to the need to: “Strengthen systems of monitoring and evaluation to better measure impact of organizational work.”

- **The Secretary-General’s report (A/60/16 Para. 248) and resolution A/res/60/257**, 
  (i) Approved a benchmarking framework proposed by the Joint Inspection Unit (JIU) to measure progress towards effective implementation of results-based management 
  (ii) Requested the Secretary General is to ensure the implementation of results-based management throughout of the United Nations System taking into account the specific needs, character and mandate of each organization 
  (iii) Requested the Secretary General to ensure that results-based management is implemented and that the relevant staff is trained.

**Actions/decisions taken since GC21**

(a) In May 2007, two staff members attended a workshop on RBM organised by the CEB Secretariat in Geneva. The aim of the workshop was to facilitate sharing of information on good and best practices and lessons learned in the application of results-based management in different UN agencies;

(b) On 4 June the task force presented reflections on RBM in the context of the MTSIP to senior managers, interested CPR members and other UN-HABITAT staff;

(c) In July-August, the RBM-KM task force developed its TOR and two draft concept papers, one on results-based management and knowledge management, and the other on the Programme Review Committee (PRC).

**Actions/decisions in process**

(a) Preparation of an implementation plan defining deliverables, institutional arrangements and financial implications;

(b) Building consensus with the CPR on a consolidated action plan, including benchmarking, setting targets and establishing priorities;

(c) Conducting introductory training programmes to staff members on results-based management and programme management, including logical models;

(d) Gearing up for implementation of results-based management, including establishing necessary institutional reforms to facilitate RBM implementation

(e) Review and strengthening of the PRC along the following lines:
   - What should be the mandate, role, structure and modus operandi of the PRC to make it more effective and imbue it with the necessary authority, credibility and acceptance?
   - What should the role of PRC be in results-based management and knowledge management?
   - What should the role of the PRC be in the implementation of the MTSIP?

**Issues arising**

- **Issues related to other Task Forces**

  (a) Engaging with other task forces and senior management on the implementation of results-based management approach, including development of guidelines, user-friendly RBM information systems, and training of staff.
(b) Setting clear roles and responsibilities for gathering results information and results-based reporting, including high priority accorded to compliance within the Performance Appraisal System (EPAS).

(c) Revisit relevant parts of the MTSIP and biennial work programme for 2008-2009 in order to establish the expected results and how these will be measured.

(d) Use results information for learning, managing and reporting and establishing accountability, especially through the performance appraisal system (EPAS).

(e) Build an adaptive RBM regime through regular review and updates of results.

(f) Using results information to strengthen planning, programming and budgeting as well as monitoring, reporting and evaluation for improved performance.

- **Issues related to decisions/actions by other authorities**

(a) Senior leadership awareness and commitment to the RBM process is essential for its successful implementation.

(b) Improving supportive organizational systems to support RBM, including issues of bandwidth for information technology solutions, human resource reforms etc.

(c) Clear identification of accountability for results at organizational and individual work performance levels.

- **Issues requiring external expertise/assistance**

(a) Resources required for training in RBM across the board.

(b) Experts required to help design results-based monitoring and reporting systems and templates.

- **Issues for consideration by CPR**

(a) Secondment of an expert to assist UN-Habitat in developing SMART indicators.

(b) Secondment of an expert to assist UN-Habitat in developing results-based performance reporting and appraisal system.
Human Resource & Management Task Force

Objectives

- To assess and prioritize human resources needs for implementing the MTSIP, taking into account any institutional adjustments, redeployment and additional staff required.
- To improve the administrative and financial processes and procedures to enhance efficiency, accountability and transparency in support of the work of UN-HABITAT.

Priorities identified

- Revise Job Descriptions in line with MTSIP for posts of staff about to retire or leaving the organisation on a voluntary basis (average rate 6-7 per annum).
- Undertake an independent review of staff competencies in line with MTSIP priorities.
- Implement improvements to internal administrative processes, procedures and work flow.

Mandate

- **Resolution 21/1 O.P.2 (b)**
  “… clear definition of the priorities under different budget scenarios in a way which would lead to the maximum possible degree of implementation of the MTSIP, including a clear indication of the human resource needs following an assessment and prioritization of the required posts under each scenario, taking into consideration both redeployment and additional staff”

- **Resolution 21/2 O.P. 10**
  “…the Executive Director, irrespective of level of funds received, to give immediate priority to proposed institutional reforms, including further implementation of results-based management, robust knowledge management systems and any institutional adjustments necessary better to align the organization with the MTSIP, consistent with the wider process of United Nations system-wide reform;”

- **Resolution 21/2 O.P 11**
  “Also requests the Executive Director, in accordance with the priorities identified in the MTSIP, to review human resource requirements and implement a human resources policy based on merit, balanced geographical and gender representation, and strategic use of external expertise”

Actions/decisions taken since the GC21

(a) Task Force formed
(b) TOR for Task Force prepared
(c) Task Force members (inter-divisional) mobilized
(d) Weekly meetings of Task Force members being held

Actions/decisions in progress

(e) Log-frame (including outcome, outputs and activities)
(f) Roadmap for implementation
(g) Recruitment of dedicated consultant to support the activities of the Task Force
(h) Review of relevant reports/documentation
(i) Consultation with UNEP Task Force, UNON-HRMS
(j) Preparation of relevant budget for implementation of HR and Management component of MTSIP

Issues arising

- **Issues related to other task forces**
  
  (a) Outputs from other Task Forces will inform activities/outputs of HR&M Task Force (further work by other task forces on their strategic priorities and road map for implementation will inform decisions on staffing/training/etc.)
  
  (b) Overall coordination and scheduling in order to avoid overlapping or omissions or delays between different Task Forces and to complement each other’s tasks

- **Issues related to decisions/actions by other authorities**
  
  (a) Buy-out policy and modalities

  (a) Preparation and implementation of policies, training plans, manuals, guidelines, Enterprise Resource Planning system (ERP) being developed in New York

- **Issues requiring external expertise/assistance**
  
  (b) Organizational culture and staff competencies to be aligned with MTSIP priorities
  
  (c) Preparation and implementation of skills profiling, training plans, manuals, guidelines
  
  (d) Analysis and improvement of internal processes, procedures, mapping of workflow processes, new manuals, etc
  
  (e) Relationship/accountability with UNON and UNDP
  
  (f) To define, upgrade and implement an ERP System for compliance with new technologies, procedures, processes and International Public Sector Accounting Standards (IPSAS)

- **Issues for consideration by CPR**
  
  (a) Initial funding required for undertaking independent review of staff competencies in line with MTSIP priorities as neither UNON-HRMS nor UN-Habitat have available human resources for this undertaking
  
  (b) In-kind consultancy/expertise assistance from donors for implementing improvements to internal processes, procedures and work flow

  (a) Discussion of concept of staff buy-out