Draft minutes of the thirty-first regular meeting of the
Committee of Permanent Representatives to the United Nations
Human Settlements Programme, held on 3 December 2008 and
19 January 2009

Opening of the meeting

1. The meeting was opened at 9.45 a.m. on Wednesday, 3 December 2008 by Ms. Jacqueline
Mendoza, Permanent Representative of the Bolivarian Republic of Venezuela to the United Nations
Human Settlements Programme (UN-Habitat) and Chair of the Committee of Permanent
Representatives.

2. The meeting was attended by 77 representatives from 54 countries and one observer mission.

3. The Chair welcomed the following new permanent representatives to the Committee and looked
forward to their engagement and contribution to the work of the Committee: Mr. Manzoorali Kanani
(Comoros) and Mr. Amadou N’diaye (Mali); and bade farewell to the following permanent
representatives who had departed the Nairobi duty station, thanking them for their contribution to the
work of the Committee, which had greatly assisted the Committee in discharging its mandate:
Ms. Maria Rosario Janolo (Philippines) and Mr. Mohammed Rasic (Islamic Republic of Iran).

Item 1: Adoption of the agenda

4. The Committee adopted the provisional agenda for the meeting, as set out in documents
HSP/CPR/31/1 and Add/1.

Item 2: Adoption of the draft minutes of the meeting of the Committee of
Permanent Representatives, held on 24 September 2008

5. The Committee approved and adopted the draft minutes of its thirtieth regular meeting held on
24 September 2008 as set out in document HSP/CPR/31/2.
Item 3: Outcome of the Fourth session of the World Urban Forum

6. The Executive Director, Ms. Anna Tibaijuka, gave a presentation on the outcome of the fourth session of the World Urban Forum, held from 3 to 6 November 2008 in Nanjing, China. She congratulated the Government and the people of China together with the city of Nanjing for their wonderful hospitality and highly successful hosting of the event, which had been held in a state-of-the-art facility with opening and closing ceremonies of magnificent proportions and high-level attendance. The event had attracted 8,000 participants from 146 countries, of whom 3,600 were international participants. Some 210 meetings had been held, including bilateral and informal consultations, which had facilitated the brokering of partnerships and investment proposals for many countries, among other things.

7. She outlined three clear outcomes of the session: first, stakeholders were poised to engage in new forms of partnership; the medium-term strategic and institutional plan was predicated on the UN-Habitat playing a more catalytic role; second, there was global consensus on the need to think of cities not only as places in which to work but also to nurture the intangible dimensions of life and to provide a place for social capital in the management of the world urban community; third, cities, climate change, affordable housing and housing finance all lay at the core of sustainability of housing; it was imperative, therefore, for UN-Habitat to examine those issues further and their impact on the liveability of cities and towns.

8. In closing, she noted that the World Urban Forum had become the world’s premier platform for the interaction of stakeholders in the field of human settlements; in an increasingly urbanized world, she suggested, it was time to revise the structure of the Forum with a view to increasing its benefits for the world community. She invited members of the Committee to provide advice on how that task might be approached.

9. Most of the representatives who took the floor congratulated the Government of China for having hosted an extremely successful fourth session of the World Urban Forum in spite of the difficulties that it had experienced beforehand, including the devastating earthquake that had affected the country. Many speakers commended the Executive Director and members of the secretariat for their sterling efforts in ensuring a positive outcome to the Forum. A number of representatives who spoke thanked Brazil for its offer to host the fifth session of the Forum.

10. The representative of Argentina, on behalf of the Group of 77 and China, underscored the importance of initiating the discussion on the transformation of the Forum to maximize its benefits prior to the forthcoming session of the Governing Council. In addition, he commented on the delay experienced by Committee members in receiving important documents for its meetings; he requested documents to be distributed in a timely manner to enable members to consult with colleagues and capitals, and contribute actively to important discussions.

11. The Chair suggested that discussions on the improvement of the World Urban Forum might be held in the framework of working group meetings for the preparation of the forthcoming session of the Governing Council.

12. The representative of France commented on the impressive participation, the quality of discussions held and the dynamism of interaction at the fourth session of the World Urban Forum in spite of the difficulties experienced in the lead-up to the session. He expressed his agreement with previous speakers regarding optimizing the outcomes of sessions of the World Urban Forum, in particular, care should be taken, he said, to avoid repetition of issues proposed for discussion.

13. The representative of the Russian Federation described the outcome of the fourth session of the Forum as positive due to, among other things, the number of participants, the level of representation and the nature of topics discussed. It was clear, he said, that the Forum was the major global platform to find solutions to issues related to urban development, including efforts to combat poverty and to improve access to housing, water and sanitation. He underlined the need to intensify efforts for scientifically-based environmental standards for urban development and concurred with views expressed by previous speakers on maximizing the benefits of the Forum.

14. The representative of Uganda concurred with the statement made by the representative of Argentina. She underscored the challenge for Governments to translate the experiences of the session into actions at the country level.
15. The representative of the United Republic of Tanzania expressed her support for the statement made by the representative of Argentina. She thanked Mr. James Stewart, chair of the Committee's working group on preparations for the fourth session of the Forum for his able leadership. She urged partners to engage in discussions on how to improve future sessions of the Forum and expressed her willingness to work with the secretariat to document opportunities offered by the Forum.

16. The representative of the United Kingdom of Great Britain and Northern Ireland stressed the importance of considering in more detail, through a lessons-learned exercise, the format of future sessions of the Forum and developing a clear understanding of how the existing wealth of experience and expertise on urban issues could be harnessed to inform further the strategic priorities of UN-Habitat and its partners.

17. The representative of Cuba expressed his support for the statement made by the representative of Argentina. He thanked the Executive Director for her report on the Forum and acknowledged its usefulness for all countries in the consideration of urban issues. He agreed with comments made by representatives who had taken the floor previously on the need to extract lessons learned, both positive and negative, to expand the benefits of future sessions of the Forum. He stressed that a project to examine the experiences and lessons learned from the fourth session would be useful to inform preparations for the fifth session. On behalf of the Government of Cuba, he thanked the secretariat and the Executive Director, in particular, for their support in the aftermath of the hurricanes that had struck Cuba.

18. The representative of Canada, host of the third session of the Forum, suggested that an informal working group should consider the preparations for the fifth session of the Forum, including through lessons learned, without delay.

19. The representative of the United States of America spoke of the excellent planning and conduct of the private sector session at the fourth session of the Forum. He congratulated Ms. Christine Aumair, the moderator of that session, for her superb performance and noted that interventions by panelists had been extremely knowledgeable. He provided a summary of the high points of that session: in spite of disappointing attendance, the session had been based on business practices for sustainable urbanization, including bottom-of-the-economic-pyramid approaches. There was a need to create opportunities for the private sector, from small- to large-scale businesses, to play a greater role in improving the lives of the poor. An important theme that had emerged from Asian, European and Latin American participants was that slum-dwellers were a source of hidden wealth and intellectual capital. A participant from the China real estate chamber of commerce had provided interesting information: 60 per cent of her country's gross domestic product was generated by the private sector and most housing and construction was in private hands. A participant from the Global Housing Foundation had described an extremely successful micromortgage programme for affordable housing in Latin America, Africa and Eastern Europe. He noted that the United Nations worked with the Foundation on technical training on banking and mortgages. Comments from the floor, he said, had stressed the importance of land rights, security of tenure and the rule of law. He welcomed comments made by the Deputy Executive Director, Ms. Inga Bjork-Klevby, on the engagement of the private sector as a strategic direction for UN-Habitat and the organization's catalytic role in opening doors for the private sector. He looked forward, he said, to the Habitat Business Forum to be held in New Delhi in July 2009.

20. The representative of Nigeria stressed the importance of reflection on preparations for and outcomes of future sessions and endorsed the proposal for informal consultations on the outcomes of the session.

21. The representative of Indonesia noted that his country had found the fourth session of the Forum to be extremely useful for fruitful dialogue in addition to forging and strengthening cooperation. He expressed the hope that future sessions might be longer to allow for more events.

22. The representative of Mexico expressed his support for calls made by previous speakers to continue working on improving the effectiveness and relevance of the Forum.

23. The representative of Brazil expressed support for the statement made by the representative of Argentina, together with the proposal that a working group should undertake informal consultations on maximizing the benefits of sessions of the Forum, took note of the comments made regarding future sessions of the Forum and suggested that the periodicity of sessions might be reviewed.

24. The representative of Kenya also expressed support for the remarks made by the representative of Argentina and pointed out that the size of the Kenyan delegation at the fourth session, which had
numbered more than 100 people, had been evidence of the commitment that Kenya felt as host country to the headquarters of UN-Habitat. Stressing the importance of integrating young people into the Habitat Agenda, she called for Governments to be encouraged to include at least one young partner in their delegations to future sessions of the Forum. She noted her support for the proposal that informal consultations should be undertaken on maximizing the benefits of the Forum.

25. The representative of China expressed his gratitude to the stakeholders whose engagement, support and common effort had contributed to the success of the fourth session and to UN-Habitat and those member States that had selected China as host country for the session. He also commended the Government of Kenya on the size of its delegation to the session and its support of the event. He expressed the hope that the session would act as a catalyst for the further development of harmonious urbanization. Outlining humanitarian and moral support provided by UN-Habitat to China in the wake of natural disasters experienced in the country, he thanked the secretariat and expressed the hope that cooperation with the organization would endure and deepen.

26. The Executive Director thanked representatives for their comments and reiterated her gratitude to the Government of China for its support, including financial contribution, to the fourth session of the Forum together with other Governments who had supported the session, both directly and indirectly. She said that some 1,630 participants had completed a questionnaire on the outcome of the fourth session of the Forum and their views would be duly analysed. She expressed her regret at the delayed distribution of documents, which had been forced upon the secretariat, she said, by the rigours of the fourth session and the ill health of several members of the secretariat in the wake of the session. She thanked members of the secretariat, including Ms. Mariam Yunusa and Mr. Rolf Wichmann, coordinator and secretary of the session, respectively, Ms. Sylvia Ragoos and Ms. Jing Bai, both staff of the World Urban Forum secretariat, who had been stationed in Nanjing from August until the end of the session. She said that she did not agree with suggestions that the issues considered at sessions of the Forum were repetitive, but stressed that member States were responsible for choosing the topics for sessions of the Forum; she suggested that they should begin thinking about the topic for the fifth session without delay. She clarified that any change to the periodicity of sessions of the Forum could only be undertaken by the General Assembly.

**Item 4: Progress in the implementation of the medium-term strategic and institutional plan including the experimental reimbursable seeding operations**

27. Introducing the item, the Executive Director provided an overview of the fourth progress report on the implementation of the medium-term strategic and institutional plan, including the experimental reimbursable seeding operations, which marked the one-year review of the secretariat’s performance on what were known as “quick wins” and “must dos”. The enhanced normative and operational framework and habitat country programme documents had enjoyed an extremely satisfactory rate of implementation with some 33 programme documents developed to date. Lessons learned were currently being used to establish in-house country teams to promote further programme alignment, cohesion and upscaling at the country level. Significant progress had been made in refining the medium-term strategic and institutional plan to ensure that it articulated clear results for which the organization could be held accountable. Progress had also been registered in the Global Campaign for Sustainable Urbanization. A new branding concept for UN-Habitat had been launched at the fourth session of the World Urban Forum and was being implemented to provide a better corporate image for the organization. The steering and monitoring committee of the experimental reimbursable seeding operations had been constituted in September 2008.

28. She outlined three recommendations for the consideration of the Committee that aimed to respond to the challenges of inadequate resources and complex governance structures faced by UN-Habitat: first, stressing the importance of predictable funding to the medium-term strategic and institutional plan, she encouraged members of the Committee in a position to do so to finance the current funding gap of some $6.6 million for the implementation of the Plan; second, she requested the Committee to endorse a cycle of six-monthly reports on the Plan; third, she suggested that the peer review should commence at the end of 2009 to assess the “quick wins” and the performance of the roll-out phase. In closing, she requested guidance from members of the Committee on the contents and format, among other things, of the progress report.

29. Mr. Bendt Sjöv-Sjöderbergh provided a preview of his review of the efficiency and effectiveness of the governance structure of UN-Habitat. He noted that his assignment had been carried out through a
number of interviews held in Nairobi; Seville, Spain; Nanjing, China; and New York, including with Mr. Maurice Strong, the first Executive Director of the United Nations Environment Programme, and he thanked everyone who had contributed to his report. He recalled the process that had led to the creation of the organization and the complexity of environmental challenges related to cities.

30. Putting his report into context, he said that the rapid acceleration of urbanization had been dramatic in recent years, meaning that the current situation was completely different to that of 30 years previously, when UN-Habitat had come into being. There was growing awareness of the environmental challenges reflected in the increasing participation of local and city representatives at major meetings such as the World Urban Forum; the forthcoming fourteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change in Copenhagen would focus minds on those issues. The early expectations of UN-Habitat had not been met partly because the members themselves had been ambivalent about their mandate; it had begun as a small organization but its budget had grown in the past decade; it now had great potential but remained a small organization lacking the capacity and resources to match its global mandate. It was also hampered by its extremely complicated dual governance structure that few people understood, and the confusion about its normative and operational roles.

31. The report identified three imperatives for reform: an understandable governance structure akin to that of other United Nations programmes; a governance structure that was relevant and reflected global interdependence by including national and local government representatives; and an accountable and transparent governance structure with clearly identifiable responsibilities and properly formulated, budgeted, implemented and evaluated projects.

32. The report therefore made four key recommendations: the UN-Habitat governance structure had to be reformed and the Governing Council meeting in 2009 should begin the process; UN-Habitat would be better served by the introduction of an executive board that would provide a more comprehensive governance approach and more effective way of taking decisions; an executive board should include government representatives at the national and local levels; UN-Habitat should be governed by the executive board to improve accountability and responsibility and the current dual mechanisms should be discontinued.

33. Thanking Mr. Säve-Söderbergh for his presentation, the Executive Director said that it was not usual to put a preliminary document before the representatives but that had been done in the interests of transparency and in a spirit of partnership. When the document was finalized it would be submitted for monitoring and evaluation and thereafter official consultations would begin. She introduced Mr. Shekou Sessy, a former senior staff member of UN-Habitat from Sierra Leone, who had considerable experience in governance matters and Mr. Paul Taylor, Office of the Executive Director, both of whom were working with Mr. Säve-Söderbergh and were also available for consultation. There was a deadline of 15 February 2009 for the report to be officially submitted.

34. In the ensuing discussion, all the representatives who took the floor thanked Mr. Säve-Söderbergh for his presentation and report. Several of the representatives who spoke called for an open and transparent consultation process on the report.

35. The representative of the United Kingdom described the report as a thought-provoking piece of work that had to be taken seriously by all concerned. He said that the consultation process had to do justice to the topic and suggested that the outcome of the review did not need to be finalized before the meeting of the Governing Council.

36. The representative of the United States endorsed those comments and said that he would welcome further discussion ahead of the Governing Council meeting, particularly on bringing local authorities into the governance structure. He suggested that a Governing Council resolution – whether open-ended or closed – could be a way to take the process forward to the next stage.

37. The representative of Argentina, on behalf of the Group of 77 and China, said that it would be out of the question to consider a resolution before having an opportunity to discuss in the Committee of Permanent Representatives the need for changes in governance. He welcomed any mechanism devised by the secretariat to allow discussions to take place.

38. The representative of France welcomed the outside view on the issue of governance and described it as a milestone in reforming UN-Habitat. Since the report was substantive and would elicit comments from capitals, however, there was no need to rush the process of discussions.
39. The representative of Pakistan voiced concern at the proposal made in the recommendations to have an executive board of UN-Habitat and expressed doubt at the possibility of local government representatives from developing countries being able to attend meetings several times a year.

Suspension of the meeting

40. In the light of the technical difficulties that had arisen, the Chair suspended the meeting at 12.45 p.m. on 3 December 2008.

41. The meeting resumed at 9.10 a.m. on Monday, 19 January 2009 by Ms. Jacqueline Mendoza, Permanent Representative of the Bolivarian Republic of Venezuela to the United Nations Human Settlements Programme (UN-Habitat) and Chair of the Committee of Permanent Representatives.

42. The resumed meeting was attended by 52 representatives from 38 countries and 1 observer mission.

43. In her opening remarks, the Chair explained that the resumed meeting was a continuation of the Committee's thirty-first meeting held on 3 December 2008, which had to suspend its work for technical reasons. She invited members to observe one minute's silence in memory of the victims of the recent conflict in the Middle East.

Item 4: Progress in the implementation of the medium-term strategic and institutional plan including the experimental reimbursable seeding operations

44. The Committee resumed its consideration of Agenda item 4: Progress in the implementation of the Medium-term Strategic and Institutional Plan including the Experimental Reimbursable Seeding Operations.

45. Introducing the item, Ms. Inga Björk-Klevby, Deputy Executive Director of UN-Habitat, drew attention to the progress report on the item which had been presented at the Committee's previous meeting and reported briefly on work under way to introduce results-based management frameworks into each of the focus areas of the medium-term strategic and institutional plan and, in particular, to align the plan with the work programme.

46. In the ensuing debate, representatives noted the need to identify challenges, besides funding, in implementing the plan, such as those relating to changes in management in the organization. In that context emphasis was placed on the need for the new resource mobilization unit to take an innovative approach to its work.

47. The representatives taking the floor on the item welcomed progress in implementation of the medium-term strategic and institutional plan and a number stressed the need for a detailed discussion on the plan to be held in time for the forthcoming session of the Governing Council. There was also wide support for the idea of six-monthly reporting, and several representatives requested further details on the peer-review process referred to in the report.

48. The representative of Nigeria, speaking on behalf of the Group of 77 and China, called for acceleration of the alignment of the plan with the work programme and appealed to member States to meet commitments on funding of projects and programmes. His comments were supported by the representative of Zimbabwe on behalf of the Africa Group, who added that progress had been uneven and urged the secretariat to pay more attention to areas that were falling behind in implementation.

49. The representative of Argentina proposed that in future, progress reports should be considered first in more detail by the working groups before being presented to the Committee of Permanent Representatives as had been the case with the report on the experimental reimbursable seeding operations. His proposal was supported by a number of representatives.

50. The representative of the United Kingdom, while welcoming the progress report on the medium-term strategic and institutional plan, and emphasis on the "quick-wins" and "must-dos", stressed that it was also necessary to look at the bigger picture and the strategic work of UN-Habitat, namely the need to target efforts in areas where it had a comparative advantage and a niche role. He supported the proposal of the representative of Argentina that, given the importance of the progress report, more time should be given to discussing it in working group. There were areas for improvement
in the document, for example the alignment of the “next steps” with the challenges and risks set out in previous reports, and the issue of continuity in general.

51. The representative of the United States said that he would welcome more detailed discussion of the plan within the next two weeks.

52. The representative of Norway said that his Government would look into the question of allocating resources for implementation of the plan in the light of the more detailed evaluation which it was conducting.

53. On the subject of the experimental reimbursable seeding operations, several representatives welcomed, in particular, the notion of reimbursement and the possible leverage effect of the initiative and expressed the hope that those innovative schemes would make good progress. There were also calls for speedy implementation of the initiative, for regular progress reports and for countries, including developing countries, to show their support for it by making contributions, however modest, to its implementation, thereby manifesting their ownership of the initiative. Attention was drawn to similar approaches followed by the United Nations Environment Programme (UNEP) in rallying support from developing countries for its strategies. One representative pointed out that tangible commitments by countries to the initiative would demonstrate that they were stakeholders in the process, and not merely beneficiaries.

54. On the issue of the performance-based approach, the representative of the Netherlands said that, if the benchmarks for performance were found not to be met, his country would reduce its contributions. He was pleased to report, however, that to date it had been able to maintain its contributions at their full level and, in that context, stressed the importance of the medium-term strategic and institutional plan.

55. The representative of Uganda thanked the secretariat for selecting her country as a beneficiary of the experimental reimbursable seeding operations programme, and said that Uganda was committed to ensuring that the programme did not fail. She urged other selected countries to work closely with the secretariat to ensure the success of the programme. She cited the example of the African Ministerial Conference on Housing and Urban Development decision on establishing a fund for such operations, which demonstrated ownership of the programme rather than dependence on donors. In Uganda, she said, the Development Finance Company of Uganda would be providing seed money and the Government of Uganda had pledged to contribute land and funding for capacity building, training and other facilities for the programme.

56. Responding to those comments, the Executive Director noted that the ideas of reimbursability and leveraging were still being piloted but expressed the hope that they would help to place the experimental reimbursable seeding operations on a firmer footing: in that context she thanked those countries which had provided last-minute funding to enable the operations to continue when their future had looked uncertain. On a brighter note, she expressed her view that the Programme’s current funding situation was reasonably robust: as a result, there had been swift progress in the areas of water and sanitation and breakthroughs had also been achieved in some activities under the experimental reimbursable seeding operations. Noting, however, that a number of gaps remained in implementation of the medium-term strategic and institutional plan, she appealed to member States to pay their contributions, which should not necessarily be tied to the experimental reimbursable seeding operations, but allocated more generally to UN-Habitat.

57. In her response, the Deputy Executive Director stressed the need for predictability of financing, which was particularly important for a small organization like UN-Habitat. In that context, she drew attention to her forthcoming visit to Sweden to discuss a multi-year funding framework.

58. Responding to a query regarding the issue of delegation of authority, she explained that a results-based-management team was currently working on a results-based framework for the Programme, which would form the basis for monitoring and evaluation of its performance. With regard to the issue of peer review, she recalled that in May 2009 UN-Habitat would be hosting an inter-agency meeting on the issues of peer review and results-based management. She noted that UNEP would also be involved in that process and said that it would be reviewed by UN-Habitat together with other partners and member States, in particular Norway, under a cooperation agreement with that country, in the period May–June 2009.
Item 1 (b): Efficiency and effectiveness of the governance structure of UN-Habitat

59. Introducing the item at the Committee’s resumed meeting on 19 January 2009, the Chair explained that it was an addition to the original agenda and that it would be taken up in more detail in informal consultations that afternoon.

60. Mr. Bengt Säve-Söderbergh drew attention to the study that he had been commissioned to prepare of the organization’s governance structure. In that context he suggested that the Governing Council decision on the issue had been somewhat anomalous in entrusting the Executive Director with the task of deciding how her office should be governed by the member States: in his view, it was the function of the member States, through their Committee of Permanent Representatives, to make that determination and he was therefore putting the question to them: did they wish to continue as before, or was there a need to reform the organization? On his report he had identified shortcomings and made recommendations: it was now up to the Committee to decide how it wished to proceed. He expressed the view that UN-Habitat had considerable untapped potential, particularly since the issue of urbanization and its links with climate change had not been sufficiently factored into their decision-making processes by policymakers.

Item 2: Status of preparations for the twenty-second session of the Governing Council and of the work programme and budget of UN-Habitat for the biennium 2010–2011

61. Mr. Nabeel Munir Deputy Permanent Representative, on behalf of Mr. Ifikhar Arain the Permanent Representative of Pakistan, as chair of the working group on the issue, introduced the item to the Committee. He briefly outlined the process followed and work carried out by the working group to prepare the work programme and budget, based on the strategic framework for 2010–2011. At the request of the Committee of Permanent Representatives new sections had been added under each subprogramme, namely on the focus in relation to the medium-term strategic and institutional plan: the comparative advantage of UN-Habitat; cooperating partners; and gender integration. Concern had been expressed about the substantial increase in the proposed budget given the global financial crisis and about the criteria for prioritization in the event that the proposed financing was not realized. The issue of trust had been a recurring theme in the discussions. Other issues raised included enhanced cooperation between units within the organization; monitoring and evaluation; regional balance in the implementation of programmes and projects; recruitment of staff and consultants. Those inputs had been incorporated in the revised document before the Committee.

62. In the ensuing debate, representatives noted the importance of transparency in overcoming the atmosphere of mistrust that sometimes pervaded relations between the Committee and the UN-Habitat secretariat. It was stressed that the Habitat Agenda served the interests of the poor and the poor countries would, accordingly, be the losers if the agenda failed. At the same time, a cautionary approach should be taken to efforts to upscale the organization, hence the importance which attached to prioritization.

63. Responding to the comments made, the Executive Director expressed regret that the Advisory Committee on Administrative and Budgetary Questions had decided to defer its consideration of the UN-Habitat work programme, given the short time remaining before the next session of the Governing Council. On the issue of trust between the Committee and the secretariat, he stressed that the secretariat’s role was merely to clarify issues and not to deal with policy matters, which were the prerogative of the Committee. The secretariat was doing its level best with limited resources, given the lack of robust financial support from donor countries. Accordingly she appealed for more support, pointing out that the credit crunch was having negative repercussions in the humanitarian domain as well.

64. On behalf of the secretariat, Ms. Mariam Yunusa briefed members on the preparations for the twenty-second session of the Governing Council, pointing out that the change in the initial date of the World Urban Forum had reduced the interval between that major event and the Governing Council, with a concomitant increase of pressure on the secretariat to complete its preparations in time. She outlined the steps taken by the secretariat and consultations held following the conclusion of the World Urban Forum. Two proposed themes for the Governing Council were on the table, namely financing
affordable housing for the urban poor, and cities and climate change as suggested by the Executive Director. The preparation of documents was in hand and all those would be uploaded on the website as available. Efforts were being made to keep documentation and the number of resolutions to a minimum; so far there were five of the latter.

65. On the issue of the theme for the Governing Council, it was suggested that the issue of climate change should be included as a special theme. A number of countries expressed reservations about that idea, warning that it might divert attention from the issue of finance for housing, which should be the primary focus of the session. They suggested that climate change should only feature as a side event and drew attention to the interlinkages between the theme of financing and the experimental reimbursable seedling operations. There was further discussion of how the two ideas could be most effectively taken up at the Council, without detracting from the importance of the central theme of the session, namely, financing of housing for development.

66. One representative commended the secretariat on the organization’s website and on its timely preparation of documents for the session. In that context she appealed to other members of the Committee to work in a constructive spirit and not to endeavour to micromanage the secretariat as it prepared for the Governing Council.

67. Responding to the views expressed, the Executive Director pointed out that there was no conceptual conflict between the issues of climate change and housing financing; climate change had severe implications for affordable housing and yoking the two issues together could present a valuable opportunity for developing countries.

68. Summarizing the debate, the chair said that there was consensus among members that financing of housing should remain the central theme of the session but that related sub-themes, such as climate change, could be included, perhaps in the form of a high-level side event, possibly held in conjunction with UNEP.

69. The Executive Director agreed with that summation, and suggested that the issue of the implications of climate change on financing could be taken up in high-level ministerial discussions. She noted that all such discussions would be reflected in the official records of the session, which would be transmitted to the Economic and Social Council and the General Assembly and no part of the discussion would be marginalized.

70. Lastly, with regard to the dates for the Committee’s next meeting, the representative of the secretariat suggested that, if discussions on the draft resolutions proceeded expeditiously, it might be possible to bring the next meeting forward and said that members would be notified accordingly.

Item 3: Quarterly report on the financial status of UN-Habitat

71. The Executive Director introduced the item at the Committee’s resumed meeting, on 19 January 2009, drawing attention to the fact that pledges of $15 million had been received towards the projected annual general purpose income of $21 million. Voluntary contributions remained unpredictable, however, and she appealed to member States to remit their pledges. She proposed that the Committee and the secretariat should begin working on a resolution to develop a voluntary indicative scale of contributions, thereby improving predictability of funding and widening the donor base, as UNEP had done.

72. She expressed gratitude to the Governments of Canada, Italy, Norway and Sweden for their financial support for the medium-term strategic and institutional plan, amounting to $8.4 million so far. She also acknowledged pledges from the Governments of Algeria, Greece, the Russian Federation, Sweden and the United Republic of Tanzania, and thanked the Governments of Greece, India, the Netherlands, Sweden and the United States for having paid their contributions. Recent contributions amounting to $14.5 million had also been received from the Government of Spain for water and sanitation activities in 2009, and the Government of the Netherlands had made a special contribution of $6 million for the Mekong Delta initiative. Progress was being made with the development banks with major agreements due to be finalized, but core support continued to be elusive and problematic.

73. Responding to the comments by the Executive Director, the representative of the United Kingdom agreed on the need for contributions to be made as early as possible and, to that end, undertook to contact his capital to press for early payment of its contribution.
74. The representative of Uganda stressed the need for other developing countries to show their commitment to, and ownership of, the organization by making their own contributions to its operation, as they were doing with UNEP.

75. The representative of the United States voiced concern about a system of assessed contributions, which, he said was tantamount to a form of taxation and, in that context, referred to the UNEP voluntary indicative scale of contributions which, he said, was not necessarily a suitable model for UN-Habitat to follow. He pointed out, supported by a number of other representatives, that the Committee did not endorse the voluntary indicative scale of contributions, it merely called for the funding base to be broadened.

**Item 4: Outcome of the sixty-third session of the United Nations General Assembly**

76. Introducing the item at the Committee’s resumed meeting, on 19 January 2009, the Executive Director drew the attention of the representatives to the documents before them: the report on the deliberations of the sixty-third session of the General Assembly regarding the outcome of the United Nations Conference on Human Settlements and strengthening UN-Habitat, and the report of the second committee of the General Assembly on the same topic and the resolution adopted. The debate in the latter had focussed on the major issues of the housing finance crisis and cities and climate change. She expressed satisfaction that the resolution supported the arguments of UN-Habitat that cities had to be included in climate change policies and solutions, and that urban planning, housing and infrastructure had to be improved to tackle the effects of climate change. She was also pleased to note that housing finance was to be the subject of a high-level event of the General Assembly, and therefore proposed that affordable housing finance should be the theme of the twenty-second session of the UN-Habitat Governing Council.

**Item 5: Other matters**

77. The representative of Argentina, attending his last meeting of the Committee as chair of the Group of 77 and China, thanked all his colleagues in the other regional groups and the secretariat in particular for their assistance.

78. The Chair thanked the representative of Argentina for his excellent work and her sentiments were shared by several other representatives who took the floor.

79. The Executive Director thanked the representative of Argentina on behalf of the secretariat and on her own behalf for chairing the Group of 77 and China and welcomed his continuing membership of the group.

80. The representative of the Islamic Republic of Iran voiced support for the communiqué from the recent summit of Islamic and Arab heads of State in Doha on the situation in Gaza, and proposed that UN-Habitat convene an extraordinary meeting to consider ways of supporting the people of Gaza in the reconstruction of demolished areas.

81. The representative of the United States pointed out, in response to the comments by the representative of the Islamic Republic of Iran, that UN-Habitat had hitherto remained clear of external political discussions and that there were many other venues within the United Nations and elsewhere for such debates, and he therefore rejected the statement.

82. The Executive Director assured the Committee that UN-Habitat was involved through its membership of the United Nations humanitarian team in post-conflict reconstruction efforts, such as those described by the representative of the Islamic Republic of Iran, and was engaged appropriately in conflict areas.

**Closure of the meeting**

83. Following the conclusion of its work at its resumed meeting, on 19 January 2009, the meeting was declared closed at 1 p.m.