Part two: biennial programme plan

Programme 12
Human settlements

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Overall orientation

1. The strategic framework for 2012-2013 is fully aligned to UN-HABITAT’s six-year Medium-Term Strategic and Institutional Plan for the period 2008-2013, which was approved by the Governing Council of the United Nations Human Settlements Programme (UN-HABITAT) at its twenty-first session through its resolution HSP/GC/21/2 of 20 April 2007. In line with the same resolutions, the Medium-Term Strategic and Institutional Plan (also to as the Plan) was subsequently refined and a focus area results framework developed in 2009. The Plan sharpens UN-HABITAT’s programme focus, promotes alignment and coherence, and strengthens its catalytic role for the coordinated implementation of the Habitat Agenda and other internationally agreed development goals relevant to human settlements. The main elements of this strategic framework are derived from the focus area results framework. A strong emphasis on results-based management will continue to inform UN-Habitat’s programme planning, performance management, learning and accountability. A mid-term evaluation of the Plan will be undertaken in 2010, and depending on the outcome, this strategic framework may need to be revised to align it with the new decisions. In that event, the provisions of resolution 58/269 are expected to prevail.

2. Mandate: Responsibility for the human settlements programme within the United Nations system is vested in UN-HABITAT, which serves as the focal point for its implementation. The mandate of UN-HABITAT derives from the twin goals of the Habitat Agenda, comprising “adequate shelter for all” and “sustainable human settlements development in an urbanizing world”, which is an outcome of the United Nations Conference on Human Settlements (Habitat II). The mandate of the programme also derives from resolution 3327 (XXIX), by which the General Assembly established the United Nations Habitat and Human Settlements Foundation and resolution 32/162, through which the United Nations Centre for Human Settlements (Habitat) was established by the General Assembly. Through resolution 56/206, the General Assembly elevated the United Nations Centre for Human Settlements (Habitat) to the United Nations Human Settlements Programme. Other internationally agreed development goals include those contained in the United Nations Millennium Declaration, particularly its target 11 on achieving a significant improvement in the lives of at least 100 million slum-dwellers by the year 2020, and target 10 on water and sanitation of the Johannesburg Plan of Implementation. These two targets were subsequently reaffirmed by the General Assembly in the 2005 World Summit Outcome, which highlighted slum prevention as a priority issue in human settlements. Additional mandates come from relevant legislative bodies and resolutions of the Governing Council of the United Nations Human Settlements Programme. UN-HABITAT is guided by its Governing Council, which reports every two years to the General Assembly through the Economic and Social Council and by a Committee of Permanent Representatives of UN-HABITAT, which serves as a formal intersessional body.

3. Challenges: Cities are the habitat of half of humanity and, by 2050, 70% of the world’s population will reside in urban areas. Urban growth averages 5 million new urban residents per month in developing regions where many new megacities of 10 million and hypercities of 20 million will emerge. In developing countries, the result of this is the rapid growth of slums and informal settlements, whose population currently stands close to 1 billion, or 32% of the world’s urban population. Slums are a glaring manifestation of urban poverty and a testimony of the failure of national planning policies and institutions in providing for the basic needs of the urban population. The urban poor face inequitable and life threatening conditions, poverty, environmental disasters and social crises. A key problem is that most of this rapid and uncontrolled urban growth is taking place in countries whose governments are least able to cope with the provision of adequate housing, urban infrastructure and basic services. The main social effects of unplanned
urbanization include inadequate housing, chaotic peri-urbanization, lack of basic services, especially safe drinking water and sanitation, lack of secure tenure, vulnerability to natural and human-made disasters and crime, uncertain employment, as well as social exclusion of the poor, vulnerable and other disadvantaged groups, including the disabled, youth and the elderly. The recent economic crisis has exacerbated urban poverty, accelerated unemployment and rapid expansion of the urban informal sector with its low profit activities and a disproportionate concentration of women. The World Urban Forum noted the particular vulnerability of indigenous people’s to the effects of chaotic and unplanned urbanization. In spite of these challenges, urbanization is increasingly being seen as a positive phenomenon and a precondition for improving access to services economic and social opportunities, and a better quality of life.

4. Climate change, one of the most significant environmental challenges, most negatively affects the world’s estimated 1 billion vulnerable slum dwellers who are neither adequately protected by construction and land use planning regulations, nor do they possess sufficient resources to improve their own lives. The nexus between rapid urbanization and climate change has multiple impacts on highly vulnerable groups, particularly women, young people, the elderly and the extremely poor. Climate change has negative impacts on health and also threatens access to water and food security, and increases the urban poor’s vulnerability to flooding and land slides. In many developing countries, actual and expected changes in agricultural productivity as a result of climate change related weather patterns, as well as conflict over scarce resources, are pushing many rural residents into urban areas. Most developing country cities lack the capacity to formulate and implement climate change mitigation and adaptation measures, and to help build the resilience necessary for effectively responding to climate change related disasters.

5. **Interventions to address challenges:** In addressing these challenges, UN-HABITAT works in close consultation and collaboration with Governments and many Habitat Agenda partners. The primary means of addressing the challenges of urban poverty and social and physical exclusion is to promote and uphold the rights of all, especially women, youth, disabled and other vulnerable and disadvantaged groups, to an adequate standard of living, including water and sanitation. The Fourth World Urban Forum of 2008 stressed the need to put people at the centre of development and for balanced territorial development as important aspects of sustainable and harmonious urbanization. The Forum stressed that provision of affordable housing is a strategic means to attaining the Millennium Declaration targets. In terms of addressing the challenges posed by climate change, UN-Habitat will help cities to achieve more compact urban expansion; take stock of their renewable energy and green infrastructure potentials; identify appropriate green technology innovations, especially in the energy, construction and transport sectors; and integrate use of these innovations into planning and building regulations. These interventions, which facilitate mitigation and adaptation to climate change, will also stimulate a green economy which can create dynamic new industries, quality jobs and income growth. Urban planning, land use management, housing policy and basic infrastructure can significantly influence how cities mitigate and adapt to climate change.

6. Against this backdrop UN-HABITAT’s six-year Medium-Term Strategic and Institutional Plan, on which this biennial strategic framework is based, lays the necessary conditions for concerted international and national efforts to stabilize the growth of slums and for the subsequent reduction in and reversal of the number of slum-dwellers. The plan identifies five substantive focus areas, comprising: effective advocacy, monitoring and partnerships; participatory urban planning, management and governance; pro-poor land and housing; environmentally sound basic infrastructure and affordable services; and strengthened human settlements finance systems. The Plan will continue to be implemented at the global and national levels, in line with the approved United Nations reforms, including support for enhanced harmonization, coherence and alignment of international development assistance. Excellence in management, the sixth focus area of the medium-term institutional and plan, creates an enabling environment for the effective
implementation of the five substantive focus areas. Its full implementation will have a significant impact on UN-HABITAT’s management, institutional operations and corporate culture. In particular, UN-HABITAT is strengthening and mainstreaming the results-based management approach. Results-based management will enhance the organization’s accountability, efficiency and effectiveness considerably.

7. The Medium-Term Strategic and Institutional Plan will continue to be implemented incrementally through the biennial work programme and budget for 2012-2013, which will be fully aligned to it. The activities of UN-HABITAT for the period 2012-2013 constitute the final phase of the Medium-Term Strategic and Institutional Plan, as clearly articulated in the roadmap for the period 2012-2013. The period 2008-2009 constituted the kick-start phase, while the period 2010-2011 was the roll-out phase. The implementation process will be closely monitored and reported on through biannual progress reports for the consideration of Member States. In implementing the Medium-Term Strategic and Institutional Plan, UN-HABITAT will strive to achieve regional balance in the implementation of all programme and project activities and also facilitate the exchange of information and good/best practices, especially between south-south.

8. The UN-HABITAT programme of work will be implemented through four interlinked subprogrammes, namely: subprogramme 1, shelter and sustainable human settlements development; subprogramme 2, monitoring the Habitat Agenda; subprogramme 3, regional and technical cooperation; and subprogramme 4, human settlements financing. The subprogrammes work in close cooperation and collaboration through an integrative and synergetic approach that has subprogrammes leading in the implementation of some focus areas but contributing to all of them. This promotes internal cohesion, alignment and coherence, particularly through the enhanced normative and operational framework. The Habitat country programme documents, to which all subprogrammes contribute, will also enhance internal cooperation and collaboration, to the benefit of Member States. A new programme review mechanism will mainstream results based-management, and reinforce internal cohesion and information sharing among different units in UN-HABITAT.

9. UN-HABITAT’s strategy for implementing its programme of work is as follows:

A. Subprogramme 1: Shelter and sustainable human settlements development.
This subprogramme will lead in the implementation of focus areas 2 and 3 of the Medium-Term Strategic and Institutional Plan, namely, participatory urban planning, management and governance, and pro-poor land and housing. During the biennium, UN-HABITAT will promote inclusive and more effective urban planning, management and governance at national and local levels using three main entry points, in line with the strategy for focus area 2. This entails strengthening local capacities to mitigate and adapt to the effects of climate change; enhancing urban safety and the reduction of vulnerability; and promoting economic development within the framework of decentralization and sustainable urban development. The strategy for the latter is articulated in the Guidelines on Decentralization and the Strengthening of Local Authorities, approved by the Governing Council of UN-HABITAT in April 2007 in a landmark decision. In order to improve access to land and housing for all, UN-HABITAT will undertake knowledge management, advocacy, and capacity building activities at Global and national levels, as well as support implementation at country and local levels.
B. Subprogramme 2: Monitoring the Habitat Agenda

This subprogramme will lead in the implementation of focus area 1 of the MTSIP, effective advocacy, monitoring and partnerships. Most of the subprogramme’s work is cross-cutting and will be implemented in collaboration and cooperation with other subprogrammes. UN-HABITAT will continue to raise awareness on sustainable urbanization issues by monitoring and reporting on global human settlements conditions and trends, and also on progress in the implementation of internationally agreed human settlements goals and targets, in line with the Medium-Term Strategic and Institutional Plan. More specifically, the strategy includes: collation and analysis of evidence based human settlements information and gender and age sensitive data; knowledge management; policy dialogue; strategic partnerships; gender and youth empowerment; and the exchange of best practices, experiences and tools.

C. Subprogramme 3: Regional and technical cooperation

Working in all five substantive focus areas of the Medium-Term Strategic and Institutional Plan, the main thrust of this subprogramme will be to provide technical assistance, build capacity and implement demonstration projects, in line with the enhanced normative and operational framework. UN-HABITAT’s contribution to the coordinated activities of the United Nations country teams will be strengthened through the Habitat country programme documents. To ensure the involvement of Habitat Agenda Partners at country level, UN-HABITAT will endeavour to support the revitalisation of Habitat National Committees that will include key National Habitat partners. Regional offices will coordinate activities carried out at regional and country levels, including the expanding work on disaster prevention and management. The membership of UN-HABITAT in the Inter-Agency Standing Committee, as a focal point on housing, land and property, will facilitate its full participation in the coordinating mechanisms of the inter-agency assessment teams. The organization will be able to offer both transitional and longer term guidance on shelter issues in post-disaster situations.

D. Subprogramme 4: Human settlements financing

This subprogramme leads in the implementation of focus areas 4 and 5 of the Medium-Term Strategic and Institutional Plan, namely, environmentally sound basic infrastructure, and strengthening of human settlements financing. A key strategy of this subprogramme is to mobilize local and international public funds, community savings and private sector capital to enable scale investments in affordable and social housing and basic infrastructure and services. UN-HABITAT will work with partners to invest and leverage external finance and expand existing revolving credit and local finance credit enhancement facilities to provide funds to communities, local finance institutions and local governments for housing and infrastructure. Through the catalytic investment programmes, increased economic activity and job creation in construction and related sectors, especially in partnership with youth employment initiatives, UN-HABITAT can help mitigate the effects of shifts in global financial flows, following the global financial crisis of 2007-09. Work on the Water for African, Asian, and Latin American and Caribbean Cities programmes will continue to be supported through the Water and Sanitation Trust Fund. There will be special focus on improving access for the urban poor to water supply and sanitation, and on innovative approaches, in partnership with governments, water and sanitation utilities and civil society, including community based organizations.

10. Gender integration

UN-HABITAT’s efforts in promoting women’s access to shelter will continue to be strengthened, in line with the 2005 World Summit Outcome (see resolution 60/1, para. 58) that guarantees women’s free and equal rights to own and inherit property and ensures security of tenure of property and housing. In order to address the disparities between men and women in decision-making at all levels and differences in access to land and housing, as well as benefits from programmes implemented, UN-HABITAT will assess the gender implications of all planned normative and operational programmes, in line with the UN-
HABITAT Gender Equality Action Plan. In-house, the Gender Mainstreaming Unit will work with all units, including through the programme review mechanism, to ensure that all interventions adopt a gender perspective.

11. **Partnerships**

The work of UN-HABITAT is concentrated in developing countries, countries with economies in transition and countries in need of specialized international assistance for post-conflict and post-disaster recovery and reconstruction. As the focal point for the implementation of the human settlements programme within the United Nations system, UN-HABITAT will collaborate and cooperate with other United Nations organizations. Outside the United Nations, UN-HABITAT will also cooperate with Governments, local authorities, international financial institutions, regional development banks, the public-private partnership, Habitat National Committees, academic and research institutions, and many other Habitat Agenda partners. Significant mechanisms for global advocacy on human settlements issues and cooperation with Governments and Habitat Agenda partners are the World Urban Forum, which is held every two years to address pressing human settlements issues and the World Urban Campaign on Sustainable Urbanization, which was launched in late 2008. The sixth session of the World Urban Forum will take place in 2012.

**Subprogramme 1**

**Shelter and Sustainable Human Settlements Development Division**

**Overall objective:** To improve inclusive urban planning, management and governance and access to land and housing at national and local levels.

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<thead>
<tr>
<th>Expected accomplishments</th>
<th>Indicators of achievement</th>
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<tbody>
<tr>
<td><strong>(a) Focus Area 2:</strong> Improved policies, legislation and strategies support inclusive urban planning, management and governance</td>
<td>(i) Number of countries whose policies, legislation and strategies incorporate sustainable urbanisation principles</td>
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<td></td>
<td>(ii). Number of crisis-prone and post-crisis countries whose urban planning, management and governance policies, legislation and strategies incorporate urban risk and vulnerability-reduction measures</td>
</tr>
<tr>
<td><strong>(b) Focus Area 2:</strong> Strengthened institutions promote sustainable urbanization</td>
<td>(i) Number of cities implementing inclusive urban planning, management and governance.</td>
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<tr>
<td><strong>(c) Focus Area 2:</strong> Cities implement inclusive urban planning, management and governance</td>
<td>(i) Number of countries implementing improved land, housing and property policies</td>
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<td></td>
<td>(ii) Number of countries implementing policies to improve security of tenure and reduce forced evictions</td>
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<tr>
<td><strong>(d) Focus Area 3:</strong> Improved land and housing policies implemented,</td>
<td>(i) Number of countries implementing slum prevention and improvement policies</td>
</tr>
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(e) **Focus Area 3:** Slum improvement and prevention policies under implementation

**Strategy**

12. The responsibility for the sub-programme is vested in the Shelter and Sustainable Human Settlements Development Division. In line with the Medium-Term Strategic and Institutional Plan, this subprogramme will take the lead on the implementation of Medium-Term Strategic and Institutional Plan focus area 2, promotion of participatory urban planning, management and governance, and focus area 3, promotion of pro-poor land and housing, and will also contribute to the other three focus areas, since they are all cross-cutting. This strategy will make a substantive and progressive contribution towards the achievement of the Millennium Declaration and Johannesburg Plan of Implementation targets on slums and water and sanitation. The strategy for implementing the programme of work is as follows:

(a) With respect to the objective of improving inclusive urban planning, management and governance at national and local levels, during the biennium, UN-HABITAT will use three programmatic entry points (thematic challenges) to contribute towards the expected systemic results. These are: developing local capacities to mitigate and adapt to climate change; enhancing urban safety and the reduction of vulnerability, and; promoting economic development. All the entry points will be operationalized within the framework of decentralization as broadly provided for by the Guidelines on Decentralization and the Strengthening of Local Authorities;

(b) For achieving the objective relating to improved access to land and housing the sub-programme will initiate systematic reforms to promote access to land and housing for all. UN-HABITAT’s approach to realizing access to land and housing for all will rely on three cross-cutting strategies, i.e. knowledge management and advocacy; capacity building at the global and regional levels; and, supporting implementation at the country/local level. Throughout this approach, issues of gender, as well as youth and other vulnerable and disadvantaged groups will be mainstreamed. These strategies will be implemented in parallel and not in a linear approach. Knowledge and lessons learned, for example, will be reaped from existing successes and could thus be used in advocacy campaigns and capacity building through the enhanced normative and operational framework. On the other hand where tools do not exist, they will have to be developed, tested at country level and then advocated for, translated into policy and used in capacity building;

(c) Capacity building will be undertaken at global, national and local levels to promote sustainable urban development and to undertake effective planning, management and delivery of shelter, land, infrastructure and services. These will be supported by dedicated strategies and programmes, including human, tool development, resource development, organizational development and institutional strengthening components;

(d) Engaging with crisis affected countries is an important component of the human settlements programme. This work includes building the resilience of countries; assisting countries and cities to mitigate and adapt to crises, as well as work with
settlements to recover from crisis. UN-HABITAT’s engagement in crisis work is derived from the Agency’s Strategic Policy on Human Settlements in Crisis and Sustainable Relief and Reconstruction Framework, which articulates pertinent aspects of the Habitat Agenda and Medium-Term Strategic and Institutional Plan in both crisis prevention and recovery;

(e) UN-HABITAT will assume a catalytic role in implementing Focus Areas 2 and 3 by reinforcing existing partnerships, and establishing new strategic ones with United Nations agencies, non-governmental organizations, educational establishments, scientific institutions and financial bodies that have the collective resources, infrastructure, expertise and the financial power to work with it;

(f) All interventions in the subprogramme will be implemented in line with the Gender Equality Action Plan and also taking into account the needs and involvement of youths. To enhance gender sensitive interventions and policies, the program will as appropriate, conduct gender analysis on all projects, including policies, to establish gender gaps and strategies for addressing them. Further, to enhance gender balance in program participation and equitable access to programme benefits will, as much as possible, all programme data will be disaggregated by sex. The programme will make all efforts to create conditions that support women, and to ensure that program interventions promote activities that increase women’s empowerment and participation.

External Factors

13. The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that there will be: (a) political will to support the ability of local authorities to implement such programmes; (b) successful resource mobilization given the recent global financial instability; (c) and that the orientation of many institutions and university research and training priorities include sustainable urban development; (d) and finally, no crises affecting implementation, including massive and un-coordinated injection of humanitarian and recovery capital, and security. The program will closely monitor and continually access all these factors and will accordingly develop risk mitigation or adaptation plans to ensure that gains made by the program are not lost.

Subprogramme 2
Monitoring and Research Division (Urban Secretariat)

Overall objective: To monitor and assess progress towards the attainment of internationally agreed human settlements goals and targets and raise awareness of sustainable urbanization issues

<table>
<thead>
<tr>
<th>Expected accomplishments</th>
<th>Indicators of achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Focus Area 1: Improved awareness of sustainable urbanization conditions and issues at the local, national and global levels</td>
<td>(i) Increased number of Governments and Habitat Agenda partner institutions using the Global Report on Human Settlements, the State of the World’s Cities report and the Best Practices Database in their education and training programmes.</td>
</tr>
</tbody>
</table>
(ii) Number of downloads of the *State of the World's Cities* report and the *Global Report on Human Settlements* from the UN-HABITAT website.

(b) **Focus Area 1**: Habitat Agenda Partners actively participate in the formulation of sustainable urbanization policy

(i) Number of partnerships (by category) contributing to sustainable urbanization policy formulation and implementation

(ii) Level of participation of women, youth and other vulnerable groups in policy-making on urbanization

(c) **Focus Area 1**: Monitoring of sustainable urbanization conditions and trends improved

(i) Number of cities in selected countries with operational local urban observatories producing local policy guidance

(ii) Number of local urban observatories that adopt the urban indicator guidelines

(d) **Focus Area 2 and 5**: Improved awareness among Governments, and Habitat Agenda partners of the contribution of urban economic development and finance to poverty reduction and sustainable human settlements development

(i) Number of requests from Governments and other Habitat Agenda partners for UN-HABITAT policy guidelines on urban economic development and finance systems

(ii) Increased number of requests for information and publications on urban economic development and finance systems

**Strategy**

14. The responsibility for sub-programme 2 is vested in the Monitoring and Research Division. This division is responsible for monitoring progress towards the attainment of the goals of the Habitat Agenda, and the targets of the Millennium Declaration and the Johannesburg Plan of Implementation on slums, safe drinking water and sanitation. The division leads in the implementation of focus area 1 of the MTSIP, namely effective advocacy, monitoring and partnerships, but also contributes to all the other focus areas. The strategy to achieve the overall objective and expected accomplishments of the subprogramme includes: collection and analysis of evidence-based information, gender and age sensitive knowledge and statistics; policy dialogue; strategic partnerships; gender and youth empowerment, as well as communication and exchange of best practices, experiences and tools. These strategy components are both normative and operational and are implemented at the global, regional, national and local levels, in line with the Medium-Term Strategic and Institutional Plan’s enhanced normative and operational framework. Working in close collaboration with Habitat Agenda partners, the division will engage in a coordinated and systematic effort in:

(a) Collecting, collating, analysing, documenting and disseminating global and national data and evidence-based information on human settlements conditions and trends, including indicators, best practices, good policies, tools, experiences and enabling legislation, for assessing progress towards achievement the goals of UN-HABITAT,
especially on slums, security of tenure, safe drinking water and sanitation; and use of such data and information for policy formulation;

(b) Identifying, developing, testing, disseminating, promoting and mainstreaming innovative policies, strategies and tools on monitoring of urban conditions, local economic development and finance, urban-rural development linkages, urban poverty reduction, gender equality, women and youth empowerment, and strategic partnerships;

(c) Raising awareness on the role and capacity of public-private partnerships for up scaling pro-poor and inclusive shelter and related infrastructure;

(d) Promoting the transfer and exchange of lessons, experiences and tools learned from best practices and field pilot projects on a North-South and South-South basis;

(e) Disseminating results of monitoring and assessment through various publications, both hard copy and electronic, including the two flagship reports, the *Global Report on Human Settlements* and the *State of the World’s Cities*, and publications on human settlements finance systems and tools as well publications as in the global urban economic dialogue series;

(f) Through the “Opportunities Fund for Urban Youth Led Development”, UN-HABITAT will utilize the small grant mechanism to catalyze its work with youth partners to go to scale. The strategy is to build upon the strengths and compensate for the weaknesses of youth organizations, whose strong connections lie in local knowledge of their communities, to support innovative projects with a strong entrepreneurial focus that impact on their lives and their communities;

(g) Providing leadership on matters related to UN-HABITAT partners, as well as support partner engagement throughout the agency and particularly in four key areas: civil society organizations, youth organizations, parliamentarians and the private sector;

(h) Enhancing gender sensitivity in interventions and policies by supporting gender mainstreaming and women’s empowerment, and ensuring that all of UN-HABITAT’s data collection tools and evidence-based information on human settlements conditions and trends disseminated is, as much as possible, disaggregated by gender and age;

**External Factors**

15. This subprogramme will achieve its objective and expected accomplishments on condition that: (a) National data, which is the key mechanism for monitoring, is reasonably accurate and is disaggregated by rural and urban, as well as by gender and age; (b) Governments and local authorities provide support to monitoring of urban development and progress in the implementation of internationally agreed goals and targets; (c) Habitat Agenda partners are willing to collaborate on sustainable urbanization issues; and (d) there are adequate resources for implementing the planned programme.

**Subprogramme 3**

**Regional and technical cooperation**

**Overall objective:** The overall objective is to strengthen the formulation and implementation of urban and housing policies, strategies and programmes and related capacities, primarily at the national and regional levels.
**Expected accomplishments** | **Indicators of achievement**
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(a) **Focus Area 1**: Improved sustainable urbanization policies from local to global levels | (i) Number of policies that include sustainable urbanization considerations adopted by intergovernmental bodies, disaggregated by regional and national levels in selected countries.
(b) **Focus Area 2**: Improved urban planning, management and governance improved at national and local levels. | (i) Number of countries and cities promoting comprehensive urban planning, management and governance. (ii) Number of countries improving their capacity to apply urban planning, management and governance in post-crisis cities.
(c) **Focus Area 3**: Improved access to land and housing | (i) Number of countries and cities implementing policies to improve access to land and housing, including crisis affected countries.
(d) **Focus Area 4**: Expanded access to environmentally sound basic infrastructure services with special focus on the unserved and underserved population | (i) Number of countries improving access to environmentally sound urban infrastructures and services, especially for un-served and underserved populations.

**Strategy**

16. Responsibility for the subprogramme rests with the Regional and Technical Cooperation Division. The Division will not lead in the implementation of any focus area of the Medium-Term Strategic and Institutional Plan, but will participate in all five substantive focus areas at the country and regional levels through the enhanced normative and operational framework. To achieve the subprogramme’s objective and the expected accomplishments, UN-HABITAT will effectively combine normative and operational functions in line with the enhanced normative and operational framework. The normative functions include setting standards, proposing norms and principles and providing examples of best practices and good policies built on experience gained at the country level. The operational activities consisting of provision of technical assistance in policy formulation, capacity building programmes and demonstration project that support the normative work of UN-HABITAT in developing countries and countries with economies in transition will be implemented in line with the identified national priorities and approved UN reforms. The strategies to achieve the objective and expected accomplishments include:

(a) Strengthening the formulation and implementation of urban planning, management and governance and housing policies, strategies and programmes;

(b) Developing commensurate capacities at the regional, national and local levels in environmentally sound basic urban infrastructure services for the urban poor;
(c) Setting of standards, proposing of norms and principles and providing examples of good and best practices;

(d) National Habitat Programme Managers will support normative and operational activities at country level, as well as coordinate the formulation of UN-HABITAT country programme documents that inform engagement with Governments, United Nations country teams, United Nations Development Assistance Frameworks, poverty reduction strategy processes and resource mobilization at country level. Habitat programme managers will contribute to the visibility of human settlements issues and promote the mainstreaming of human settlements in the United Nations Development Assistance Frameworks, and other national development policy documents.

(e) The Regional Offices will coordinate activities carried out at the regional and country levels and contribute to knowledge management activities in close collaboration with all subprogrammes. They will also backstop operational activities at the country level and build capacity in disaster prevention, management and ensure rapid and effective response to post-conflict crises and disasters, as required;

(f) Disseminating results of monitoring and assessment through various publications, both hard copy and electronic, including the flagship report series, the State of the Region’s Cities.

(g) To enhance gender equality in its interventions and policies, the Division will conduct gender specific analysis on all interventions, as appropriate. Further, to ensure expanded and equitable access to programme benefits, efforts will be made to create conditions that support women’s participation and that ensure that program interventions promote and support activities that increase women’s empowerment.

External Factors

17. The subprogramme is expected to achieve its objectives and expected accomplishments on the assumption that: (a) there is sufficient funding to support planned activities; (b) there will be reduced or no volatile political circumstances that interfere with programme implementation at the regional, national and/or local levels; (c) there will be political will at the international, national and/or local levels to support the planned activities; and (d) there will be improved opportunities for resource mobilization at the country level.

Subprogramme 4:
Human settlements financing

Overall objective:
To improve access to finance, institutional and policy arrangements for housing and basic infrastructure and services, including water and sanitation for the urban poor.

<table>
<thead>
<tr>
<th>Expected accomplishments</th>
<th>Indicators of achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>(a) Focus Area 4: An enabling policy and institutional framework promotes expanded access to environmentally sound urban infrastructure and services</td>
<td>(i) Number of countries progressively adopting relevant policies that aim to expand access to environmentally sound urban infrastructure and services</td>
</tr>
</tbody>
</table>
(b) **Focus Area 4:** Increased institutional efficiency and effectiveness in the provision of basic urban infrastructure services

(i) Percentage of service providers recovering at least operation and maintenance cost of services

(ii) Percentage of consumers of UN-HABITAT partner service provider organizations reporting satisfaction with service provided

(c) **Focus Area 4:** Enhanced consumer demand for efficient and environmentally sustainable basic urban infrastructure and services

(i) Percentage of consumers ranking basic urban infrastructure services in the first three of their priority needs

(ii) Percentage difference in the price of basic infrastructure services paid by the poor vis-à-vis the rest of consumers in selected communities

(d) **Focus Area 5:** Focus Area Increased investment in affordable and social housing stock and related infrastructure.

(i) Value of commercial loans, government subsidies and donor grants made available for projects financing affordable housing, upgrading and basic infrastructure in targeted countries and communities

(ii) Percentage of housing loans by domestic banks and microfinance institutions going to lower-income deciles and or people with informal incomes.

(iii) Number of households with new or improved housing and infrastructure.

(e) **Focus Area 5:** Increase in activities in municipal finance and affordable housing finance.

(i) Level of municipal finance sector activity

(ii) Level of affordable housing finance sector activity

(iii) Growth in borrower financial literacy programmes in the Local Finance Facility and ERSO project countries

**Strategy**

18. Responsibility for subprogramme 4 rests with the Human Settlements Financing Division which also serves as the institutional anchor for the activities of the United Nations Habitat and Human Settlements Foundation. The Foundation is dedicated to working with Member States and domestic and international financial institutions to mobilize resources for affordable housing, water and sanitation and related infrastructure initiatives. In the implementation of the Medium Term Strategic and
Institutional Plan, the Human Settlements Financing Division takes the lead in focus area 4, environmentally sound basic urban infrastructure and services, and on focus area 5, strengthening human settlements finance systems, as the principal areas of work while collaborating with and contributing to all other MTSIP focus areas.

A key strategy of subprogramme 4 is to mobilize local and international public funds, community savings and private sector capital to enable at scale investments in the sector generally, and in pro-poor housing, basic-infrastructure and services. The strategy of this subprogramme will make a substantive and progressive contribution towards the achievement of the targets of the Millennium Declaration and Johannesburg Plan of Implementation on slums and water and sanitation. The strategy for subprogramme 4 will comprise the following elements:

(a) Strengthening the catalytic role of UN-HABITAT, as called for by the Medium Term Strategic and Institutional Plan, by working with a range of partners and new arrangements to invest and leverage external financing in affordable housing, social housing (including subsidized housing and subsidized rental schemes) and environmentally sound basic infrastructure and services in developing countries and in countries with economies in transition. Special focus will be placed on the needs of slum-dwellers and low-income groups;

(b) Expanding current revolving credit and local finance credit enhancement facilities providing start-up funds, catalytic credit enhancement and targeted technical assistance to communities, domestic banks, and micro-finance institutions and municipalities for the purpose of building affordable and social housing finance and related infrastructure;

(c) Providing support to the Water for African Cities Programme, Water for Asian Cities Programme and Water for Latin America and Caribbean Cities Programme through the Water and Sanitation Trust Fund, together with support to the replicable model-setting initiatives in the Lake Victoria and Mekong regions. Focused on improving access for the urban poor to water supply and sanitation, these programmes and the replicable model setting initiatives demonstrate innovative approaches on the ground in partnership with governments, water and sanitation utilities and civil society including community based organizations. Pro-poor governance is a key guiding principle for these programmes. These programmes also provides an operational link to normative work, such as that on the rights based approach to water and sanitation, water demand management and Human Values Based Water Sanitation and Hygiene Education;

(d) Strengthening the Global Water Operators’ Partnerships Alliance (GWOPA) and supporting Water Operators’ Partnerships activities worldwide and regional Water Operators’ Partnerships platforms in Sub-Saharan Africa, Asia-Pacific, Arab region, and Latin America and Caribbean regions in partnership with regional development banks and other substantive and financial partners;

(e) Promoting strategic partnerships among municipalities, private sector utility operators, financial institutions, and central Governments; and collaboration in designing infrastructure and housing investments with stakeholder beneficiaries key among them being community organizations, women, youth and other vulnerable groups;

(f) Promoting sustainable transport, especially non-motorized transport, such as bicycles, bus lanes and other forms of mass transit and sustainable transport
designed to encourage economic growth in urban areas benefiting all urban residents;

(g) Undertaking energy efficiency audits of water utility operations, as well as working with local electricity utility companies in slum electrification programmes, in anticipating partnership with financing analysis for programme implementation;

(h) Working with the World Bank Group, regional development banks, and other development banks, the private sector, United Nations agencies and other relevant partners to link the normative, technical cooperation and catalytic funding activities of UN-HABITAT with such institutions to leverage international and domestic capital for investment to achieve sustainable cities.

(i) Addressing the needs of individual borrowers for financial literacy training, of domestic banks for technical assistance in working with informal income borrowers, of micro-finance institutions in expanding into micro-finance housing lending, and of community groups in developing viable housing and infrastructure improvement projects.

(j) Programmes in human settlements finance, and water and sanitation will be decentralized to regional offices to encourage more rapid transfer of knowledge and funding to local institutions and communities.

(k) This subprogramme will take into account the different needs and priorities of women, men and vulnerable groups in decision-making and implementation of programmes on human settlements financing, sustainable water and sanitation, infrastructure, slum upgrading, energy and transport and address the gender imbalances and inequalities in the provision of all these services at all levels. To enhance gender sensitive interventions and policies, efforts will be made in all programmes to create conditions that support women, including capacity building. Where appropriate, the subprogramme will conduct gender analysis on interventions, including policies.

External Factors

This subprogramme is expected to meet its objectives and expected accomplishments on the assumption that (a) start-up investments to leverage scale investments by a wide range of partners, such as community organizations, national and local governments, donor agencies and national or international financial institutions will be available (b) the priorities of the wide range of stakeholders contributing to the programme will continue to include slums. (c) there is an upward turn in the national and global economy; (d) there is political will to develop and implement conducive policies and regulations, promoting domestic and international investment; (e) there is no political instability that could hamper the flow of aid and functioning of relevant institutions; and that national fiscal and economic policies support pro-poor development. The program will closely monitor and continually access all the high risks and will accordingly develop risk mitigation or adaptation plans to ensure that gains made by the program are not lost. Lessons learnt and best practices will be used to inform decisions related the identified risks.
Legislative mandates

General Assembly resolutions

S-25/2 Declaration on Cities and Other Human Settlements in the New Millennium
53/242 Report of the Secretary-General on environment and human settlements
55/2 United Nations Millennium Declaration
56/206 Strengthening the mandate and status of the Commission on Human Settlements and the status, role and functions of the United Nations Centre for Human Settlements (Habitat)
57/144 Follow-up to the outcome of the Millennium Summit
57/270 B Integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields
57/275 Special session of the General Assembly for an overall review and appraisal of the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and the strengthening of the United Nations Human Settlements Programme (UN-HABITAT)
58/269 Strengthening of the United Nations: an agenda for further change
60/1 2005 World Summit Outcome (subprogrammes 1, 2 and 3)
60/15 Strengthening emergency relief, rehabilitation, reconstruction and prevention in the aftermath of the Indian Ocean tsunami disaster
60/124 Strengthening of the coordination of emergency humanitarian assistance of the United Nations (subprogrammes 1 and 3)
60/125 International cooperation on humanitarian assistance in the field of natural disasters, from relief to development (subprogrammes 1 and 3)
60/130 Implementation of the outcome of the World Summit for Social Development and of the twenty-fourth special session of the General Assembly
60/188 Follow-up to and implementation of the outcome of the International Conference on Financing for Development (subprogrammes 2 and 4)
60/193 Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development
60/194 Follow-up to and implementation of the Mauritius Strategy for the further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States (subprogrammes 1 and 3)
60/195 International Strategy for Disaster Reduction (subprogrammes 1 and 3)
60/196 Natural disasters and vulnerability (subprogrammes 1 and 3)
60/2 Policies and programmes involving youth
60/203 Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-HABITAT)
60/228 Third United Nations Conference on the Least Developed Countries: high-level meeting on the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010
International cooperation on humanitarian assistance in the field of natural disasters, from relief to development

Strengthening emergency relief, rehabilitation, reconstruction and prevention in the aftermath of the Indian Ocean tsunami disaster

Follow-up to the Fourth World Conference on Women and full implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session of the General Assembly

Follow-up to and implementation of the outcome of the International Conference on Financing for Development

Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development

Follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

International Strategy for Disaster Reduction

Natural disasters and vulnerability

Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-HABITAT)

Third United Nations Conference on the Least Developed Countries


Strengthening emergency relief, rehabilitation, reconstruction and prevention in the aftermath of the Indian Ocean tsunami disaster

International cooperation on humanitarian assistance in the field of natural disasters, from relief to development

Implementation of the outcome of the World Summit for Social Development and of the twenty-fourth special session of the General Assembly

Follow-up to the Fourth World Conference on Women and full implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session of the General Assembly

Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development

Follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States

International Strategy for Disaster Reduction

Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-HABITAT)

Follow-up to the Fourth World Conference on Women and full implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session of the General Assembly

Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development

Role of microcredit and microfinance in the eradication of poverty
A/63/281  Climate change and its possible security implications
A/59/484  Security of tenure including land and property administration
3327 (XXIX) Establishment of the United Nations Habitat and Human Settlements Foundation

**Economic and Social Council resolutions, decisions and agreed conclusions**

2002/1 Agreed conclusions 2002/1 on strengthening further the Economic and Social Council, building on its recent achievements, to help it fulfil the role ascribed to it in the Charter of the United Nations as contained in the United Nations Millennium Declaration

2003/62 Coordinated implementation of the Habitat Agenda

2005/48 Role of the Economic and Social Council in the integrated and coordinated implementation of the outcomes of and follow-up to the major United Nations conferences and summits

2007/250 Documents considered by the Economic and Social Council in connection with economic and environmental questions on human settlements

**Governing Council resolutions**

18/4 Implementation of General Assembly resolution 53/242 and cooperation between the United Nations Centre for Human Settlements (Habitat) and the United Nations Environment Programme (subprogrammes 1 to 3)

18/10 The role of local authorities

19/5 Implementing and monitoring the goal of the United Nations Millennium Declaration on improving the lives of slum-dwellers

19/6 Water and sanitation in cities

19/10 Urban-rural linkages and sustainable urbanization


19/13 Enhancing the engagement of youth in the work of UN-HABITAT

19/16 Women’s role and rights in human settlements development and slum upgrading

20/1 Youth and human settlements

20/6 Best practices, good policies and enabling legislation in support of sustainable urbanization and the attainment of internationally agreed development goals

20/7 Gender equality in human settlements development

20/10 World Urban Forum

20/19 Work programme and budget of the United Nations Human Settlement Programme for the 2006-2007 biennium

21/1 Proposed work programme and budget of the United Nations Human Settlements Programme for 2008-2009

21/2 Medium-Term Strategic and Institutional Plan for 2008-2013

21/3 Guidelines on decentralization and strengthening of local authorities

21/5 Sustainable development of Arctic human settlements
Subprogramme 1

**Governing Council resolutions**

16/7 The realization of the human right to adequate housing
17/10 Rural dimension of sustainable urban development
18/5 International cooperation and the review of mechanisms for monitoring the implementation of the Habitat Agenda
18/11 Intensifying dialogue on effective decentralization and strengthening of local authorities within the framework of the Habitat Agenda
19/3 Global campaigns on secure tenure and urban governance
19/12 Decentralization and strengthening of local authorities
20/16 Enhancing the involvement of civil society in local governance
20/18 Decentralization and strengthening of local authorities
20/20 Thirteenth session of the Commission on Sustainable Development
21/3 Guidelines on decentralization and strengthening of local authorities
21/5 Sustainable development of Arctic human settlements
22/1 Third session of the United Nations Conference on housing and sustainable development
22/3 Cities and climate change
22/8 Guidelines on access to basic services for all

Subprogramme 2

**General Assembly resolutions**

34/114 Global report on human settlements and periodic reports on international cooperation and assistance on human settlements
55/194 Scope to be covered by the special session of the General Assembly on the overall review and appraisal of the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II)
59/248 World survey on the role of women in development
60/2 Policies and programmes involving youth
60/140 Follow-up to the Fourth World Conference on Women and full implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session of the General Assembly
63/159 Follow-up to the Fourth World Conference on Women and full implementation of the Beijing Declaration and Platform for Action and the outcome of the twenty-third special session of the General Assembly
Economic and Social Council resolutions

2001/22  Integrated and coordinated implementation of and follow-up to major United Nations conferences and summits: coordinated implementation of the Habitat Agenda
2006/247  Human settlements
2007/249  Human settlements
2007/250  Documents considered by the Economic and Social Council in connection with economic and environmental questions on human settlements

Governing Council resolutions

17/10  Rural dimension of sustainable urban development
18/10  The role of local authorities
19/10  Urban-rural linkages and sustainable urbanization
19/13  Enhancing the engagement of youth in the work of UN-HABITAT
20/6  Best practices, good policies and enabling legislation in support of sustainable urbanization and the attainment of internationally agreed development goals
21/6  Urban youth development
21/9  Women’s land and property rights and access to finance
22/4  Strengthening the development of urban young people
22/6  Habitat Awards

Subprogramme 3

General Assembly resolutions

59/243  Integration of the economies in transition into the world economy
59/250  Triennial comprehensive policy review of operational activities for development of the United Nations system
60/128  Assistance to refugees, returnees and displaced persons in Africa

Governing Council resolutions

19/7  Regional and technical cooperation
19/15  Countries with economies in transition
19/18  Human settlements development in the occupied Palestinian territories
20/14  Special Human Settlements Programme for the Palestinian People
20/15  Habitat Programme Managers and regional offices
20/17  Post-conflict, natural and human-made disaster assessment and reconstruction

Subprogramme 4

General Assembly resolutions

3327  Establishment of the United Nations Habitat and Human Settlements Foundation (XXIX)
63/229  Role of microcredit and microfinance in the eradication of poverty
**Governing Council resolutions**

19/11  Strengthening the United Nations Habitat and Human Settlements Foundation

20/11  Strengthening the slum upgrading facility of the United Nations Habitat and Human Settlements Foundation

21/4  Guiding principles on access to basic services for all

21/7  Sustainable public-private partnership incentives for attracting large-scale private-sector investment in low-income housing

21/8  Africa fund/financing mechanism on slum prevention and upgrading

21/10  Strengthening the Habitat and Human Settlements Foundation: experimental financial mechanisms for pro-poor housing and infrastructure

22/2  Affordable housing finance

22/8  Guidelines on access to basic services for all