Introductory Statement by the Co-chair

Progress Report on the Governance Review Process

Agenda Item 9

HSP/CPR/40/9
Nairobi, 2 March 2011
Excellencies,
Colleagues,
Ladies and gentlemen,

I am pleased to provide you with an update on the progress of the Governance Review Process since the 39th CPR Regular Session in December. You may recall that this CPR meeting approved the list of additional quick-wins and the list of medium/long-term interventions that completed the formulation of proposals for Phase 2 of the Governance Review. These proposals from Phase 2, which essentially concern modifications to existing governance procedures and practices, are at various stages of implementation.

The CPR was also informed of the preliminary steps that had been made concerning Phase 3 of the Governance Review, which addresses more structural matters. Agreement had been reached on the issues to be addressed and it was also agreed that a consultant should be engaged to collect information on UN-Habitat’s current governance structure within the context of the wider UN system and its reform.

Immediately after the aforementioned CPR meeting, Terms of Reference were prepared and the consultant commenced work.

Dear Colleagues,

There have been three meetings of the joint CPR-Secretariat Implementation Team during the period between the last CPR meeting and this. The first meeting was to review the consultant’s draft inception report. The consultant revised his inception report to reflect the comments received.

The second meeting of the Implementation Team was for the consultant to introduce the draft version of his report and to explain the background for his findings. The meeting also agreed to appoint me as chair of the Implementation Team previously held by His Excellency Daniel Chuburu due to his return to Argentina. I would like to take this opportunity to recognize the ambassador for his sterling work in overseeing the progress of the governance review.

The third meeting, which took place on Monday 28 February 2011, undertook an in-depth analysis of the consultant’s report. Governing Resolution 22/5, which initiated the current governance review process, required that options should be presented for consideration at the 23rd session of the Governing Council. The Terms of Reference for the review clarified that these reform options should be presented to the Governing Council with an indication of the level of consensus (low, medium or high). To satisfy these requirements, the consultant prepared five options for consideration:

- the current situation;
- annual Governing Council meetings;
- annual Governing Council meetings plus an enlarged membership;
- an Executive Board;
- a hybrid governance structure entailing separate setups for normative and operational activities that is inspired by the setup for UN Women.

The Implementation Team considered the options and made a number of observations.

In addition to the criteria of efficiency, effectiveness, transparency and accountability it was felt that the options that had been identified also needed to be evaluated against the six specific areas of weakness previously identified by the Implementation Team. An additional option needed to be
explored which examines a structure combining Executive Board and Governing Council elements. The report should contain a clearer exploration of the strengths and weaknesses of each option, differentiating these against UN-HABITAT’s normative and operational responsibilities respectively. An assessment should be made whether the areas of weakness originate in management or governance. Furthermore, the interaction between these two areas should be assessed with a view to assessing how far management issues are conditioned by the governance structure. Finally, it was felt that there should be a short introduction describing UN-HABITAT’s historical background that led to the emergence of the governance as an issue to be addressed.

These observations will be incorporated in a final version of the report which will be discussed by the Implementation Team at its next meeting to be held on 8 March 2011. The revised version of the consultant’s report will be presented to the Governing Council at its 23rd session as an Information Document, time not allowing it to be presented as a report of the Executive Director. The draft resolution will also be considered at the Implementation Team meeting.

Excellencies,

I would like to express my sincere gratitude to the all the Governance Review Implementation Team members. I believe that we have made solid progress in implementing the Terms of Reference and in preparing for Governing Council deliberations on this matter.

Thank you very much for your attention, and I would be grateful for any questions and comments from representatives.