Agenda Item 8:

With reference to the Governing Council Resolution 22/5\(^1\) of 3 April 2009 on the governance of the United Nations Human Settlements Programme, the Committee of Permanent Representatives is informed of the progress of since the 40\(^{th}\) CPR Regular Session in March 2011. It may be recalled that the report made to this meeting described the preparations that had been made to present the findings of the Governance Review to the 23\(^{rd}\) session of Governing Council to be held between 11 and 15 April 2011. The most important document to be presented to the Governing Council was an analysis of options available for structural reform of UN-HABITAT.

The options document was finalized at a joint CPR-Secretariat Implementation Team meeting held on 8 March 2011 and was presented to the Governing Council as HSP/GC/23/INF/7. Five options were reviewed – the current situation (baseline); Annual Governing Council Meetings; Annual Governing Council Meetings plus an enlarged membership; Executive Board; and Hybrid Governance Structure (along the lines of UN Women). These were assessed against a) the criteria set out in Governing Council resolution 22/5, and b) the perceived problems associated with the current structure as identified by the joint Secretariat/CPR Implementation Team. These problems were: multiple and complex lines of authority; overcomplicated work programme, budget and administrative processes; the relationship between UN-HABITAT and UNON; composition of representation of member states on the Governing Council; insufficient oversight on important elements of UN-HABITAT activities; decision-making processes unresponsive and inflexible; effectiveness in carrying out UN-HABITAT’s mandate.

The Governing Council considered the document and passed a resolution 23/13 noting the document. The other key elements of the Resolution, inter alia, requested the Executive Director, jointly with the Committee of Permanent Representatives to (in paraphrased form – the full text is provided as an Annex):

- further examine the options for reform and develop a preferred option;
- develop procedures for the examination phase;
- seek consensus on the identified option;
- develop an action plan.

In addition the Governing Council mandated the Committee of Permanent Representatives to approve the action plan and to present it to the General Assembly at its 67\(^{th}\) session if applicable.

\(^{1}\) “requests the Executive Director and the Committee of Permanent Representatives to jointly undertake, within the work programme and budget, an examination of the governance of the United Nations Human Settlements Programme with a view to identifying and implementing ways to improve the transparency, accountability, efficiency and effectiveness of the functioning of the existing governance structure and to identify options for any other potential relevant changes for consideration by the Governing Council at its twenty-third session”.

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The first meeting of the joint Secretariat/Committee of Permanent Representatives Implementation Team took place on 23 May 2011. As a result of this meeting it was agreed to seek a renewed mandate from the Committee of Permanent Representatives.

It is therefore recommended that the Committee of Permanent Representatives endorse the setting up of an Open Ended Consultative Group - comprising members of both the Committee of Permanent Representatives and the Secretariat - to prepare Terms of Reference that will govern the process for the next phase of the Governance Review. It is further recommended that each Regional Group assign two permanent members to the Open Ended Consultative Group. Being an open ended meeting there will be no restriction on attendance.

The Open Ended Consultative Group will report on progress to the next meeting of the Committee of Permanent Representatives.
ANNEX 1


The Governing Council,


Recalling also its resolution 22/5 of 3 April 2009, by which it requested the Executive Director and the Committee of Permanent Representatives to undertake jointly an examination of the governance of the United Nations Human Settlements Programme with a view to identifying and implementing ways to improve the transparency, accountability, efficiency and effectiveness of the functioning of the existing governance structure and to identify options for any other potential relevant changes,

Acknowledging the significance of the prioritization described in the medium-term strategic and institutional plan for improved governance,

Recognizing the potential implications for the governance of the United Nations Human Settlements Programme of the outcome of the discussions under the theme of “institutional framework for sustainable development” at the United Nations Conference on Sustainable Development, in 2012,

Expressing appreciation for the harmonious working relationship between the Committee of Permanent Representatives and the secretariat in their joint work on the review of the governance structure of the United Nations Human Settlements Programme,

1. Welcomes the documents entitled “Quick-wins” and “Medium/long-term interventions” endorsed by the Committee of Permanent Representatives; HSP/GC/23/2/Add.1, annex.

2. Takes note of the report of the Executive Director on the review of the governance structure of the United Nations Human Settlements Programme, in which he reported on work carried out up to and including 31 January 2011, HSP/GC/23/2/Add.1. and the review of the governance structure of the United Nations Human Settlements Programme, phase III, HSP/GC/23/INF/7. which was discussed by the joint secretariat and Committee of Permanent Representatives implementation team and details work carried out after 31 January 2011 on the identification of options for further governance changes;
3. *Also takes note* of the range of options presented in the review of the governance structure of the United Nations Human Settlements Programme, phase III, which are illustrative of the practical possibilities available for consideration;

4. *Requests* the Executive Director, jointly with the Committee of Permanent Representatives, to examine those options further, without prejudice to any other emerging options, their modalities and financial and legal implications, to identify, if necessary, a preferred option;

5. *Also requests* the Executive Director, jointly with the Committee of Permanent Representatives, in an inclusive, transparent and participatory manner:
   (a) To develop a procedure for the examination phase;
   (b) To seek consensus on the identified option by member States of the Governing Council;
   (c) To develop an action plan that defines clearly all steps that must be taken and takes into account rules and procedures of relevant United Nations bodies so that the financial, legal and procedural implications are specified;

6. *Further requests* the Executive Director to report regularly on the progress made to the Governing Council through its Bureau;

7. *Mandates* the Committee of Permanent Representatives to approve, if applicable, the action plan on behalf of the Governing Council at a meeting of the Committee;

8. *Requests* the Executive Director to present, through the appropriate channels, the action plan to the General Assembly at its sixty-seventh session, if possible.

*7th plenary meeting*
*15 April 2011*