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Human Settlements Programme**

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**Executive Board of the United Nations
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Item 6 (c) (vii) of the provisional agenda*

**Implementation of UN-Habitat strategic plans:
implementation of the strategic plan for the period
2020–2023: resource mobilization strategy and review of
the investment funds**

**Progress in the implementation of the strategic plan for the
period 2020–2023: draft resource mobilization strategy**

Report of the Executive Director

I. Introduction

1. In 2018, UN-Habitat launched major institutional reforms aimed at making it a more focused, relevant, transparent, accountable, trusted and efficient organization whose services are valued and in demand. At the same time, Member States agreed to strengthen the UN-Habitat governance structure, culminating in the first session of the UN-Habitat Assembly in May 2019, where the UN-Habitat strategic plan for the period 2020–2023 was approved and the Executive Board was established to provide greater oversight of the organization's work.

2. An important imperative of the governance and institutional reforms was to strengthen UN-Habitat and achieve the objective of securing adequate predictable, flexible funds to implement its strategic plan. The present report outlines the strategy to achieve that objective. The proposed strategy is informed by past assessments, reviews, audits, evaluations, donor consultations and surveys of UN-Habitat, as well as global trends and the experience of other United Nations and development organizations.

3. The proposed strategy puts forward major actions to achieve six objectives: (i) secure adequate funding; (ii) support delivery of urban Sustainable Development Goal targets and the New Urban Agenda in a manner aligned with the United Nations Sustainable Development Cooperation Framework at the country level and with the United Nations funding compact; (iii) develop and enhance strategic partnerships with funding partners; (iv) diversify the UN-Habitat donor base; (v) demonstrate that UN-Habitat implements programmes in an accountable, efficient, transparent manner that produces transformative results and impact; and (vi) find innovative partnerships and funding sources.

4. The main strategic actions put forward are as follows:

- (a) Strategic funding dialogues with Member States and other development partners;
- (b) Global thematic programmes to attract multi-donor, multi-year funding to deliver high impact results at scale;
- (c) Joint delivery at the country level with other United Nations entities under the United Nations Sustainable Development Cooperation Framework;

* HSP/EB.2020/19.

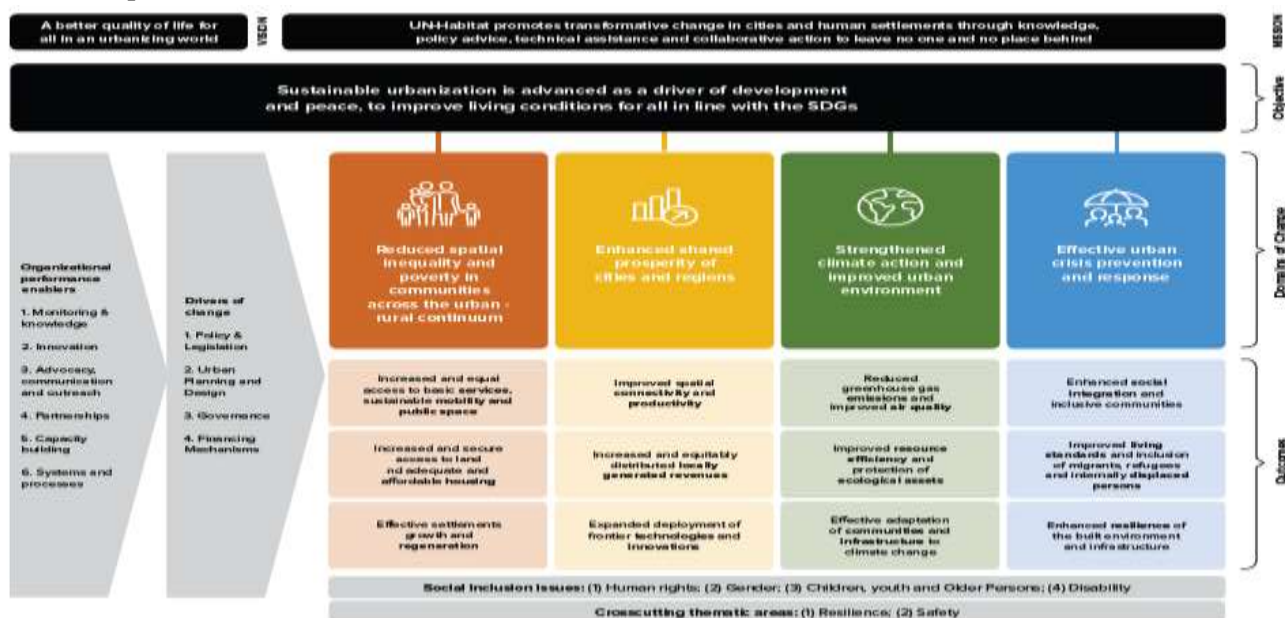
- (d) Use of a fees-for-service model in emerging economies and for local authorities, building on the City Prosperity Initiative;
- (e) A proposed upgrade of the status and functions of national Habitat committees and national urban forums to include resource mobilization;
- (f) Systematic communications, highlighting results, impact and the contribution of development partners;
- (g) Enhanced engagement to nurture and strengthen relationships with key donors to deepen and enhance predictable funding for strategic programmes;
- (h) Increased engagement with the corporate sector, foundations and high-net-worth individuals to secure greater investment in urban programmes;
- (i) Exploration of innovative fundraising methods, such as blended funding, to secure different types of financing, including loans and corporate investments, to supplement grants and online donations;
- (j) Improved internal policies, tools, training and systems to create an environment that supports effective resource mobilization throughout the organization.

5. Finally, the strategy provides an illustration of the potential donor landscape after implementation of the strategy and a results framework (see figure 10 at the end of the present report) summarizing the main activities, outcomes and related indicators of achievement proposed to attain the main objective. It should also be noted that the resource mobilization strategy is closely linked to the communications and partnership strategies.

II. Goal

6. The goal of the UN-Habitat resource mobilization strategy for the period 2020–2023 is to assure adequate, predictable, flexible funding to deliver results for the strategic plan of the organization for the same period. The objective, domains of change and desired outcomes of the strategic plan are summarized in figure 1.

Figure 1
Objective, domains of change and desired outcomes of the UN-Habitat strategic plan for the period 2020–2023*



* This figure is presented without formal editing.

III. Objectives

7. The first objective of the resource mobilization strategy is to mobilize adequate funding to enable implementation of the UN-Habitat strategic plan for the period 2020–2023. That requires UN-Habitat to raise \$1.1 billion over the next four years. Figure 2 shows the annual targets for each fund, starting in 2020, with projected income levels for 2019 provided for reference.

Figure 2
Target income for 2020–2023 by fund type



The requirements for each fund are as follows:

(a) **Regular budget:** this fund is the UN-Habitat allocation from assessed contributions to the United Nations system. It is used primarily to cover the cost of staff who deliver mandates assigned to UN-Habitat by the General Assembly. The target reflects a modest 5 per cent annual inflationary increase and is essential to help cover foreseen inflation.

(b) **Foundation non-earmarked:** this fund consists of voluntary non-earmarked contributions from Member States for the core work of the organization, such as monitoring the implementation of the urban dimensions of the Sustainable Development Goals, norms and policies, results-based management, advocacy and oversight. Contributions declined significantly from a high of \$20 million in 2007 to a low of \$1.9 million in 2015, but then increased slowly to \$5 million in 2019. The new strategy is to increase the number of donors and level of donations through more strategic engagement with Member States to meet the significantly higher needs of the approved strategic plan: \$109 million for the period 2020–2023 compared with \$13.6 million for the four years ending in 2019.

(c) **Programme support:** this is the percentage charged on earmarked contributions to cover the additional indirect cost of technical and administrative support to implement earmarked programmes. The strategy for increasing the level of this fund is to incrementally improve compliance with United Nations system cost recovery policies and minimize exceptions, in line with the funding compact.

(d) **Foundation earmarked:** this fund consists of earmarked contributions for global programmes that are largely normative, such as the Global Land Tool Network, Participatory Slum Upgrading Programme, City Prosperity Initiative and World Urban Forum. The fund declined from a high of \$50 million in 2016 to \$22 million in 2019, with some thematic areas attracting very little funding. The main objective is to use the experience from past programmes to develop high-impact, large-scale programmes under this fund to attract and leverage pooled funding from multiple donors. That will provide higher levels of funding with more balanced coverage for thematic areas. The development of entity-specific thematic programmes is in line with the funding compact.

(e) **Technical cooperation:** this fund consists of earmarked contributions for programmes at the country and regional level. While the fund has remained healthy, there has been a decline in funding for countries transitioning to middle-income status, mainly in the Asia and the Pacific and Latin America and the Caribbean regions. Also, most support has been for fragile States and countries facing natural disasters or conflict. The strategy is to achieve greater geographical representation by identifying priority countries in each region that would benefit most from UN-Habitat technical support to address their urban Sustainable Development Goal priorities and gaps, and to leverage the strengths of other United Nations entities through joint country programmes and partnerships under the United Nations Sustainable Development Cooperation Framework. That will improve cooperation, efficiency and value for money while also allowing for more transparent, streamlined reporting of results and development of more effective pooled funds. The strategy will aim for equitable geographic representation in interventions at the country level.

8. The second objective of the resource mobilization strategy is to make sure that the income of UN-Habitat is aligned with delivering the Sustainable Development Goals and the New Urban Agenda, and that the resource mobilization approach is consistent with the funding compact. At the country level, UN-Habitat will work to mobilize resources jointly with other United Nations entities under the United Nations Sustainable Development Cooperation Framework, ensuring that the funds raised are used to support Member States in implementing their national strategic plans to achieve Sustainable Development Goal targets.

9. A third objective is to establish new strategic partnerships with development partners and enhance existing partnerships. That entails engagement with partners to develop joint plans to address matters of common strategic interest that can be implemented through multi-year agreements. The strategy also moves away from small, one-off initiatives to longer-term, high-impact programmes that can attract pooled funding and other support from multiple donors. Through such long-term strategic relationships, it is hoped that the work of UN-Habitat can have an impact at scale.

10. The fourth objective is to increase the number of countries that contribute to the core mandate of UN-Habitat, increasing the level of domestic resources for country programmes, especially for countries transitioning to the middle-income level, and building programmes that can attract financing from the private sector, local authorities, foundations, financial institutions and high-net-worth individuals.

11. The fifth objective is to improve the capacity of UN-Habitat to retain and increase funding from existing donors and to gain new partnerships by demonstrating value for money. To that end, UN-Habitat will focus on demonstrating value for money through more efficient processes, greater accountability and increased transparency by providing timely reports on the use of funds, with evidence of outcomes and impact. Those will be informed by independent evaluations and audits that adhere to the International Aid Transparency Initiative standards.

12. The sixth objective is to explore and use innovative resource mobilization approaches. Current resources are only from financial grants and, to a much lesser extent, in-kind contributions. The new strategy will look at innovative ways of attracting new types of donors and investments in sustainable urbanization. It will also look at new ways of raising domestic funding and at new technologies and innovative communication, including smart use of social media and influencers to raise financial, political and popular support for the urban Sustainable Development Goals.

IV. Current situation

13. The present strategy is informed by several studies, surveys and consultations with donors and by the recommendations, good practices and lessons learned from past assessments, audits and evaluations. Notable documents that have contributed to the strategy include the following:

(a) The United Nations funding compact, which is aligned with General Assembly resolution 72/279 of 31 May 2018 on repositioning of the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system (2019);

(b) The independent management review of UN-Habitat systems and processes by Ernst and Young, which includes a chapter dedicated to resource mobilization (2019);

(c) Information on global funding trends compiled by International Fundraising Leadership, covering some 18 development and humanitarian organizations, including United Nations entities, that together mobilized \$30 billion in 2018 (2018);

(d) The Joint Inspection Unit of the United Nations system review of donor reporting requirements across the United Nations system (2017);

(e) A donor satisfaction survey (2017);

(f) The United Nations Office of Internal Oversight Services audit of resource mobilization at the United Nations Human Settlements Programme (2016). The knowledge garnered from the research from the above-mentioned reports, coupled with consultations with UN-Habitat staff and management on the strengths, weaknesses, opportunities and threats facing the Programme, is summarized in the following section.

A. Strengths, weaknesses, opportunities and threats

14. Figure 3 provides a summary of the analysis of UN-Habitat strengths, weaknesses, opportunities and threats, based on past reviews and studies. The analysis highlighted the need to

develop new products and services to attract a diversified donor base; increase strategic engagement with donors; show value for money through transparent, efficient implementation; communicate results and impact; and publicly recognize donor input for accountability to stakeholders.

Figure 3

UN-Habitat strengths, weaknesses, opportunities and threats

<p>Strengths</p> <p>The UN-Habitat mandate is crucial for all countries – Cities are home to over half the global population; they are the nexus for most challenges and opportunities for achieving the Sustainable Development Goals</p> <p>Normative expertise – UN-Habitat “thought leadership” and knowledge are recognized by partners</p> <p>Operational experience and models – UN-Habitat has proven experience at the country level and has applied inclusive models that have delivered proven results</p> <p>Convening power – UN-Habitat is good at teaming up with partners from all sectors to advocate for sustainable urbanization (for example, using platforms such as the World Urban Forum)</p>	<p>Weaknesses</p> <p>Limited, unpredictable core income – affects capacity to deliver on core mandates that underpin the work of the organization</p> <p>Too few donors – mostly Governments; in 2019, the 10 largest donors provided 85 per cent of funding</p> <p>Not efficient at the country level – systems and processes not geared to fast delivery</p> <p>Engagement with donors not strategic – most grants are for individual projects</p> <p>Insufficient internal resource mobilization capacity – too few resources and disjointed efforts</p> <p>Communications not results-focused – work of UN-Habitat that has an impact on beneficiaries and partners is not effectively communicated</p>
<p>Threats</p> <p>Uneven, unbalanced country presence – operations mainly in conflict countries or those facing natural disasters; there is a need for a strategy to support non-resident countries in delivering the urban Sustainable Development Goals.</p> <p>Lack of a clear focal point for urban matters – in many countries, urbanization is spread across several ministries, which affects efforts to secure funds from governments; furthermore, in some traditional donor countries urban matters are managed at the city level</p>	<p>Opportunities</p> <p>Pooled funding from multiple donors – for large-scale global programmes and joint country programmes with other United Nations entities</p> <p>New forms of funding other than grants – explore how to secure other forms of investment from the private sector or financial institutions to support urban programmes</p> <p>Executive Board support – use the greater oversight and ownership of the Board to support resource mobilization</p> <p>Innovative fundraising models – develop and explore models for accessing domestic resources, private-sector funding, individual giving and new fundraising technologies and methods</p>

B. Funding sources for humanitarian and development work: global versus UN-Habitat

15. Figure 4 shows the 2018 funding sources for humanitarian and development work, as compiled by International Fundraising Leadership, compared with those of UN-Habitat. It indicates potential sources of funding that UN-Habitat could tap into to reduce over-reliance on public funds, such as corporations and individual giving. In terms of regions, the figure highlights the potential for increased levels of funding from North America.

Figure 4
2018 funding sources for humanitarian and development work

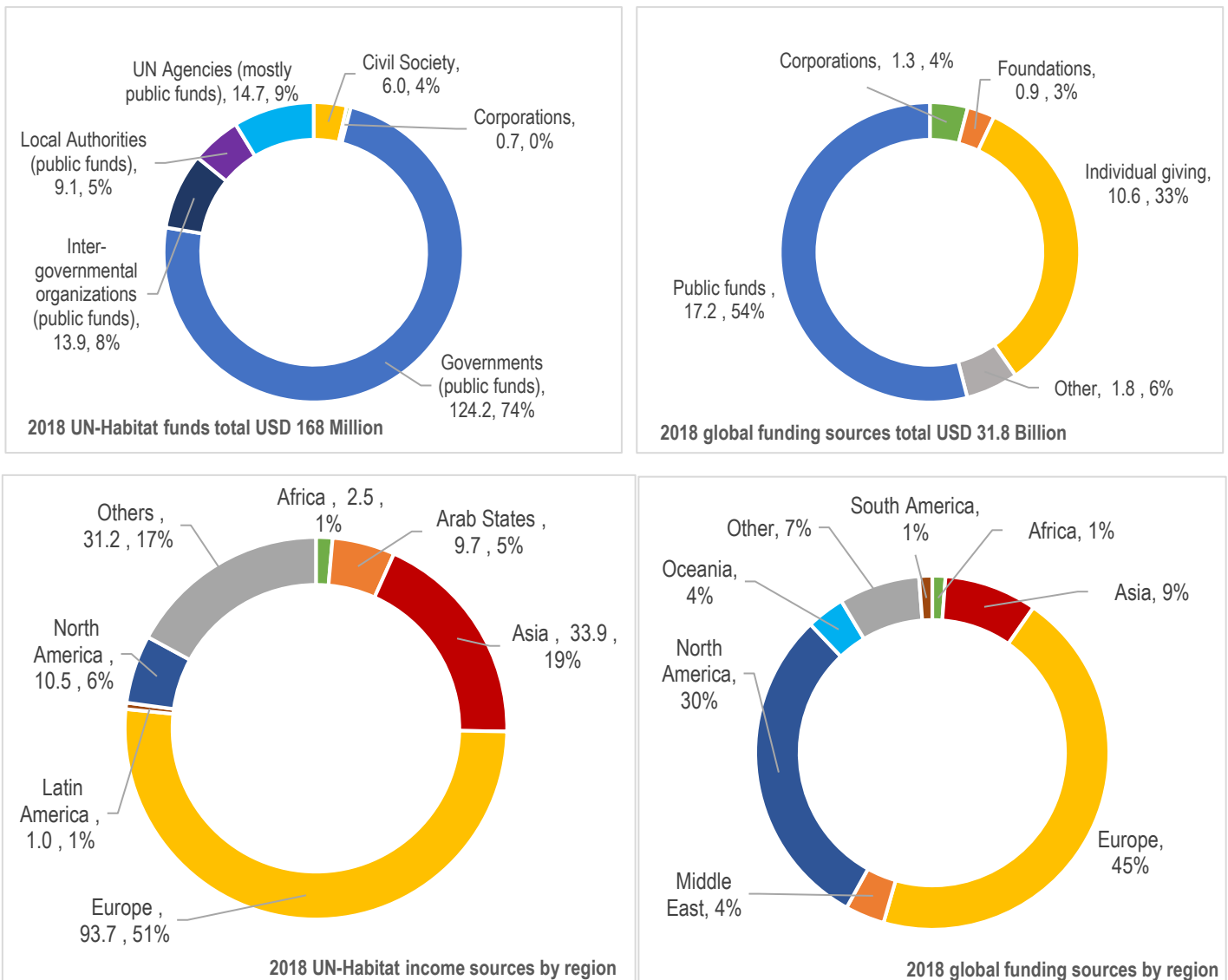


Figure 5
UN-Habitat funding for the period 2014–2019 and projected funding requirements for the period 2020–2023



Note: Figures for 2019 reflect projections as of November 2019.

C. Financial performance in the period 2014–2019 compared with income targets for the period 2020–2023

16. Based on the needs of the strategic plan for the period 2020–2023, UN-Habitat needs to raise 48.6 per cent more income in the next four years than in the previous four years. The main challenge will be to mobilize sufficient income under the foundation non-earmarked fund, which receives low levels of contributions (although they have been increasing slowly since 2015: \$2.0 million in 2015, \$2.3 million in 2016 and \$2.7 million in 2017). Yet requirements for core funds in the strategic plan are significantly higher than current performance (note that the figures for 2015 to 2017 for the foundation non-earmarked fund shown in figure 5 include cost recovery). Another important priority is to reverse the decline in earmarked funding for global normative programmes.

17. In the case of programme support, the priority is to increase programme support revenue through greater efficiency in implementation and ensure greater compliance by donors to cover the full programme support costs, in line with United Nations policy. For country programmes, where total funding has also declined slightly, the priority is to provide more balanced support to countries that need the greatest support to implement the urban Sustainable Development Goals, including those that are not in crisis.

V. Main strategic actions

18. This section sets out the main strategic actions to be taken to secure adequate predictable funds to implement the strategic plan.

A. Structured funding dialogues

19. In line with the funding compact, UN-Habitat proposes to include structured funding dialogues as a standing agenda item for Executive Board meetings, to engage and keep Member States informed of performance in securing funds to implement the strategic plan. A major aim of the dialogues is to improve the level, predictability and timeliness of non-earmarked and soft-earmarked funding. Such funding is essential for cross-cutting, holistic development solutions to respond to emerging priorities and deliver on global normative mandates. Experience from the partnership and pledging conference held during the first session of the UN-Habitat Assembly showed that engagement with Member States that gave visibility to their contributions could increase the number of countries contributing to the core. That lesson will be applied at future Member State events.

20. Structured discussions with Member States will include the status of income relative to income targets, expenditures incurred to implement the strategic plan, results delivered under each strategic domain of change, status of joint delivery of country programmes with United Nations system partners, delivery against the funding compact and ways to address funding challenges.

21. Funding dialogues will also be held with individual Member States and groups of donors to strengthen strategic partnerships aimed at increasing the number of multi-year agreements to deliver results at scale in areas of common interest.

Targets

Total non-earmarked income for 2020–2023: \$109.2 million.

Number of Member States contributing to core income: 100.

B. Global thematic programmes

22. In 2020, UN-Habitat is launching five new thematic programmes to deliver global high-impact results. The programmes are designed to attract new types of donors, including corporations, local government, foundations, financial institutions, academia and high-net-worth individuals. An example is the proposed SDG cities programme, designed to help cities to identify development priorities, develop initiatives to address identified priorities and gaps, estimate the return on investment of those initiatives, match cities with funding partners and private-sector investors to implement the initiatives, and monitor and report on impact in relation to the Sustainable Development Goals. Cities that are successful in reaching agreed development targets will receive formal Sustainable Development Goal certification endorsed by UN-Habitat. The programme has already attracted wide interest and presents opportunities for blended funding to finance city investment and fund UN-Habitat support for the global programme and to cities. Links to documents containing more information on this and the other four thematic programmes are provided in the annex to the present report.

Targets

New thematic programmes established: 5.

Number of partners involved in each programme: 3 or more.

Investment in each programme by 2023: \$30 million or more.

C. Joint delivery of country programmes

23. Work at the country level will move away from individual projects to holistic country programmes that are designed in collaboration with the United Nations country team under the United Nations Sustainable Development Cooperation Framework to respond to national priorities and gaps in relation to the Sustainable Development Goals. The aim is to support efforts to mobilize funds from Governments and partners from all sectors, pooled at the country level. Criteria will be established to identify priority countries where a UN-Habitat presence would be strengthened and to establish multi-country offices with urban advisors to support nearby countries, which in turn would allow UN-Habitat to effectively participate in common country assessments, joint programming, joint resource mobilization and joint implementation of programmes, to deliver holistic Sustainable Development Goal results at scale. It will also help to achieve a more equitable geographic representation in the programmes which UN-Habitat is able to support at the country level. UN-Habitat will provide documentation to resident coordinators and United Nations partner entities, clarifying what services it can provide within the United Nations system at the country level and how it can support other United Nations entities in delivering the urban dimensions of the Sustainable Development Goals to minimize competition for funds and promote more effective collaboration.

Target

Percentage of UN-Habitat technical cooperation income from pooled funds by 2023: at least 50 per cent.

D. Fees for service

24. As the focal point for sustainable urbanization within the United Nations system, UN-Habitat is often called upon by cities and countries to advise on urban policies, legislation, planning, governance and financing mechanisms. An example of a fee for service that is in demand by cities is the City Prosperity Initiative, which provides a systematic approach and tools for cities to create baseline data and monitoring systems for economic, infrastructure, land use, social, environmental, governance and other dimensions of city development. It also identifies priority interventions for sustainable development and city prosperity. Another example is the City Resilience Profiling Programme, which develops resilience profiles for cities.

25. This source of financing is most relevant in emerging-economy and middle-income countries that have sufficient funds to finance their own development but need advice from UN-Habitat to plan their territorial and urban development.

Target

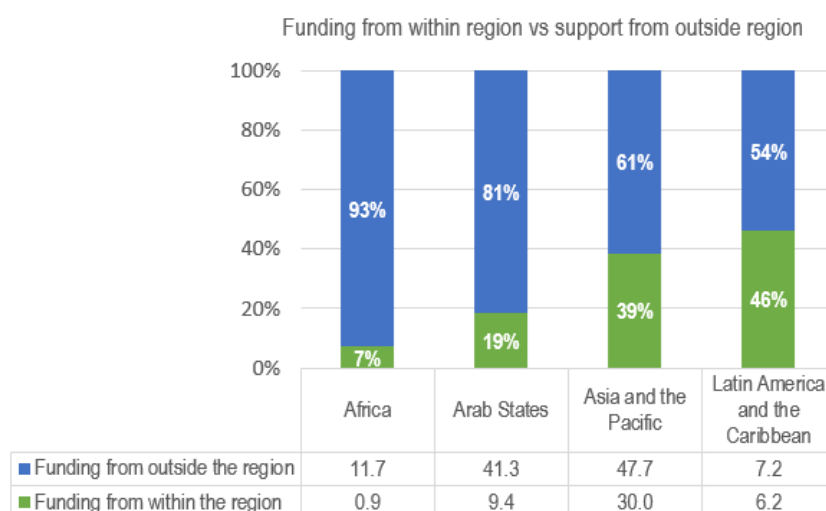
Percentage of total funding for UN-Habitat from fees for services by 2023: at least 5 per cent.

E. National committees

26. Entities such as the United Nations Children's Fund have used national committees to raise funds for their work. There is scope to establish national committees in high-income countries to raise funds, particularly for programmes that address environmental challenges, reduce poverty and respond to humanitarian crises. National committees in emerging economies, where there is declining development assistance from Organization for Economic Cooperation and Development member countries, can help to tap into increasing domestic resources to finance bankable urban programmes in those countries and to leverage public funds with investments, loans and other financial instruments. A survey will be undertaken to identify where national committees are most likely to work and, based on the findings, the approach will be piloted in selected countries according to agreed criteria.

27. Figure 6, which shows UN-Habitat funding for different regions, indicates that while Africa, which has the highest number of least developed countries, receives 93 per cent of its funding from development assistance, the percentages for the Asia and the Pacific region and the Latin America and the Caribbean region are much lower, at 61 per cent and 54 per cent respectively. Development assistance for the Arab States, representing 81 per cent of funding for the region, is mostly for countries in conflict.

Figure 6
UN-Habitat funding for different regions (in millions of dollars and by percentage)



28. In line with the funding compact to identify innovative partnerships and financing options for the acceleration of the Sustainable Development Goals, the proposed UN-Habitat strategy is to strengthen national Habitat committees and national urban forums and update their terms of reference to include resource mobilization as one of their mandates. Many of those forums and committees already have wide stakeholder membership, including local and national governments and corporate sector and civil society organizations, and so have the right composition to take on the mobilization of domestic financing, not only from grants and donations but also from blended funding, including investments from the corporate sector and loans from financial institutions.

Targets

Number of pilot countries with upgraded or new national committees with a resource mobilization mandate by 2023: 4.

Percentage of funds from within countries in emerging economies for their own sustainable urbanization programmes: 25 per cent.

F. Communicating impact

29. Several UN-Habitat assessments, reviews and evaluations have noted the good work of UN-Habitat and stressed the need to better communicate the results and impact of that work. In response, the new strategic plan includes a results framework to ensure that all activities are focused on delivering the outcomes and objectives of the plan. Results will be systematically communicated to donors, partners and the wider public through stories and testimonials from partners and beneficiaries. The stories will show how programmes are contributing to achieving the urban dimensions of the Sustainable Development Goals, give visibility to donors and partners who have financed those programmes and provide accountability by showing the transparent and efficient use of resources using the International Aid Transparency Initiative standards. To amplify the UN-Habitat message to reach a wider audience and strengthen the UN-Habitat brand, the Programme will also explore the possibility of using goodwill ambassadors and other influencers.

Targets

Percentage of timely quality reports to donors by 2023: 100 per cent.

Followers of UN-Habitat social media sites by 2023: 500,000.

G. Dedicated focal points for selected donors

30. UN-Habitat has focal points for some, but not all, donors. Analysis of income from UN-Habitat donors, particularly its top donors, shows unpredictable levels of income, which indicates that the relationships of the Programme with such donors are not strategic. Dedicated focal points are therefore proposed for important existing donors and for other donors where there is potential and political will to develop more strategic relations, in order to establish longer-term partnerships to achieve a greater number of sustainable results at scale.

Target

Focal points established for donors to the organization by 2020: 20.

H. Engaging with the corporate sector

31. Corporate sector participation in the financing of Sustainable Urban Development is crucial for the achievement of the Sustainable Development Goals, particularly Goal 11, to make cities and human settlements inclusive, safe, resilient and sustainable. As 70 per cent of the infrastructure projected worldwide in 2030 is yet to be built and 50 per cent of that will be owned by the private sector, it is important to ensure that UN-Habitat is better able to convince private-sector partners to commit to best practices in sustainable development through co-funding of normative work and the encouragement of people-public-private partnerships, to ensure that inclusive development policies are translated into action.

32. UN-Habitat is working closely with Member States and local government to ensure that sustainable development projects are investment-ready. Project proposals will be developed jointly through the Capital Advisory Platform, established by UN-Habitat to ensure that city managers are better able to identify, develop and secure suitable private-sector investments for their development projects. That builds on UN-Habitat technical expertise in its Urban Planning and Design Lab, City Prosperity Initiative and City Resilience Profiling Programme to meet demand from Member States and local government for technical and investment advice. To date, several Member States have come forward to support the process, which will be introduced during the tenth session of the World Urban Forum, to be held in Abu Dhabi from 8 to 13 February 2020.

33. Private-sector engagement can also yield support in kind. UN-Habitat has been working closely with private-sector partners to tap into expertise in urban investment. In addition to advocacy to ensure that capital investments are aligned with the Sustainable Development Goals and the New Urban Agenda, UN-Habitat is working closely with the private sector to initiate the Capital Investment Platform, whereby UN-Habitat will help assess projects that deliver true value and that are inclusive and catalytic.

34. At the country level, private-sector investment can be brought in to leverage pooled funds such as those related to improving basic services and infrastructure, with UN-Habitat providing support to design programmes and build capacity, and advocating for regulatory changes to allow for expanded private investment.

35. Such private-sector partnerships will be guided by the Global Compact and will be fully transparent to ensure that any partnership forged will not expose UN-Habitat to any form of conflict of interest. Any return on UN-Habitat investment of time and technical expertise will be reinvested in the said projects and will remain not-for-profit. A dedicated private-sector focal point is required in UN-Habitat for the Programme to make significant progress in engaging business to invest in the urban Sustainable Development Goals.

Target

Financial support from the corporate sector for urban programmes for the period 2020–2023: \$43.8 million.

I. Foundations and high-net-worth individuals/philanthropists

36. Foundations contributed some \$75.86 billion in the United States of America alone in 2018. Like the corporate sector, foundations and philanthropists want to join in driving global change through high-impact investments. There is potential to align challenges posed by urbanization with the interests of foundations and high-net-worth individuals and philanthropists.

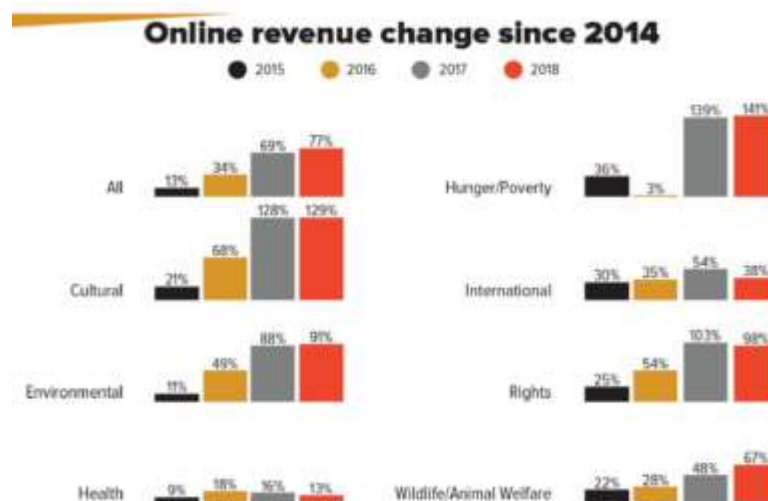
37. In the past two years, UN-Habitat has engaged with several charitable foundations and high-net-worth individuals to support sustainable urban development in the areas of urban regeneration, research and innovation, housing and infrastructure and urban basic services.

38. More systematic engagement with foundations and high-net-worth individuals is planned to support the long-term sustainability of the normative work of UN-Habitat, which has been particularly underfunded, and to establish shared objectives with single-cause foundations, family trusts and high-net-worth individuals to ensure that UN-Habitat has a steady flow of resources and funds to carry out its mandate.

J. Individual giving

39. Data from 18 leading humanitarian and development organizations shows that individual giving accounts for 33 per cent of the resources of those organizations. It is an area that has not yet been explored by UN-Habitat. New technologies, including social media and online and mobile payments, facilitate crowdfunding and have reduced the barriers to entry for raising funds from individuals. Data from the United States (see figure 7) shows that areas that receive significant online funding include environment, poverty, rights and international matters. In line with the funding compact to explore innovative sources of funding, UN-Habitat will pilot individual giving, using experiences and lessons from other United Nations entities and development organizations. One area that attracts individual giving is humanitarian work in times of crisis, which forms a sizeable part of the work of UN-Habitat.

Figure 7
Change in online funding since 2014



Source: <https://www.mrbenchmarks.com/numbers/fundraising>

Target

Financial support from foundations and high-net-worth individuals for the period 2020–2023: \$15.5 million.

K. Academia

40. Partnerships with academia are key to establishing UN-Habitat as a centre of excellence, as academic institutions are leaders in innovation and have the resources and mandate to undertake research on the latest local and global development trends. Partnership with UN-Habitat would include joint research, as well as joint resource mobilization in key areas of research and innovation that advance implementation and monitoring in specific areas of sustainable development.

L. Internal alignment

41. The Ernst and Young independent management review of UN-Habitat systems and processes highlighted the main areas that UN-Habitat needs to improve to mobilize higher levels of resources for its work (see figure 8). Those include costing the results of the strategic plan more accurately as a basis of an investment plan to deliver planned results. The costing also enables monitoring of implementation against planned results and financial plans. The recommendations stemming from the review stress the need to address gaps in the structure of the Programme with respect to resource mobilization expertise, such as expertise in corporate sector partnerships, administration of multi-donor pooled funds, design and management of programmes financed through blended funds and other innovative resource mobilization techniques. Such expertise needs to be amplified through training and tools to better equip personnel throughout the organization with resource mobilization responsibilities.

42. Improved management of relations with development partners is also stressed, including through better communication of results and impact, giving partners due recognition for their input and using the latest and most effective communications channels to reach target audiences. To enable development partners to report back to their stakeholders, measures are needed to improve

compliance with reporting obligations, so that the Programme consistently provides good-quality, timely reports on the use of resources and the outcomes delivered. This will enhance transparency, accountability, coordination and donor retention.

Figure 8

Main areas to be improved to mobilize higher levels of resources for the work of UN-Habitat*



* This figure is presented without formal editing.

Targets

Strategic plan results costed: 2020.

Organizational structure provides for experts in corporate sector partnerships: 2020.

Private-sector partnership strategy approved: 2020.

Percentage of timely reports of consistent quality to donors by 2021: 100 per cent.

Training, policies and tools for staff with resource mobilization functions fully in place: 2020.

Cost recovery policy implemented: 2020.

VI. Donor landscape

43. Figure 9 shows what the donor landscape might look like upon implementation of the strategic actions outlined above. The key points are as follows:

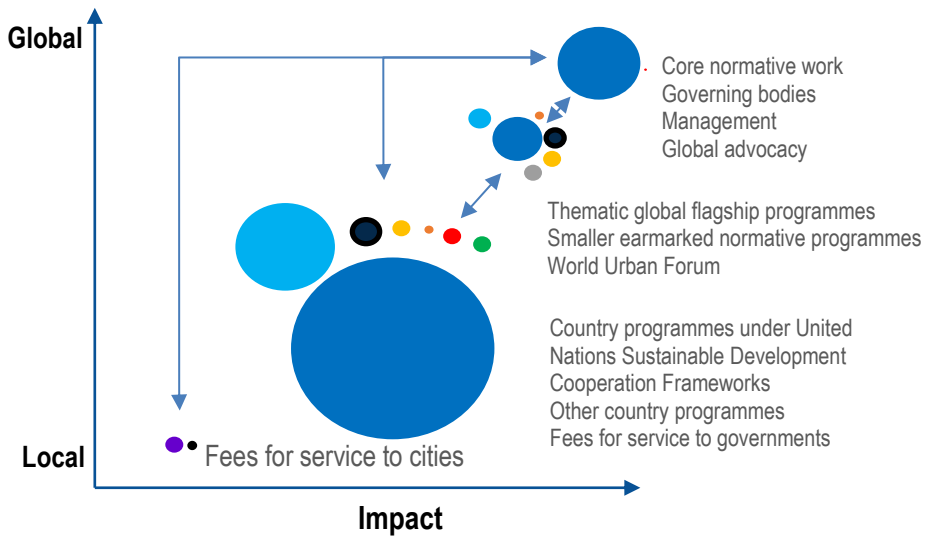
(a) Core resources from regular budget and voluntary non-earmarked contributions will continue to come from Member States. Those resources have the highest impact because the core normative work they support underpins all activities of the organization.

(b) The establishment of global thematic flagship programmes has the potential to attract new funding and in-kind support from the private sector, foundations, academia, other United Nations entities and Governments. That funding is also critical because its impact is global, although the thematic scope of each programme is narrower.

(c) At the country level, there is scope to increase partnerships with other United Nations entities and attract funding partners from all sectors within countries through holistic country programmes that cover the priority Sustainable Development Goals for the country. Emerging economies have improved capacity to provide fees for services and engage the private sector and finance institutions in urban programmes.

(d) At the subnational level, the main partners will be corporations and local authorities, many of whom are willing to pay for advisory services for support in prioritizing actions and addressing gaps so that their cities can become more prosperous and generate local income.

Figure 9
Potential donor landscape upon implementation of the strategic actions



Core normative work has the greatest impact, as its results apply globally.

Thematic programme results are global but limited in thematic scope.

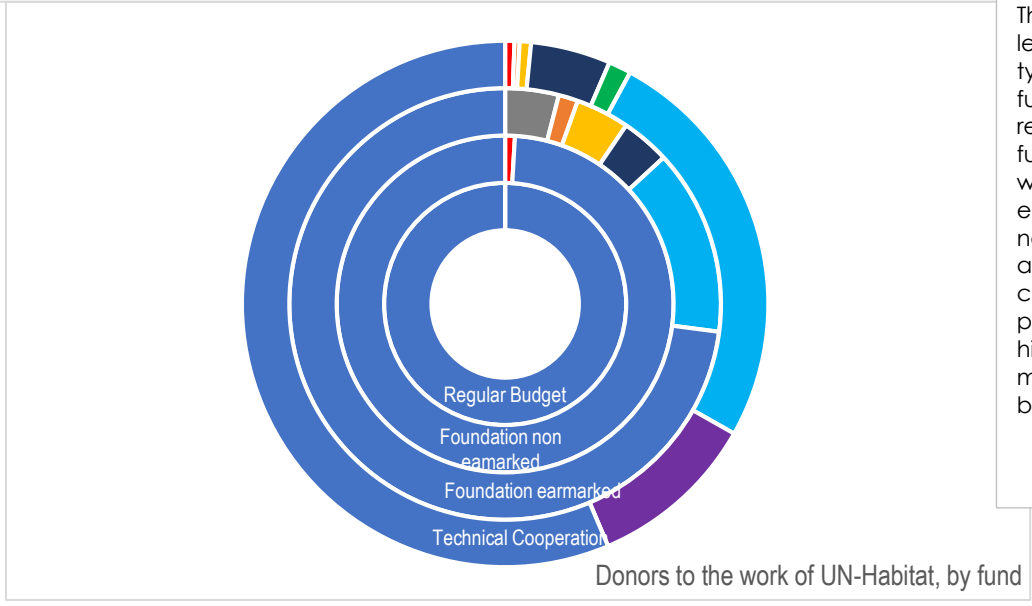
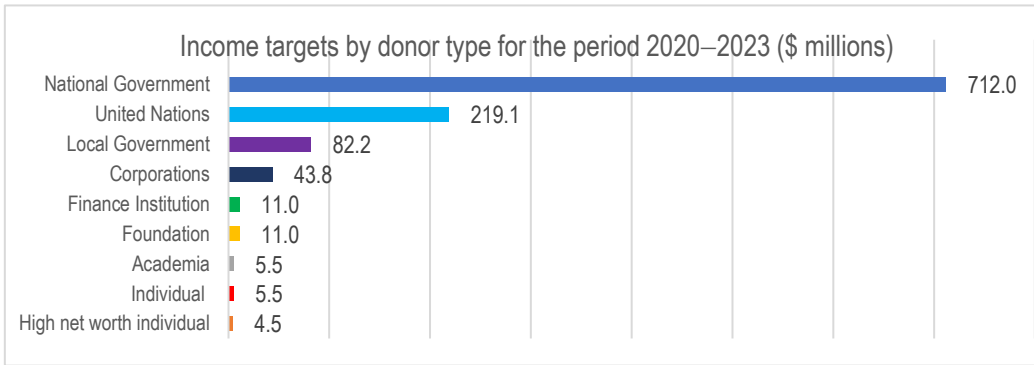
Country and local programmes test global norms for themes applied to each situation; while their direct impact is more local, their applied knowledge also enriches and refines global knowledge.

Colours of circles denote donor type, size and level of contribution; arrows indicate knowledge feedback.

The above-mentioned financial targets are summarized in these charts.

The bar chart shows the target level of funding from each donor type over the four years, in \$ millions.






The pie chart shows the level of funding from each type of donor for each fund. For example, the regular budget is fully funded by Member States, while foundation earmarked (global, largely normative programmes) and technical cooperation (country programmes) have the highest potential for the most diversified donor base.



Donors to the work of UN-Habitat, by fund

Annex

Proposed global thematic flagship programmes

Programme	Document <i>(Click on icon to open)</i>
Inclusive, vibrant neighbourhoods and communities	 FP1-Inclusive, vibrant neighbourh
People-focused smart cities	 FP2-People-focused Smart Cities.pdf
RISE UP: Resilient settlements for the urban poor	 FP3-RISE UP.pdf
Inclusive cities – enhancing the positive impact of urban migration	 FP4-Inclusive Cities - Enhancing the pos
Cities	 FP5-SDG Cities.pdf
