

Strategic Plan 2026-2029 Background paper for the second retreat of Member States 30 May 2024

Exe			nmary	
1.	Four	ndatio	ons for developing the strategic plan 2026-2029	.3
	1.1		nda 2030	
	1.2	The	New Urban Agenda	.3
	1.3	Othe	er global agendas	.4
	1.4	Unit	ed Nations Development System reform and the Quadrennial Comprehensive	
		Poli	icy Review	.5
2.	Key	resul	ts of recent evaluations and assessments	.5
	2.1	010	S mid-term evaluation of Strategic Plan 2020-25	.5
	2.2	Ince	eption of MOPAN evaluation: what concerns the strategic plan	.5
	2.3	Les	sons learned from evaluations and assessments	.6
	2.3.	1	What really worked well and needs to be retained?	.6
	2.3.2	2	What needs to be improved or enhanced?	.6
3.	Fran	newo	rk for developing the strategic plan	.7
	3.1	Gov	ernance mandates to develop the Strategic Plan	.7
	3.2	Pur	poses of the strategic plan for UN-Habitat	.8
	3.3	Guid	ding principles for developing the strategic plan	.8
	3.4	Con	siderations to be balanced in developing the strategic plan	.8
	3.5	Арр	roach to developing the strategic plan	.9
4.	Unp		g core elements	
	4.1	Max	kimizing value-add within the United Nations system	.9
	4.2		on1	
	4.3	Prop	posed priorities1	
	4.3.	1	Increase access to adequate housing and basic services for inclusive prosperity	/
			and poverty eradication1	
	4.3.2	2	Manage human settlements for improved urban environment and climate action	۱
	4.3.3	3	Promote more effective urban crisis response and recovery for resilient human	
			settlements1	
			posed goals1	4
	4.4.	1	Enable more effective multi-level governance of human settlements and their	
			systems1	4
	4.4.2	2	Promote integrated spatial planning and finance for sustainable urbanization	
			across all territorial scales1	
	4.4.3	3	Support evidence-based policies and plans through improved capacity building,	
			knowledge, data, digital tools, and foresight1	
5.	Nex)s1	
	5.1		/ing forward to programming action to attain the goals1	
	5.2	Prop	posed roadmap for MS consultations1	6

Executive Summary

Setting the scene

UN-Habitat is developing its strategic plan 2026-2029 for discussion and adoption at the resumed second session of the United Nations Habitat Assembly in May 2025. The mandate to prepare the plan lies with the Executive Board of UN-Habitat. The Executive Director of UN-Habitat is elaborating the proposal for strategic consultations with Member States. This background paper serves to inform on the process so far and facilitates the discussion on the proposed priorities and goals of the strategic plan at the retreat of the Member States in Nairobi on 30 May 2024. It is not a draft of the Strategic Plan and should not be read as such.

Foundations, lessons, and framework

Chapter 1 includes foundations to develop the strategic plan. In **chapter 2**, lessons learned from evaluations and assessments of the strategic plan 2020-2025 are presented. **Chapter 3** reviews the framework for developing the next plan, including guiding principles and the approach, which derive from the lessons learned from evaluations, and consultations with Member States.

Priorities and goals

The priorities and goals proposed in **chapter 4** follow recommendations from the Office of Internal Oversight Services (OIOS) and respond to feedback to develop a simpler, more straightforward strategic plan that will provide better focus, fewer priorities, and more accountability through appropriate assignment of functions in the Secretariat.

The proposed priorities connect to the domains of change of the current strategic plan 2020-2025 allowing for continuity in delivery. The major changes are that social and economic dimensions have been merged as they are stronger if addressed together, and that the priorities are articulated as challenges for which UN-Habitat has a unique role to address in the multilateral system.

The proposed goals derive from the competences that UN-Habitat has developed under its mandates and are formulated to enable UN-Habitat to attain the priorities and to address their challenges with the highest impact.

The detailed reasoning for these elements and the role of UN-Habitat in addressing them are further detailed in chapter 4.

Retreat agenda

The paper is followed by the detailed agenda of the retreat, explaining the process and suggested results of each agenda item.

Proposed core elements

Our proposed vision

Just, green, and resilient cities and human settlements



Our proposed priorities

- 1. Increase access to adequate housing and basic services for inclusive prosperity and poverty eradication
- 2. Manage human settlements for improved urban environment and climate action
- 3. Promote more effective urban crisis response and recovery for resilient human settlements



Our proposed goals

- 1. Enable more effective multi-level governance of human settlements and their systems
- 2. Promote integrated spatial planning and finance for sustainable urbanization across all territorial scales
- 3. Support evidence-based policies and plans through improved capacity building, knowledge, data, digital tools, and foresight

1. Foundations for developing the strategic plan 2026-2029

The strategic plan 2026-2029 provides pathways for accelerating progress towards the Sustainable Development Goals. Getting cities right is a necessary condition to attain other development goals and targets and accelerate meaningful progress that is inclusive. This is key especially as the strategic plan 2026-2029 falls during the last years before the end of Agenda 2030. This chapter briefly introduces key existing United Nations frameworks and processes informing the proposed priorities and goals of UN-Habitat for the period 2026 – 2029.

1.1 Agenda 2030

The proposed vision, priorities, and goals of the strategic plan 2026-2029 draw on the focus of SDG 11 targets. The lagging progress with SDG 11, and the risk of not achieving its targets, as clearly shown in the 2023 global assessment¹, requires explicit focus in the strategic plan 2026-2029. Therefore, the key elements prioritized under SDG 11 are also prioritized in the strategic plan 2026-2029 (Table 1).

SDG 11 targets	Proposed priorities and goals of UN- Habitat's strategic plan 2026-2029	
 adequate, safe and affordable housing and basic services (SDG 11 Target 11.1) safe, affordable, accessible and sustainable transport systems for all (SDG 11 Target 11.2) universal access to safe, inclusive and accessible, green and public spaces (SDG 11 Target 11.7) 	Covered under priority 1 (Increase access to adequate housing and basic services for inclusive prosperity and poverty eradication)	
 support least developed countries in building sustainable and resilient buildings (SDG 11 Target 11.c) reduce the adverse per capita environmental impact of cities (SDG 11 Target11.6) protect and safeguard the world's cultural and natural heritage (SDG 11 Target 11.4) 	Covered under priority 2 (Manage human settlements for improved urban environment and climate action)	
 reduce the number of deaths, people affected and direct economic losses from disasters (SDG 11 Target 11.5) holistic disaster risk management at all levels (SDG 11 Target 11.b) 	Covered under priority 3 (Promote more effective urban crisis response and recovery for resilient human settlements)	
 participatory, integrated and sustainable human settlements planning and management (SDG 11 Target 11.3) links between urban, peri-urban and rural areas (SDG 11 Target 11.a) 	Covered under goals 1 + 2 (Enable more effective multi-level governance of human settlements and their systems ; Promote integrated spatial planning and finance for sustainable urbanization across all territorial scales)	

	Table 1: SDG 11	and UN-Habitat's	strategic plan	2026-2029
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1.2 The New Urban Agenda

The New Urban Agenda incorporates a distinct recognition that urbanization can be a powerful tool for sustainable development if well-planned and well-managed. As such, the New Urban Agenda serves as a means of accelerating progress with the 2030 Agenda, especially Goal 11 on sustainable cities and communities and the Paris Agreement while contributing to sustaining peace². Importantly, the New Urban Agenda provides two vital dimensions not addressed in Agenda 2030, namely multi-level governance and the territorial dimension of sustainable

¹ SDG 11 Synthesis Report. UN-Habitat (2023).

² <u>A/RES/77/173 OP 9</u>

development. These elements directly inform the articulation of goals for UN-Habitat's strategic plan 2026-2029.

In the New Urban Agenda, the Member States adopted the three transformative commitments:

- Sustainable urban development for social inclusion and ending poverty (e.g. covering issues of poverty, informal settlements, inequality, housing, land, basic services, public space);
- Sustainable and inclusive urban prosperity and opportunities for all (e.g. covering issues
 of inclusive economic growth, employment & decent work, local economic development,
 spatial planning);
- Environmentally sustainable and resilient urban development (e.g. covering issues of climate change, hazards, natural resources, energy, waste management, resilience).

The above elements are reflected in the priorities and goals of the strategic plan 2026-2029. However, under the proposed goals of the strategic plan 2026-2029, prosperity and poverty are integrated in their framing, as they constitute indivisible elements that cannot be addressed separately. Furthermore, the strategic plan 2026-2029, gives distinct consideration to the urban environment on the one hand, and urban crises on the other hand, which though linked, require sufficiently distinct responses from UN-Habitat.

In addition, through the High-level meeting at the United Nations General Assembly to assess progress on the implementation of the New Urban Agenda (28 April 2022), and in the subsequent UNGA resolution (A/RES/77/173), Member States provided further guidance. UN-Habitat was asked to continue to support NUA implementation giving consideration to access for all to adequate, safe and affordable housing; inclusive urban prosperity and finance; effective climate action and environmental sustainability; multilevel governance and localization of the Sustainable Development Goals; effective urban crisis response and recovery"³. These elements are explicitly considered in the proposed priorities and goals for the new strategic plan 2026-2029.

1.3 Other global agendas

As in the last strategic plan, UN-Habitat also considers how it can support the implementation of other global agendas by Member States, based on its mandate and expertise. This includes the promotion of multi-level climate action towards the Paris Agreement⁴; the building of urban resilience in response to the Sendai Framework for Disaster Risk Reduction 2015-2030⁵; elaborating the contribution of sustainable urbanization to sustaining peace, as reflected also in the New Agenda for Peace⁶; applying a human settlements approach to forced displacement in support of the Global Compacts on Refugees and Migration⁷ and ensuring a focus on financing sustainable urbanization and local finance in support of the Addis Ababa Action Agenda8. UN-Habitat will promote sustainable cities and human settlements as enablers for attaining these global agendas and identify partnerships within the UN system in this regard, including through country level delivery.

⁷ <u>A/RES/73/195</u>

³ <u>A/RES/77/173</u> OP 15.

⁴ <u>FCCC/CP/2015/10/Add.1.</u>

⁵ <u>A/RES/69/283.</u>

⁶ Presented by the Secretary General in his Policy Brief on 20 July 2023 for consideration of the Member States ahead the Summit of the Future in September 2024.

⁸ <u>A/RES/69/313</u>.

1.4 United Nations Development System reform and the Quadrennial Comprehensive Policy Review

At UNGA Resolution 71/243 of 21 December 2016 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system, Member States set general guidelines and principles. At its Resolution 72/279 of 31 May 2018, Member States guided repositioning the United Nations development system in the context of the quadrennial comprehensive policy review of operational activities for development of the United Nations system. The United Nations development system has undergone a reform, guided by these GA resolutions. This requires UN-Habitat to be fully integrated in the work of the United Nations system at country level through a focus on its added value, and the operationalization of the United Nations system-wide Strategy on Sustainable Urban Development⁹.

The reform asks the United Nations system to focus on its comparative advantages within the broader landscape of development actors. Thus, the strategic plan 2026-2029 places deliberate emphasis on its unique role and competencies (see section 4.1 below). The reform also requires the United Nations system to expand its convening and partnership focus, to strengthen its policy support, addressing critical gaps and to build the necessary capacity in government institutions to implement the New Urban Agenda and related policies. For example, in fragile and crisis settings, the United Nations, including UN-Habitat, is often uniquely placed to play a critical role in UN country team efforts for crisis response and recovery from a human settlements' perspective.

2. Key results of recent evaluations and assessments

The development of the strategic plan is guided by the lessons from recent evaluations and assessments outlined below.

2.1 OIOS mid-term evaluation of Strategic Plan 2020-25

The Office of Internal Oversight Services (OIOS) evaluated the relevance, effectiveness, sustainability, and coherence of UN-Habitat within the context of assessing mid-term implementation of the UN-Habitat 2020-2025 strategic plan, concluded in April 2024. The evaluation is based on an extensive consultation with a wide range of actors and 6 country case studies and resulted in 6 recommendations¹⁰.

The evaluation found that the strategic plan had a clear theory of change with linkages to key global agendas and "served as a valuable tool for programming and advocacy, providing a flexible and coherent vision to guide the entity's work". Insufficient resources and a lack of clear accountability and results framework hindered focused implementation. The evaluation identified positive impact at country level of UN-Habitat's work. Relevant elements of this evaluation for the new strategic plan are integrated under section 2.3 below.

2.2 Inception of MOPAN evaluation: what concerns the strategic plan

The Multilateral Organization Performance Assessment Network (MOPAN) represents all major donors providing multilateral assistance. It assesses multilateral organizations to promote greater effectiveness and efficiency; support internal reforms and change initiatives; assist in strategic transformation efforts and help shape standards and organizational good practice.

^{9 &}lt;u>CEB/2019/1/Add.5.</u>

¹⁰ <u>Mid-term Evaluation of the United Nations Human Settlements Programme Strategic Plan 2020-2025.</u> <u>OIOS (April 2024).</u>

The last assessment of UN-Habitat was concluded in 2016¹¹. The current assessment is at the inception stage and will be concluded by 28 November 2024.

The inception report noted the balance of UN-Habitat's normative with operational work as a defining characteristic of its operating model. It highlights the continued strong demand for operational support as evidenced in the levels of earmarked contributions at country level. The report also found that domains of change 1 and 2 in the current strategic plan represent the core work of UN-Habitat in sustainable urbanization and housing, while domains of change 3 and 4 help to articulate UN-Habitat's contribution to contemporary issues such as climate change and humanitarian crises related to sustainable urbanization.

2.3 Lessons learned from evaluations and assessments

The below draws on the evaluations of UN-Habitat's current strategic plan 2020-2025, engagement with Member States, and a broad consultation with staff.

2.3.1 What really worked well and needs to be retained?

The outcome-oriented nature of the current strategic plan was an important step forward, compared to the previous plan allowing a better articulation of how the New Urban Agenda can help accelerate progress towards the Sustainable Development Goals, and UN-Habitat's added value in the implementation of other global agendas related to climate change, biodiversity, and crisis prevention and response. It also allowed for more corporate integration and collective focus on higher level impact. It provided a framework for better integration of the normative and operational work.

Jointly with the United Nations system-wide Strategy on Sustainable Urban Development, whose results areas mirrored the domains of change, it allowed to build much stronger strategic partnerships within the United Nations system and beyond. It resulted in a better articulation and recognition of UN-Habitat's role and an increasing demand for UN-Habitat's contribution to system-wide efforts (e.g. climate action, migration, displacement).

The domains of change and their respective outcomes, and the systems put in place to guide project development, supported more integrated programming, as evidenced with over 40 per cent of UN-Habitat's projects contributing to outcomes across at least 3 domains of change. UN-Habitat's work should not be seen as siloed but should be designed to deliver impact against multiple global agendas.

These lessons inform the approach of the strategic plan 2026-2029, including through the proposed priorities which are more outcome oriented.

2.3.2 What needs to be improved or enhanced?

There is a broad consensus that a stronger focus and prioritization is needed at the outcome level. The current outcomes capture all key aspects of UN-Habitat's work without a clear hierarchy. Working towards better access to adequate housing is a good example as it captures seven key dimensions (affordability, access to services, land tenure, accessibility, habitability, location and cultural adequacy). This includes a consideration for core and emerging priorities, including as set out in UN-Habitat Assembly Resolutions.

¹¹ <u>United Nations Human Settlements Programme (UN-Habitat) Institutional Assessment Report. MOPAN (2017)</u>.

A better identification and articulation of the main global trends, as set out for instance in the SDG 11 Report (2023) or the IPCC Cities Report, where UN-Habitat could support national and local governments could further help UN-Habitat to focus and measure the impact of its work.

It calls for a simpler structure of strategic plan, with more straightforward language, drawing inspiration also from the corporate strategies of other United Nations agencies.

The strategic plan needs to provide clearer corporate guidance on how it can be implemented at the global, regional, national, and subnational level. This includes the translation to local/country-level implementation.

The strategic plan should enable a better understanding of how UN-Habitat can have impact, including through its influencing role, and how the impact of UN-Habitat's work can be made more sustainable, scalable and transformational.

Clearer accountability is needed for each part of the agency, in alignment with the subprogrammes used to draft the annual work programme and budget. This needs to be complemented with a more focused and nimbler results framework and knowledge management.

The 2026-2029 strategic plan will take these lessons into account including clearer prioritization and focus and strengthened results framework.

3. Framework for developing the strategic plan

Taking the lessons learned into account, UN-Habitat developed a framework to guide the strategic planning process in response to strengths and weaknesses exposed by evaluations of the previous strategic plan.

3.1 Governance mandates to develop the Strategic Plan

The mandates to develop the strategic plan reflect a robust governance structure to strengthen Member States' ownership, leadership, and oversight of UN-Habitat.

The authority to prepare the strategic plan lies with the Executive Board of UN-Habitat.

The Ad Hoc Working Group on Programmatic, Budgetary, and Administrative Issues supports consultations among the Member States.

The Committee of Permanent Representatives drafts decision language, and the UN-Habitat Assembly, as subsidiary body to the General Assembly, considers and approves the strategic plan. It then transmits the approved strategic plan to the United Nations Economic and Social Council (ECOSOC) to provide additional recommendations to the GA, the final authority (if exercised).

An internal Task Force, established by the Executive Director of UN-Habitat and comprised of 12 members representing all regions and divisions of UN-Habitat, facilitates the preparatory consultative process and guides drafting of the strategic plan.

3.2 Purposes of the strategic plan for UN-Habitat

Contemplating the hybrid nature of normative and operational activities of a program nested at the United Nations Secretariat, three perspectives on purposes of the strategic plan are considered.

- From the UN-Habitat mandate perspective, the plan will ensure a balance and integration between its normative and operational work¹²; select and articulate priority challenges in society, formulate attainable goals for the medium-term period, define actions to be taken by UN-Habitat in the multilateral system to attain the goals;
- From the project-funded entity perspective, the plan will profile UN-Habitat as feasible actor which can address issues prioritized by beneficiaries and donors, set goals fundable by the donors, and create flexible organizational structure of capacities and competences to respond to opportunities of getting its work funded.
- From the United Nations Secretariat entity perspective, the plan will provide guiding structure and articulation to the work of UN-Habitat, approved by the Member States - to inform structuring the work in sub-programmes in the Annual Work Programme and Budget.

3.3 Guiding principles for developing the strategic plan

Based on the evaluations of the current Strategic Plan (2020-2025), other relevant assessments and audits, and assessing lessons learned, as well as guidance by Member States, the strategic plan 2026-2029 is guided by the following principles:

- Ambitious, relevant, and responsive: defining the role of UN-Habitat in the United Nations system adding value, and responding to the needs of the Member States;
- Focused and prioritized: addressing reasonable and workable number of relevant priority issues articulated as challenges;
- Flexible and adaptable to specific contexts;
- Evidence and knowledge-based: informed by data, scientific research, and experience by UN-Habitat and other partners and stakeholders;
- Manageable, realistic, effective, and measurable: clearly structured in measurable objectives unambiguously assigning responsibilities for attaining them.

It is suggested that developing the strategic plan frequently refers to these guiding principles throughout all stages of formulation.

3.4 Considerations to be balanced in developing the strategic plan

The below considerations have been derived from engagements with Member States thus far. They encompass four key areas:

- Continuity and foresight: retaining successful and relevant legacy themes, keeping proven impact, experience, and existing capacity and attending to the rapid changes in the world, identifying competences to be developed and capacity to be built;
- Unique proposition and added value: engaging in the field of activities where no other multilateral actors engage, empowering UN-Habitat to build on its comparative advantages, and identifying where UN-Habitat can "add value" with its experience and expertise to the work of other multilateral actors;
- Urbanization, and cities and human settlements: addressing sustainable urbanization at a national scale as e.g. system of cities and human settlements, as integral part of

¹² <u>A/RES/73/239</u> OP 13.

territories, and working with individual cities and human settlements towards sustainable urban development;

- Globally relevant and locally applicable: proposed interventions of UN-Habitat address articulated global priorities translatable to the diverse contexts of the regions and countries to respond to the requests of the Member States.

It is suggested that these balances are sought throughout all stages of developing the strategic plan.

3.5 Approach to developing the strategic plan

In response to the widely recognized need to have a simple, clear, and focused structure of the strategic plan, UN-Habitat suggests following an approach based on adopting a succinct vision, establishing priorities for the period articulating them as challenges to be addressed by the organization, determining the relevant role of the organization in addressing the challenges, and formulating attainable goals for the period of the strategic plan as per the mandate of UN-Habitat, followed by strategic actions to be taken to attain the goals. UN-Habitat proposes adopting a structured, sequential, and hierarchical approach that follows this flow.

4. Unpacking core elements

The core elements of the strategic plan, detailed below, are proposed based on the priorities of the Member States, as adopted in Agenda 2030, the New Urban Agenda, and other sources defining the mandate of UN-Habitat, outlined in Section 1.3 *Other global agendas* above.

4.1 Maximizing value-add within the United Nations system

The strategic plan 2026-2029 aims to maximize UN-Habitat's value within the United Nations system. It is therefore focused on UN-Habitat's unique competencies and opportunities to play a distinct leading role in the achievement of Agenda 2030 in both leading in and complementing the United Nations system. Thus, the plan places emphasis on UN-Habitat's lead role in planning and managing human settlements across relevant territorial scales and levels to foster sustainable development. At the core of this is how to manage and leverage space as a resource, through spatial planning that delivers better economic, social, environmental outcomes. Further, UN-Habitat's unique role in advancing multi-level governance is emphasized in the strategic plan 2026-2029, fostering effective cooperation among all levels of government to enable the achievement of Agenda 2030. The distinctive role of UN-Habitat in promoting adequate housing and basic services as necessary conditions for realizing Agenda 2030 is also placed at the center of the strategic plan 2026-2029. These comparative advantages of UN-Habitat are captured through the proposed priorities and goals.

The complementary role of UN-Habitat as an enabler for broader system-wide action for sustainable cities and communities also informs the strategic plan 2026-2029. This is based on the key elements of the United Nations system-wide Strategy on Sustainable Urban Development, which guides how the United Nations system coordinates its efforts to assist Member States in harnessing opportunities and meeting the challenges of rapid urbanization for the attainment of the Sustainable Development Goals and other global agendas. Through the strategy, UN-Habitat supports the United Nations system in promoting sustainable urban development in several ways including through standardization of urban policy, legislation, planning and financing; provision of advisory support to agencies; application of urban data and diagnostic tools; and localization of the Sustainable Development Goals, among others. The

United Nations system-wide Strategy will guide the interaction of UN-Habitat with other United Nations System entities in aligning the strategic plan 2026-2029.

4.2 Vision

UN-Habitat envisions cities and human settlements that are just, green, and resilient.

Drawing on the New Urban Agenda:

- Just cities and human settlements ensure that all persons can enjoy equal rights and opportunities, as well as their fundamental freedoms not only through equity and inclusivity but also through a social justice approach to urban development. This includes the right to an adequate standard of living, without discrimination, universal access to safe and affordable drinking water and sanitation, as well as equal access for all to public goods and quality services.
- Green cities are built in harmony with nature to mitigate their impact on the environment. They facilitate the sustainable management of land and natural resources in cities and human settlements in a manner that protects and improves the urban ecosystem and environmental services, reduces greenhouse gas emissions and air pollution and promotes disaster risk reduction and management, including for future generations. They further promote safe, inclusive, accessible, green. and quality public spaces.
- Resilient cities are prepared to face the challenges of economic, social and environmental crises. Robust infrastructure is needed in addition to emergency response systems to lay strong foundations for settlements to respond to disruptions arising from the adverse impacts of climate change and other natural and human-made hazards, armed conflict, among others.

This vision is to be realized through priorities articulated around three entry points: to realize global goals related to housing, climate and crises, and goals related to three roles of UN-Habitat in multi-level governance, spatial planning and finance, and knowledge and capacity building.

4.3 Proposed priorities

Member States have reaffirmed the role and expertise of UN-Habitat as a focal point for sustainable urbanization and human settlements, in collaboration with other United Nations system entities, recognizing the linkages between sustainable urbanization and, inter alia, sustainable development, disaster risk reduction and climate change¹³. Based on the existing priorities of United Nations Member States as expressed in the global agendas outlined in chapter 1, as well as global and urban transitions and challenges, three key priorities are suggested, where UN-Habitat has a leading or complementary role to play.

4.3.1 Increase access to adequate housing and basic services for inclusive prosperity and poverty eradication

Globally, urban economies constitute a growing share and volume of the national gross domestic product. Yet, poorly managed urbanization exacerbates inequalities, marginalizing vulnerable groups, and causes proliferation of informal economy and settlements with dismal quality of life. Productivity gains from urbanization often offer a good quality of life to only

¹³ <u>A/RES/71/256</u> OP 165.

relatively few privileged groups while large parts of communities are left behind gainful economic opportunities and have little access to a better quality of life.

Achieving inclusive development and prosperity requires promoting the nexus of housing, land, and basic services. Providing people with opportunities to obtain resources needed to thrive, including safe, sustainable, adequate, and affordable housing¹⁴, access to land and basic services, can reduce poverty and social exclusion. By developing infrastructure and institutions which underpin private sector development creating more decent jobs, a more prosperous society for all can be fostered leading to better quality of life for all. This requires shaping systems of cities and human settlements to address regional imbalances and to elevate rural areas.

The right to adequate housing is yet to be achieved for many throughout the world. An estimated more than 1.6 billion people are currently living in substandard housing, or experiencing homelessness, or are at immediate risk of homelessness, inadequate housing conditions, unaffordable housing, overcrowding, or settlements in risk-prone areas. The Sustainable Development Goal indicator 11.1.1 – reduce the proportion of urban population living in slums, informal settlements, or inadequate housing – is one of the key indicators whose implementation has regressed globally¹⁵.

UN-Habitat's role in addressing this priority is to ensure better access to the latest data, policies and practices related to the access to adequate housing, in all its dimensions, land and basic services and to be a thought leader on how the transformative potential of urbanization can be better harnessed to arrive at more inclusive prosperity, overcoming existing spatial inequalities. Given its mandate, UN-Habitat is uniquely positioned to play this role as the primary United Nations agency tasked specifically with housing, urbanization, and territorial development. UN-Habitat's expertise encompasses an integrated approach to urban and territorial planning, ensuring that housing, land, and basic services are addressed in a holistic manner to provide prosperity and poverty eradication. To leverage these strengths, UN-Habitat needs to strengthen its convening and normative role to increase the access to adequate housing and its focal point role for sustainable urbanization and human settlements, in collaboration with other United Nations system entities, recognizing the linkages between sustainable urbanization and, inter alia, sustainable development, disaster risk reduction and climate change¹⁶.

4.3.2 Manage human settlements for improved urban environment and climate action

The interwoven effects of rapid urbanization, poor management of cities and human settlements, and inequitable economic growth continue to challenge the natural environment, affecting people and the planet. There is a growing awareness of the importance of urban environmental action and national and subnational governments around the world are showing leadership in this regard, but there is a need for accelerated transformative action to address the climate and biodiversity challenges that are intertwined with rapid urbanization.

In all regions, except in Latin America, urban expansion has exceeded population growth, which results in increased land consumption and declining densities with profound repercussions for environmental sustainability. Between 1990 and 2015, cities in developed countries increased their urban land area by 80 per cent, but the urban population increased only by 12 per cent. In

¹⁴ <u>HSP/HA.2/Res.7</u> OP 1.

¹⁵ HSP/HA.2/Res.7.

¹⁶ <u>A/RES/71/256</u> OP 165.

developing countries, urban land use increased by 350 per cent, while urban population increased by 100 per cent.¹⁷

Unchecked urbanization can lead to irreversible land consumption changes with significant negative impacts on global biodiversity. This is critical as urban biodiversity underpins ecosystem services arising from natural assets that human settlements depend on. Yet, there is growing recognition that cities can no longer simply be viewed as a threat to biodiversity and that urban areas can serve as a refuge for species when they offer the required conditions. Many subnational governments around the world undertake efforts to protect, restore and use nature sustainably, guided by the targets outlined the Kunming-Montreal Global Biodiversity Framework, the Plan of Action on Subnational Governments, Cities, and other Local Authorities for Biodiversity (2023–2030).

Rapid urban growth results in increased waste generation, challenging municipal waste management systems and often leading to improper disposal practices, air and water pollution, environmental degradation, flooding, diseases as well as respiratory and other health problems. The urban poor are the most affected. Waste management operations account for a significant proportion of city budgets, but financing for waste management remains inadequate. However, cities can effectively tackle the waste management problem when regarding waste as a resource, contributing also to reducing global Green House Gas emissions and local air pollution.

Cities are major contributors to climate change, accounting for 71-76 per cent of CO2 emissions of global energy use¹⁸. Over 70 per cent of cities are already experiencing climate impacts. Over 90 per cent of cities are along coastlines or bodies of water, where rising sea levels and storms pose a threat to residents with sea-level rise already affecting more than 25 megacities¹⁹. Cities are also experiencing temperatures up to 10 degrees higher than rural areas with the urban heat island effect²⁰. A changing climate threatens public health. Rising temperatures, and increasing heatwaves, droughts and floods are exposing millions to food and water insecurity and increased polluted air.

Ambitious climate actions are taken by national and subnational governments. Around twothirds of Nationally Determined Contributions include urban content. Over 13,000 local governments have pledged emissions reduction through the Global Covenant of Mayors. Additionally, more than 1,000 cities and local governments have joined the Cities Race to Zero initiative, aligned with the 1.5°C target. Yet, there is a need for more concerted efforts for effective, just, and inclusive climate and urban environmental action.

UN-Habitat's role in addressing this priority is, drawing on global thought leadership and innovative practice, to scale normative, operational, and capacity building support to national and local governments, promoting multi-level climate action, adding value to the efforts of the focal United Nations agencies in these themes to better plan and manage urbanization and urban development, to minimize the spatial and environmental impact. As the focal point on sustainable urbanization and human settlements within the UN system, the agency's role in

¹⁷ SDG 11 Synthesis Report. UN-Habitat (2023).

¹⁸ <u>Ibid.</u>

¹⁹ Cross-Chapter Paper 2: Cities and Settlements by the Sea. In: Climate Change 2022: Impacts, Adaptation and Vulnerability. <u>Sixth Assessment Report (IPCC, 2022).</u>

²⁰ Global long-term mapping of surface temperature shows intensified intra-city urban heat island extremes. European Commission Joint Research Centre (2022).

addressing this priority is complementary to others, notably its sister agencies UNDP and UNEP, in tackling the urban dimension of interconnected challenges of climate change, biodiversity loss, pollution, waste and using land more efficiently.

4.3.3 Promote more effective urban crisis response and recovery for resilient human settlements

A stronger focus is needed on the increasingly imminent crises. The climate emergency, pandemics, violence and conflicts, and other natural and man-made disasters, all converge and have an increasing impact in high-density urban settings and surrounding territories, putting an increasing number of communities and people at risk, and fueling displacement. Being prepared for and overcoming these crises becomes a pre-condition to transform towards a better urban future.

Vulnerable communities will be most affected by urban crises. By 2030, 600 million urban poor are projected to be directly exposed to climate change risks. A large majority live in inadequate housing, at high risk of the impacts of climate change such as flooding, landslides, and extreme heat²¹. Disaster-related internal displacement accounted for more than half (54 per cent) of all new displacements in 2022²². The World Bank estimates that by 2050, climate change, combined with other drivers, could contribute to the forced displacement of over 200 million people²³.

Armed conflicts, violence and other drivers have resulted in 110 million forcibly displaced or stateless individuals worldwide in 2023²⁴, reshaping territories, cities, and human settlements as about 60 per cent of the displaced population do not live in camps anymore but in towns and cities across the globe where they seek refuge in search of safety, livelihood opportunities and access to services. The absorption capacity and resources are often already strained in these urban areas, challenging social cohesion, fueling the growth of informal settlements, and increasing the competition over scarce resources, including affordable housing.

There is an urgent need to develop a better shared understanding of the complexities of urban crises to guide effective urban crisis prevention and response. Strengthening engagement between local governments and humanitarian, development, and peace actors, should go hand in hand with a human settlements approach to urban crisis response, including refugee situations and protracted urban displacement. Every opportunity needs to be seized to build the resilience of human settlements against the complexity of crises affecting our cities and human settlements. This should help to scale up disaster preparedness and anticipatory action in cities and human settlements and making sure that building back better includes building back communities and restoring the social contract.

UN-Habitat's role in addressing this priority is to help make available the science, research, and the data on the future of urban crises to local governments so they can mobilize the political will and resources to take the needed actions at scale and shift fundamental policies and practices to prevent crises. UN-Habitat is uniquely positioned to initiate more sustainable and durable solutions from the start during an urban crisis response across the humanitarian, development, and peace nexus, helping cities and human settlements to recover quicker, putting them back

²¹ <u>Children, Cities and Housing: Rights and Priorities. Discussion paper. UN-Habitat, Habitat for Humanity</u> and UNICEF (2022).

²² Global Trends Report 2022. UNHCR (2022).

²³ <u>Groundswell: Preparing for Internal Climate Migration. World Bank (2018).</u>

²⁴ <u>UNHCR's Refugee Population Statistics Database</u>, accessed on 16 May 2024.

on track towards more transformational development trajectories and contributing, where possible, to broader stability and peace.

This will require UN-Habitat to strengthen UN-Habitat's engagement in the humanitarian Inter-Agency Standing Committee and the cluster system; work closely with actors focused on stabilization of fragile settings and sustaining peace; further strategic partnerships with UNHCR, IOM, UNDP, UNDRR and FAO and continuing its convening role through different multistakeholder platforms such as the Global Alliance for Urban Crises, the EarlyWarning4ALL, etc.

4.4 Proposed goals

To address the priorities in the period of 2026-2029 UN-Habitat will pursue the following goals in partnership with all levels of government and relevant stakeholders, elaborating normative guidance and engage in collaboration on policy development and institutional settings:

4.4.1 Enable more effective multi-level governance of human settlements and their systems

The adoption of the "leaving no one behind principle" entails the re-shaping of current governance models, based on inclusive and effective multilevel governance and whole-of-society approaches, ensuring the recognition and participation of all voices.

Effective multilevel governance is an accelerator of transforming the Sustainable Development Goals into reality at the local level, since implementation of global goals is essentially grounded in a set of institutional and policy-making arrangements that engage a multiplicity of politically independent, but interconnected, societal actors at different levels. It provides a distinct lens on policymaking processes centered on cohesive leadership, vertical coherence, and horizontal coordination for improved service delivery - by and among all spheres of governance.

The United Nations Secretary-General established the Advisory Group of Local and Regional Governments to shape the narrative and role of local and regional governments within multilateral agreements and global governance from the bottom up. The Group membership portrays a multilevel and whole-of-society approach, counting with 5 national governments representatives, and 15 local and regional governments representatives.

UN-Habitat is well positioned to advance attainment of this goal as a permanent co-chair of the Local2030 Coalition and its role providing overall support to the Secretary-General's Advisory Group on Local and Regional Governments. Within the United Nations system, the Local2030 Coalition strengthens coordination between the United Nation agencies, offices, funds, and programmes, and helps them expand and deepen their partnerships with local actors, especially local and regional governments, to achieve Agenda 2030. Thus, the Local2030 Coalition works to create a renewed multilateral system based on vertically and horizontally coordinated actions, for the fulfillment of the global development agendas.

4.4.2 Promote integrated spatial planning and finance for sustainable urbanization across all territorial scales

to improve equitable productivity and quality of life for all, through improved urban form and patterns, reduced spatial inequality at all scales, and enhanced effectiveness of investments.

Integrating spatial planning and finance entails the consideration of financing strategies as integral part of the planning and design process, to close the gap in implementation. This will also improve strategic prioritization of investments for sustainable development and their leverage.

This goal will be supported by UN-Habitat promoting the integration of urban development into national development planning with a focus on managing the territorial organization of urbanization, the planning of systems of human settlements in the rural-urban continuum, the integrated urban planning and design of individual cities and human settlements, neighborhoods and public spaces, the preparation of integrated urban regulations, plans and urban projects, and the development and support of financing strategies for implementation.

4.4.3 Support evidence-based policies and plans through improved capacity building, knowledge, data, digital tools, and foresight

UN-Habitat will build on and strengthen its role as a global thought leader and convener to influence and inspire an accelerated implementation of the 2030 Agenda and the New Urban Agenda. UN-Habitat will continue and scale its work in narrowing the gap in urban data and knowledge, guiding by the monitoring requirements of SDG 11 and the NUA, to support policy formulation and execution. This will build on the opportunities related to the newly endorsed methodology for delineation of cities and urban and rural areas²⁵ will also allow a better understanding of urbanization and spatialization of SDG data. Furthermore, UN-Habitat will focus on foresight and understanding of the latest global and regional trends and transitions, to steer the global debate and prioritization of actions. This will allow further generation of knowledge and normative guidance, identify policy gaps, building on good practice. UN-Habitat will also work closely with national and local governments to identify and respond to capacity gaps for the implementation of the New Urban Agenda and Agenda 2030. The immense potential of digital technology and innovation will be leveraged through application in both knowledge generation and technical cooperation with Member States.

5. Next steps

The Secretariat of UN-Habitat will continue engaging Member States and key stakeholders through structured dialogues facilitated by UN-Habitat's Task force and its Secretariat. This section outlines the immediate next steps and proposed roadmap of consultations with the Member States.

5.1 Moving forward to programming action to attain the goals

Once the Member States have reviewed the proposed priorities and goals as outlined above in this background paper at the second retreat, the Secretariat will rework the proposals reflecting the positions of the Member States capturing the consensus from the retreat, and the alternatives of divergent opinions. Then the revised priorities and goals shall be sent to the Member States for validation before July 2024. Once validated, the Secretariat shall work on the proposed actions that UN-Habitat should take to attain the agreed goals, and then share the proposal with the Member States to be deliberated at the third retreat to take place tentatively in early September 2024.

Based on the results of the second and third retreats, a draft strategic plan will be shared with the Member States for deliberations at the second session of the Executive Board in December 2024, and further to the First session of the Executive Board in 2025, and finally to the resumed Second session of the UN-Habitat Assembly in May 2025. Throughout the period, the Secretariat will identify suitable sessions of UN-Habitat's intergovernmental meetings to present progress.

²⁵ E/2020/24-E/CN.3/2020/37.

5.2 Proposed roadmap for MS consultations

DATE	ACTIVITY	FORMAT
May 30	MS Dialogue 5: priority challenges, role of UN-Habitat, goals	MS retreat 2
	Deep dive: MS inputs and discussions on the priorities and goals UN- Habitat plans to address in the SP 2026-2029.	•
	Expected outcomes: Member States review the priorities and goals for the SP 2026-2029 to guide the revision and finalization of these elements	
	INTERIM CONSULTATIONS IN WRITING	+
July 4	Discussion of priorities for Asia-Pacific and China	ASEAN+China
End of August	Proposed actions shared in writing for review Of the Member States	1
Sep 4-6	First Africa Urban Forum	1
Sep date tbd	MS Dialogue 6: action to be defined in the SP discussed	MS retreat 3
	Deep dive: MS inputs and discussions on the draft proposed actions of UN-Habitat to achieve the goals;	•
	Expected outcomes: Member States share their views and deliberate on the proposed draft action of UN-Habitat during 2026-2029 to attain the goals, directing the drafting of this part of the plan;	
July to Sep	Consultations with regional groups in Nairobi	•
dates tbd	Expected outcomes: regional perspectives to address specific contexts	
Sep 27 tbc	Advanced draft of SP submitted to MS	1
	Expected outcomes: statements of the MS on the draft SP at the EB session	
Nov 4-8	World Urban Forum, Cairo, Egypt	+
Dec 3-5 2024	MS Dialogue 7: SP draft endorsed in principle; action discussed	EB
	Expected outcome: Member States discuss and take note of the advanced draft of the SP, to inform revision of the drafting	•

Jan-Feb 2025 tbd	MS Dialogue 7bis: further discussion of UN-Habitat's actions to attain the goals of the Strategic Plan 2026-2029	AHWG PBA tbd
	Expected outcome: consensus of the Member States on the action enabling the Task Force to complete the drafting of the Strategic Plan 2026-2029	· · · · · · · · · · · · · · · · · · ·
Mar 2025	MS Dialogue 8: SP final draft endorsed	EB
	Expected outcome: Member States review the SP 2026-2029 and transmit it to the resumed 2nd session of the UN-Habitat Assembly	
May 29-31	SP presented to the UN-Habitat Assembly	UNHA 2
	Expected outcome: Member States review and adopt the Strategic Plan of UN-Habitat for 2026-2029.	