

DONOR RELATIONS AND INCOME STRATEGY 2018-2019

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I. MISSION AND OBJECTIVES

1. The main goal of the 2018-2019 donor relations and income strategy is to increase the level, predictability and flexibility of income for UN-Habitat’s income to enable the organization to enable the organization to effectively execute its mandate of promoting sustainable urbanization and effectively implement the approved strategic plan 2014-2019 and the programme of work for 2018-2019. The strategy for 2018-2019 takes into account the performance and results of the previous resource mobilization strategies, particularly the just completed 2016-2017 strategy, and important developments influencing the future direction of UN-Habitat. These include:
 - a) UN-Habitat’s focal point role in supporting the New Urban Agenda as a vehicle for implementing the urban dimensions of the SDGs and the Implementation Facility for Sustainable Urban Development (IFSUD) financial instrument to mobilize funding for urban initiatives under Agenda 2030
 - b) Reforms to UN-Habitat’s governing structure and review of its financial, and administrative rules and regulations to be completed by Member States in June 2018 whose results will bring implications for UN-Habitat’s funding
 - c) UN-Habitat’s ongoing internal reforms leading to an organization that is trusted, transparent, accountable, efficient, effective and collaborative, and whose expertise is relevant, valued and in demand
 - d) New integrated programming approach to achieve larger multi-thematic programmes that deliver greater impact; this approach promotes more collaborative fundraising and coordinated approaches to donors
 - e) Wider UN reforms being led by the Secretary General, which include more harmonised programming and hence resource mobilization among UN Agencies;

II. CURRENT SITUATION

A. Global trends

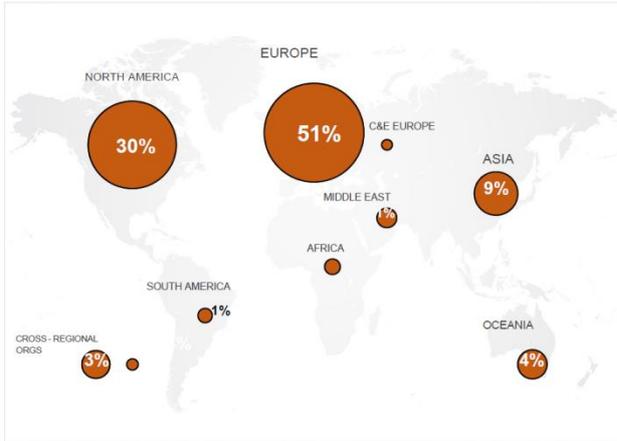
2. Data from the International Fund Raising Leadership consortium of 16 leading development and humanitarian organizations including UNICEF and UNHCR show increasing reliance on non-governmental sources of funding compared to UN-Habitat. Funding sources by donor type and region are provided below compared to the sources of funding for UN-Habitat’s work in 2016-2017. The data shows that UN-Habitat relies more on Government funding and in its strategy to **broaden its donor base**, the organization should **explore individual giving**, among its options as it provides the second leading source of funding for other organizations and is facilitated with new technology.

Funding to development and humanitarian work globally	
Partner type	Percentage of contributions
Governments (public funds)	51.5%
Individual giving	35.2%
Other	5.2%
Private Sector	4.3%
Foundations	3.8%

Source: International Fund Raising Leadership consortium - 2016

Funding to UN-Habitat in 2016-2017	
Partner Type	Percentage of contributions
Governments	76.5%
United Nations	13.6%
Private Sector	4.4%
Local Authority	1.9%
Civil Society	1.9%
Other	1.1%
Inter-governmental organization	0.8%

- Europe and North America account for 81% of funding in 2016

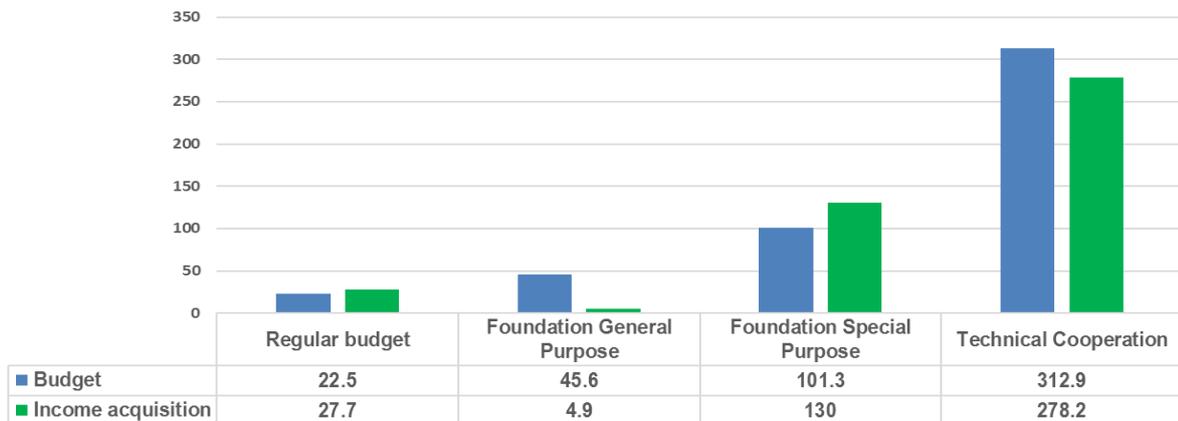
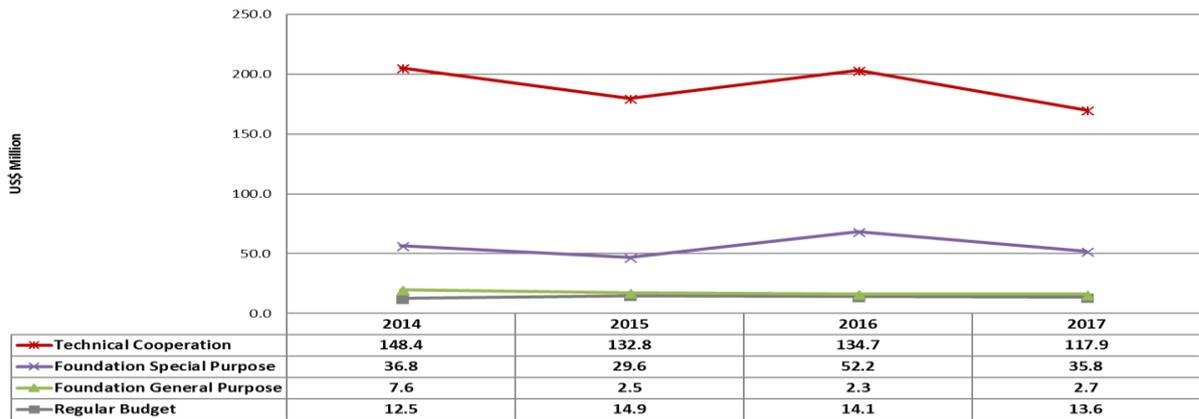


Funding to UN-Habitat in 2016-2017	
Donor region	Percentage
Europe	50%
North America	15%
Asia Pacific	14%
Other	14%
Latin America and the Caribbean	4%
Africa	2%
Arab States	1%
Eastern Europe	1%

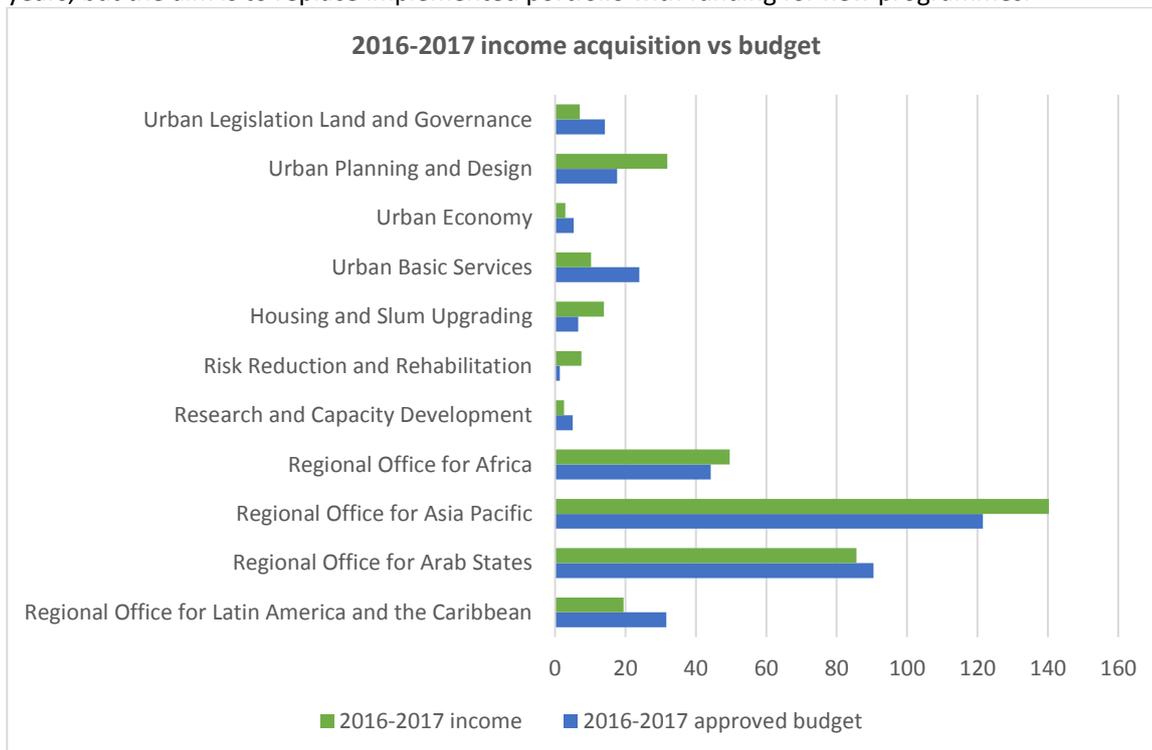
3. In terms of sources of funding by region, the data also shows opportunities for **increasing UN-Habitat's funding from North America** where other development and humanitarian organizations derive 30% of their funding compared to 15% for UN-Habitat.

B. Performance in 2016-2017

Revenue trends: 2014 to 2017



4. UN-Habitat’s 2016-2017 donor relations and income strategy focused on increasing the level of the organization’s income, widening its donor base and establishing long term relations with donors based on clear policy guidance and coordination as well as effective support for the organization’s decentralised resource mobilization model.
5. **Overall funding** - During the biennium, UN-Habitat mobilised US\$438.8 million representing **90% of its total biennial budget** of US\$482 million.
6. **Non-earmarked funding** – On the positive side, the decline in non-earmarked contributions was reversed with contributions increasing by 15% annually in 2016 and 2017. Also, as a result of consistent appeals and bilateral meetings, new countries contributed non-earmarked contributions in 2016-2017 including Côte d’Ivoire, Eritrea, France, Haiti, Namibia, Philippines, Sierra Leone, Slovakia, Zambia and Zimbabwe while Barbados, China and South Africa increased the level of their contributions. Nevertheless, the main funding gap remains in voluntary non-earmarked contributions for the core normative work of the organization where only 11% of the approved budget was secured leaving a funding gap of US\$40.7 million – **a better strategy to secure more unearmarked flexible funding remains a priority**.
7. **Earmarked funding for normative programmes** - The strategy to address the shortfall in unearmarked funding by mobilizing higher levels of earmarked funding for normative work was successful with contribution agreements for **earmarked normative programmes** reaching US\$130 million, **28% higher than biennial budget** figures. Increased earmarked, however, results in less flexible funding with some areas which donors do not priorities not achieving income levels required to cover planned budgets.
8. **Performance by organizational unit** - The chart below shows income acquired in 2016-2017 compared to resource requirements. It is worth noting that implementation also draws on fund balances from previous years, but the aim is to replace implemented portfolio with funding for new programmes.



9. Even for those strategic themes that achieved their income targets, the level of earmarking meant that some sub-themes were not covered, e.g. there was adequate resources for land but not legislation; youth but not municipal finance and participatory slum upgrading but not other areas of housing. Market research using OECD data confirms that housing, water and sanitation, and research and capacity building are not prioritised and regions with the least funding are Latin America and the Caribbean and Europe. An improved **strategy to reduce earmarking** is therefore required.

10. Outputs from the 2016-2017 strategy that are complete include a Donor Information System to supported coordinated resource mobilization, about to be launched, development of the IFSUD multi-partner trust fund, customised market research and funding opportunity platforms which resulted in a US\$2 million agreement, and consultations with donors which have resulted in broader earmarking by Sweden and Norway. Activities to be completed include a resource plan for the new urban agenda which should be part of the 2020-2025 strategic plan, establishing a central repository of reports to donors, as well as policies and procedures to improve coordination of engagement with donors.

C. Donor Survey

11. In 2017, UN-Habitat carried out a donor survey, as recommended by the Office of Internal Oversight Services (OIOS) and followed this up with an internal survey leading up to the development of the 2018-2019 strategy. Main recommendations coming of these two surveys are outlined below:

1. Focused mandate:

- make clear **role of UN-Habitat** in supporting sustainable urbanization, SDGs, New Urban agenda
- clarify **normative mandate** at global, regional and country levels
- clarify how we work with partners and **role of partners** in collaborative frameworks

2. More **appropriate operational model** to increase efficiency, easier to work with partners

3. Improve **trust, transparency, accountability**

- Communicate **results**
- **timely transparent reports** of consistent quality and accuracy demonstrating value for money
- clear corporate reports that show the whole picture

4. **Broader donor base**

- **Pooled funds** (Adaptation Fund, GLTN; working on accreditation to Green Climate; IFSUD)
- **Private sector** partnerships (build on success e.g. Block by Block)
- **Local authorities** (e.g. build on success of City Prosperity Initiative particularly in Latin America)
- Build strategic relationships with **emerging economies** responding to rapid urbanization
- Feasibility of individual giving e.g. for humanitarian related work (other actors get 35.2%)
- Enhanced presence in Geneva and New York to access funding for humanitarian programmes

5. **Strengthen existing partnerships**

- Longer framework agreements on shared priorities and goals; greater **impact, predictable** funding
- Integrated programmes
- Involve partners in building a new vision for the organization
- Improve internal coordination

6. **Investment in new acquisition** – need to find a mechanism for this

D. Resource Mobilization Steering Committee

12. The Resource Mobilization Steering Committee reviewed progress made towards achieving the targets in the donor relations and income strategy and made the following main recommendations which need to be taken into account by the 2018-2019 strategy:

- a) **Improved coordination of funding proposals and donor contacts** through improved policies, procedures, systems, more transparency on pipeline projects, and greater engagement among donor focal points and donor relations unit to achieve more coordinated proposals and contacts with donors
- b) More **resources including personnel for resource mobilization** including those of the Donor Relations and Income Management Unit
- c) More **timely, standardised quality financial narrative reports** to donors accessible from a central repository for refence and improved relations with donors
- d) Better and earlier **monitoring of contribution agreements** to prevent returns of funds to donors and high level of long term overdue contributions which pose a high risk to the organization

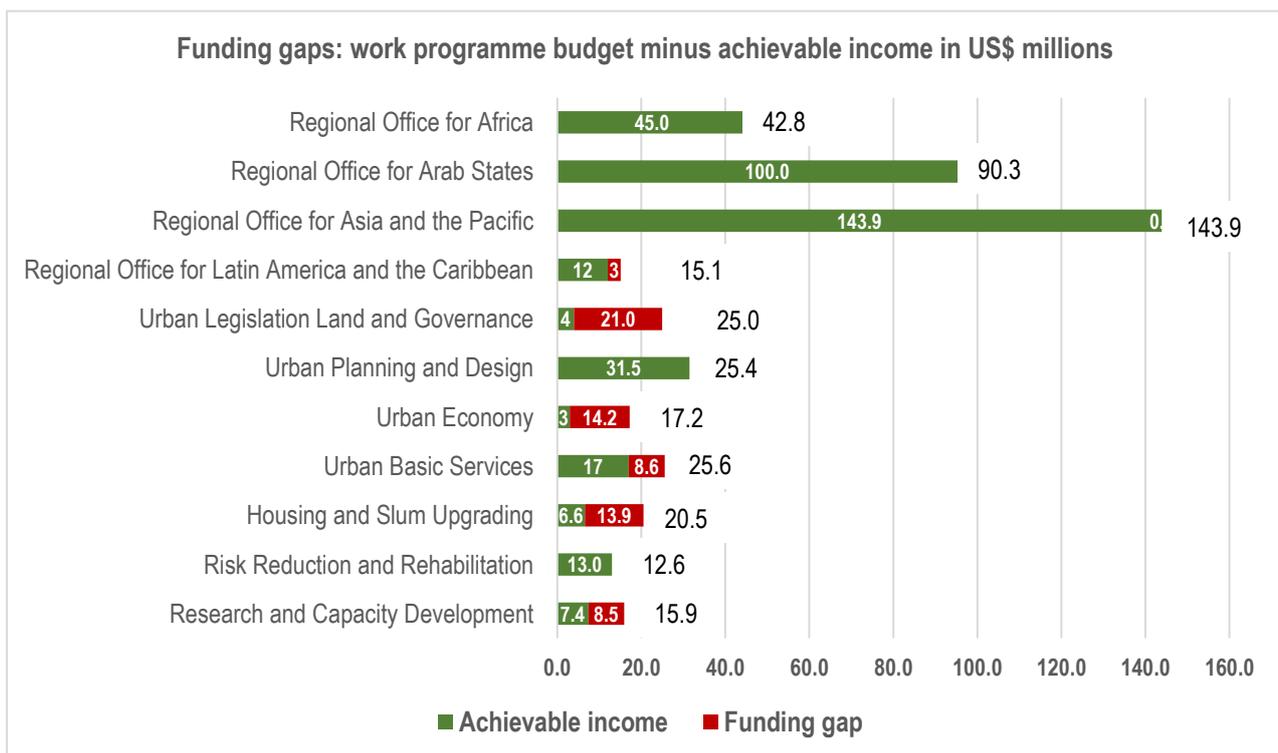
III. RESOURCE REQUIREMENTS FOR 2018-2019

A. Projected funding gaps in 2018-2019 based on November 2017 projections

13. The 2018-2019 work programme budget outlines resource requirements for the biennium. These requirements were arrived after consultations with Branch Coordinators and Regional Offices. According to the work programme budget, resource requirements for voluntary non earmarked resources amount to US\$26 million while those for earmarked resources are provided in the table below for each Branch and Regional Office.

Branch / Region	2018-2019 Budget
Urban Legislation Land & Governance	25.0
Urban Planning and Design	25.4
Urban Economy	17.2
Urban Basic Services	25.6
Housing and Slum Upgrading	20.5
Risk Reduction and Rehabilitation	12.6
Research and Capacity Development	15.9
Regional Office for Africa	42.8
Regional Office for Asia Pacific	143.9
Regional Office for Arab States	90.3
Regional Office for Latin America and the Caribbean	15.1

14. In November 2017, Branch Coordinators and Regional Directors were asked to assess the feasibility of



securing income to cover resource requirements in the 2018-2019 work programme budget and to provide updated income targets that were achievable based on updated information. The targets provided in November indicate funding gaps in Urban Legislation and Governance, Urban Economy, Urban Basic Services and Housing and Slum Upgrading; (*projected gap for Asia Pacific closed as region has exceeded initial projections*).

IV. PROPOSED STRATEGY

16. The proposed strategy for 2018-2019 takes into account the following main considerations:
- a) implications of major development such as the New Urban Agenda, SDGs, governance reform, Secretary General SG’s reform and the UN-Habitat internal reform including moving.
 - b) donor trend analysis
 - c) recommendations from OIOS audit on resource mobilization, surveys of donors, UN-Habitat staff, resource mobilization steering committee as well as ongoing negotiations with development partners
 - d) resource requirements in the 2018-2019 programme work, income projections from managers as well as figures on current and past performance

The results matrix below:

- i) lists the main actions to achieve expected results,
- ii) shows which actions are included in UN-Habitat vision priority actions for a new vision – it is assumed that budget for these actions is part of the reform package
- iii) shows financial resource requirements \$ (less than 100K), \$\$ (100-500K), \$\$\$ (over 500K),
- iv) gives the priority of the actions (High 1, Medium 2, Low 3)
- v) indicates which are quick wins
- vi) shows which offices are responsible for the actions

EA 1 Increase level of non-earmarked funding					
Indicator: Increase in Foundation General Purpose by at least 100% to US\$5.2 million from US\$2.6 million per annum					
Actions to achieve Expected Accomplishment:	Part of vision priorities	Priority	Resources	Quick win	Lead and supporting offices
1. Successful completion of reforms on Governance and financial and administrative rules	Yes	1	\$	Quick Win	Executive Office
2. Successful completion of internal reforms showing niche of UN-Habitat	Yes	1	\$\$\$		Executive Office
3. Continued appeals to Member States for non-earmarked resources championed by the Executive Director – includes: a) visits to capitals, b) joint consultations with field visits, c) letters twice a year to Member States, d) annual reporting on what outputs produced by core funds, e) MoUs with Governments with clauses on non-earmarked funding	No	1	\$\$	Quick win	Executive Office, Donor Relations
4. Clear collaborative partnership frameworks showing who does what on sustainable urbanization	Yes	1	\$\$\$		External Relations
5. Holistic and transparent organizational report on resource requirements, resource usage and funding gaps by thematic area and region	Yes	1	\$	Quick win	Donor Relations, All to update content
6. Updated content on International Aid Transparency Initiative platform and global interactive map of what themes delivered where around the world	No	1	\$	Quick win	Donor Relations, All to update content

7. Up to date content on UN-Habitat website on the organization's work demonstrating impact including enhanced website for Member States	Yes	1	\$\$		External Relations
8. Feasibility study and subsequent strategy on individual giving	No	2	\$\$		Donor Relations

EA.2 Greater strategic engagement with donors with less earmarking of funds

Indicator: Increase in multi-year framework agreements for global programmes from BASELINE to TARGET

Actions to achieve Expected Accomplishment:	Part of vision priorities	Priority	Resources	Quick win	Lead and supporting offices
9. Request policies and strategies from key development partners and negotiate multi-year soft-earmarked framework agreements for large impact programmes based on joint strategic priorities	No	1	No	Quick win	Donor Relations, Legal, Executive Office
10. Integrated programmes for presentation to strategic partners	Yes	1	\$\$\$		Programme Division

EA 3 Broader donor base with less earmarking of funds

Indicator:

Actions to achieve Expected Accomplishment:	Part of vision priorities	Priority	Resources	Quick win	Lead and supporting offices
11. Strengthen efforts into accreditation of Green Climate fund and other pooled funds	No	1	No	Quick Win	Programme Division
12. Implementation Facility for Sustainable Urbanization (IFSUD): finalise establishment and secure funding and broader engagement of partners	Yes	1	\$\$\$		External Relations
13. Update and launch strategy to enhance partnerships with the private sector building on experiences with Block by Block, Ericsson, Here be Dragons and similar initiatives	Yes	1	\$\$		External Relations
14. Increase level of engagement with local authorities building on success of City Prosperity Initiative	No	2	\$\$		Research and Capacity Building
15. Approach new donors proposed by Branches and Regions in their responses to 2018-2019 strategy	No	2	No	Quick Win	All offices, Donor Relations
16. Undertake market research to increase donor base and partnerships with special focus on North America (based on global trends), particularly with Foundations, private sector and academic institutions	No	2	\$	Quick Win	Donor Relations
17. Publish calendar of global, regional events attended by relevant donors to support resource mobilization efforts	No	2	No	Quick Win	Donor Relations
18. Improve engagement with UN-partners and the private sector					

EA 4.1 Improve relations with donors through efficient and effective coordinated decentralised fund raising

Indicator: Feedback from donor survey to be undertaken in 2019

Actions to achieve Expected Accomplishment:	Part of vision priorities	Priority	Resources	Quick win	Lead and supporting offices
19. System to facilitate timely, accurate transparent reports to donors for all programmes including reporting on cost recovery, agree on standard template and automate	Yes	1	\$\$		All offices, Donor Relations
20. Improved annual report: results based, transparent financial reporting, progress on implementation of strategic plan	No	2	\$	Quick Win	Management and Operations, Programme Division
21. Up to date information on UN-Habitat's work giving donors highlighting impact	Yes	1	\$\$		External Relations

22. Paper for donors explaining cost recovery, overheads and to assist budget negotiations and accurate reporting	No	2	No	Quick Win	Donor Relations
23. Joint consultations with Member States and other donors in all regions at least once a year	No	1	\$\$	Quick Win	Regional Offices, Executive Office, Donor Relations

EA 4.2: Improve relations with donors through efficient and effective coordinated decentralised fund raising

Indicator: a) Reduced levels of returns to donors; b) reduced level of long term high risk overdue contributions; c) reduced number of uncoordinated approached to donors

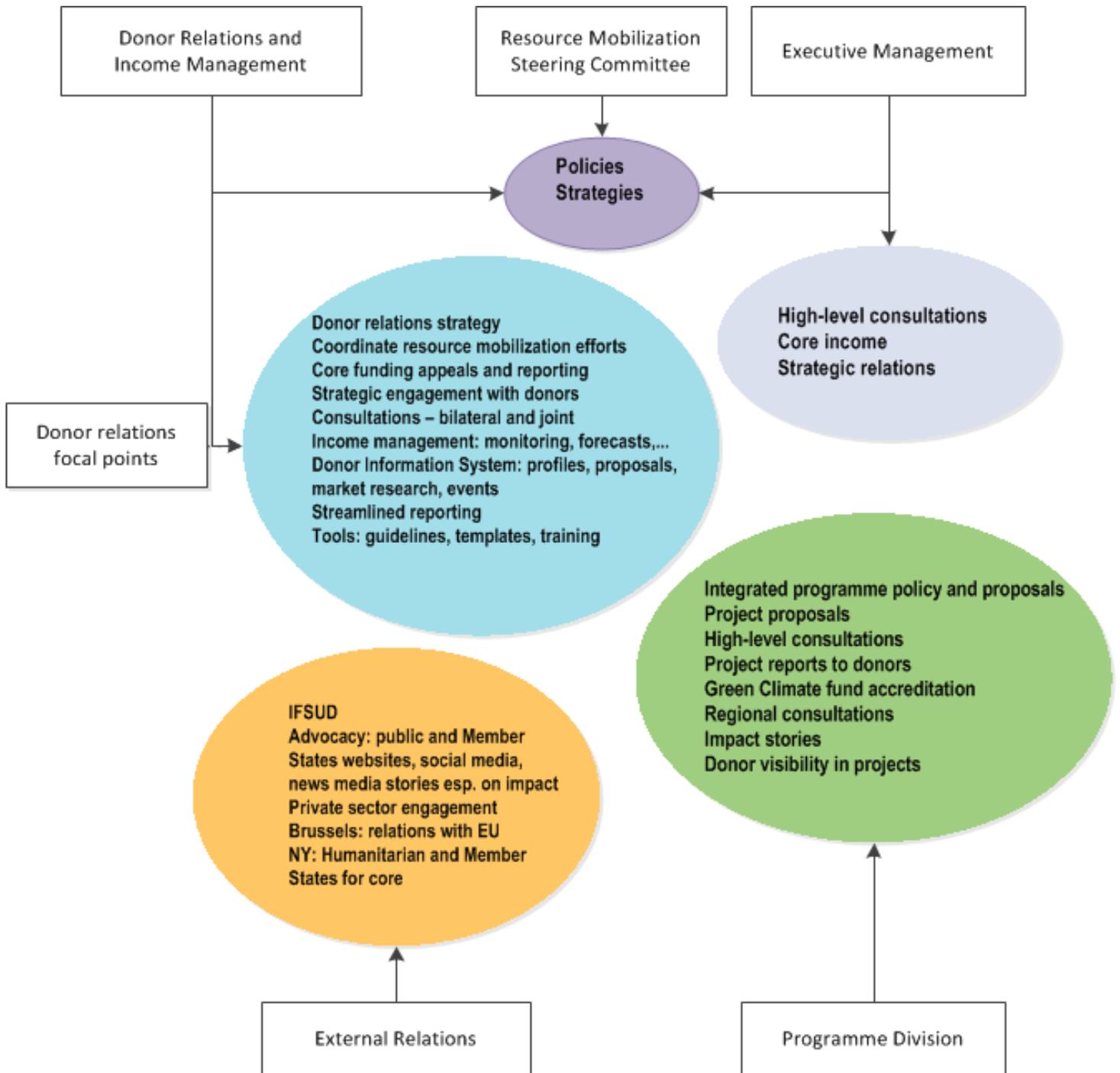
Actions to achieve Expected Accomplishment:	Part of vision priorities	Priority	Resources	Quick win	Lead and supporting offices
23. Policies to support better coordination of fundraising efforts: includes policy on fundraising for integrated programmes	No	1	No	Quick Win	Donor Relations
24. Standard Operating Procedures to support better coordination of fundraising efforts includes donor visibility guidelines	Yes	1	No	Quick Win	Donor Relations
25. Donor Information System to support standardisation and coordinated decentralised resource mobilization model: includes donor profiles, donor contacts, repository of funding proposals and opportunities, training and other resources	No	1	\$	Quick Win	Donor Relations
26. Central repository of all reports sent to donors from all offices	No	2	\$	Quick Win	All offices
27. Enhanced monitoring of contribution agreements to minimise returns to donors, negotiate early extensions and reduce high risk overdue contributions from donors	Yes	1	\$	Quick Win	Donor Relations
28. Income projections, monitoring of approved budgets against income and level of funding gaps to inform fundraising efforts and management decisions	No	2	No	Quick Win	Donor Relations
29. Regular meetings of donor focal points and Resource Mobilization Steering Committee for better coordination and monitoring of donor contacts	No	1	No	Quick Win	Donor Relations

V. ACTION PLAN 2018-2019

ID	Task Name	4th Quarter				3rd Quarter				2nd Quarter				1st Q		
		Sep	Nov	Jan	Mar	May	Jul	Sep	Nov	Jan	Mar	May	Jul	Sep	Nov	Jan
1	Policy and strategy development															
2	Donor relations and income strategy 2018-2019															
3	EA 1 - Increased non-earmarked funding															
4	Governance Reforms															
5	Internal Reforms															
6	Bilateral meetings with Member States															
7	Requests for core funds from Member States															
8	Reminder requests for core funds to Member States															
9	Requests for core funds to Member States - 2019															
10	Reminder requests for core funds to Member States 2019															
11	Design improved format for regular reporting to Member States															
12	Updated content on open.unhabitat.org															
13	Updated UN-Habitat website including extranet for Member States															
14	Feasibility study on raising funds from individuals															
15	MoUs with Member States incorporating core income clause															
16	EA 2 - Increased soft earmarked funding															
17	Database of policies and strategies of key development partners															
18	Integrated programme proposals															
19	New multi-year framework agreements															
20	EA 3 - Broaden donor base															
21	Accreditation to Green Climate Fund															
22	IFSUD establishment, funding and partnerships															
23	Develop private sector fundraising strategy															
24	Implement private sector fundraising strategy															
25	Proposals to new donors proposed by Branches and Regions															
26	Market research on donors esp. North America, Foundations, Private Sector															
27	Market research funding opportunities															
28	Global events attended by relevant donors															
29	EA 4.1 Improve relations with donors: trust, accountability, transparency															
30	Standardised timely narrative and financial reports to donors															
31	Enhanced annual report															
32	Updated information on UN-Habitat website and other publishing platforms highlighting impact															
33	Information paper for donors to include explanation cost recovery, overheads and services price list															
34	Joint consultations in all regions															
35	Systematic timely receipting for all funds received															
36	EA 4.2 Improved relations with donors: coordination and efficiency															
37	Policies and procedures to improve fundraising coordination															
38	Donor Information System launch and enhanced reports															
39	Central repository of donor reports															
40	System for regular monitoring and reporting on returns to donors															
41	System for regular monitoring and reports on overdue contributions															
42	Income projections, funding gap analysis for fundraising and management decisions															
43	Donor visibility guidelines															
44	Donor focal point meetings															
45	Resource Mobilization Steering Committee meetings															

Project: Project1 Date: Mon 07/05/18	Task		Inactive Summary	
	Split		Manual Task	
	Milestone		Duration-only	
	Summary		Manual Summary Rollup	
	Project Summary		Manual Summary	
	External Tasks		Start-only	
	External Milestone		Finish-only	
	Inactive Task		Deadline	
	Inactive Milestone		Progress	

ROLES AND RESPONSIBILITIES



V. RESOURCE REQUIREMENTS NOT INCLUDED IN PRIORITY ACTIONS BUDGET FOR UN-HABITAT'S NEW VISION

Activity	Budget 2018	Budget 2019	Budget 2018-19
EA 1 Increase level of non-earmarked funding			
Continued appeals to Member States for non-earmarked resources championed by the Executive Director – includes: a) visits to capitals, b) joint consultations with field visits, c) letters twice a year to Member States, d) annual reporting on what outputs produced by core funds, e) MoUs with Governments with clauses on non-earmarked funding	90,000	90,000	180,000
Updated content on International Aid Transparency Initiative platform and global interactive map of what themes delivered where around the world	50,000		50,000
Feasibility study and subsequent strategy on individual giving	30,000		30,000
EA 3: Broaden donor base			
Approach new donors proposed by Branches and Regions in their responses to 2018-2019 strategy			-
Undertake market research to increase donor base and partnerships with special focus on North America (based on global trends), particularly with Foundations, private sector and academic institutions	24,000	24,000	48,000
Publish calendar of global, regional events attended by relevant donors to support resource mobilization efforts			-
EA 4.1: Improve relations with donors through enhanced trust, transparency and accountability			
Improved annual reporting: results based, transparent financial reporting, progress on implementation of strategic plan	25,000		25,000
Paper for donors explaining cost recovery, overheads and to assist budget negotiations and accurate reporting			-
EA 4.2 Improve relations with donors through efficient and effective coordinated decentralised fund raising			
Policies and monitoring to support better coordination of fundraising efforts: includes policy on fundraising for integrated programmes (includes P5 staff position currently vacant)	250,000	250,000	500,000
Donor Information System to support standardisation and coordinated decentralised resource mobilization model: includes donor profiles, donor contacts, repository of funding proposals and opportunities, training and other resources	50,000	10,000	60,000
Central repository of all reports sent to donors from all offices	30,000	30,000	60,000
Enhanced monitoring of contribution agreements to minimise returns to donors, negotiate early extensions and reduce high risk overdue contributions from donors	36,000	36,000	72,000
Income projections, monitoring of approved budgets against income and level of funding gaps to inform fundraising efforts and management decisions	24,000	24,000	48,000
Regular meetings of donor focal points and Resource Mobilization Steering Committee for better coordination and monitoring of donor contacts			-
Total	609,000	464,000	1,073,000

ANNEX 1: DONOR MAPPING: POTENTIAL DONORS PROPOSED BY BRANCHES AND REGIONS

Branch / Region	Potential new donors for your region or branch	Donor category:*	Donation size**
ULLG	DFID	Government	Large
ULLG	USAID	Government	Large
UPD	German International Climate Initiative (IKI)	Government	Medium
UPD	Adaptation Fund	Multi-lateral	Medium
UPD	European Climate Foundation	Foundation	Small
UPD	Additional UNDA projects	UN	Small
UPD	China, Russia and CIS countries, Nigeria (Niger State),	Government	
UPD	Intergovernmental Authority on Development (IGAD) – for humanitarian collaboration	Inter-governmental	Small
UPD	e.g. Human Security Trust Fund	UN Trust funds	Medium
UPD	e.g. Gates Foundation	Foundations, Philanthropy	Small to Medium
UPD	Local governments for own city programmes	Local governments	Small
UPD	e.g. Lafarge Holcim	Private Sector	Small
UE	Norway, Sweden	Government	Large
UBS	IKI – BUMB / Germany	Government	Medium
UBS	Nordic Climate Facility		Small
UBS	Governments of Italy, Japan, and Kenya	Government	Small
UBS	Grundfos, Uber, and Mobike	Private sector	Small
UBS	Other UN agencies (UNSOS, UNDAP – Tanzania, UNDP, UN Water, Nigeria)	UN	Small / Medium
UBS	International Organisation of Francophonie	Other	Small
UBS	CDB and IsDB	Financial Institutions	Medium
UBS	Green Climate Fund		Medium
UBS	Global Sanitation Fund		Large
HSU	Co-financing for the PSUP	Governments	Medium
HSU	Contributions for up-scaling slum upgrading and prevention	Financing Institutions	Medium
HSU	Inclusive slum transformation	Foundation	Small
HSU	Financing strategy for smart, green and inclusive transformation in China	Other	Small
HSU	Global Housing Strategy	Governments	Small
HSU	Housing and Youth	Foundation	Medium
HSU	Affordable Housing Programme for Africa	Financial Institution	Medium
RRR	Insurance Companies	Private Sector	Medium
RRR	City Administrations	Local Authority	Small
RRR	National Ministries of Foreign Affairs	Government	High
RRR	EC – DEVCO	Inter-governments	High
RCD	Russia – for Artificial Intelligence search engine	Government	
RCD	ICT, and tech companies – data research	Private Sector	
RCD	EU Space Agency, EU	Inter-governmental	
RCD	Rockefeller with other UN agencies	Foundation	
ROAF	Adaptation Fund	Other	Large
ROAF	South Africa	Government	Small
ROAF	European Union	Other	Medium
ROAF	Kenya County Governments	Government	Large in total
ROAF	UN Coherence Fund	Other	Small
ROAF	French Cooperation	Government	Small
ROAF	Uganda	Government	Small

Branch / Region	Potential new donors for your region or branch	Donor category:*	Donation size**
ROAF	Botswana	Government	Small
ROAF	Nigerian State Governments	Government	Large in total
ROAP	Gov of China / Belt and Road	Government	Medium
ROAP	Govt of India	Government	Medium
ROAP	Netherlands	Government	Large
ROAP	Sri Lanka	Government	Small
ROAP	Chinese institutions	Government	Small
ROAP	IKI Germany	Government	Small
ROAP	Green Climate Fund	Foundation	Medium
ROAP	Adaptation Fund	Multilateral	Medium
ROAP	GEF	Multilateral	Small
ROAP	Local Authorities	Local Authority	Small
ROAS	Adaptation Fund (AF)	Multilateral	Medium
ROAS	Green Climate Fund (GCF)	Multilateral	Medium
ROAS	International Climate Initiative (IKI)	Government	Medium
ROAS	EU Instrument for Peace and Stability	Financial Institution	Medium
ROAS	Ford Foundation	Foundation	Small
ROAS	GCC donors for other countries in the Arab region	Government, Private Sector, Financial Institution	Medium - large
ROAS	EC - ECHO	Inter-governmental	Medium - large
ROAS	EC - DEVCO	Inter-governmental	Medium - large
ROAS	European donors, especially Nordic donors, Germany and Switzerland	Government, Private Sector, Financial Institution	Small - medium - large
ROAS	USA	Government	Large
ROAS	World Bank	Financial Institution	Large
ROLAC	SIDA	Government	Medium
ROLAC	COSUDE	Government	Small
ROLAC	Local Governments in main Hubs/Multi-country Offices	Local Authority	Small
ROLAC	Ministries in selected MIC	Local Authority	Small
ROLAC	Medium Size Development Banks (BCIE, Fonplata, CDB)	Financial Institution	Small
ROLAC	Development Banks	Financial Institution	Small

*Donor categories: Government, Private Sector, Local Authority, Financial Institution, Foundation, Other

**Donation size: Small:< USD1M; Medium: From USD1-10M; Large: Over USD10M

ANNEX 2: RESOURCE MOBILIZATION TRENDS, GOALS PER BRANCH AND REGION

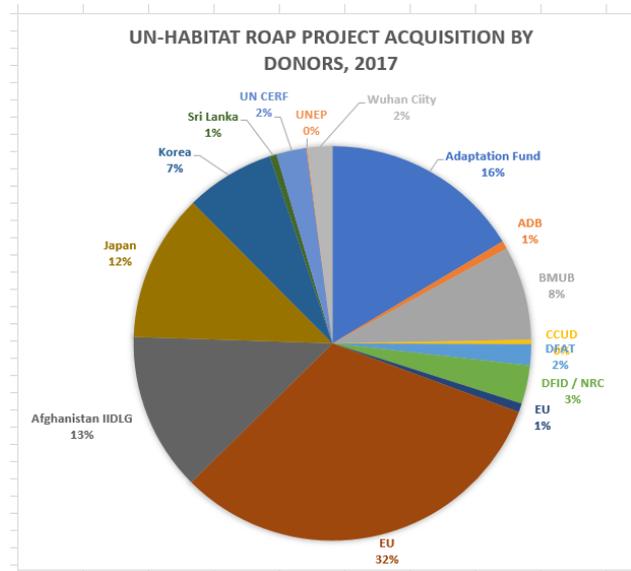
Regional Office for Africa

During 2017, ROAf has performed well and has slightly exceeded 90% of its project acquisition target of US\$33.44 for the year. ROAf’s portfolio concentration is still in post-crisis countries, i.e. Somalia and DRC, but with increasing growth in Lusophone countries (Mozambique, Sao Tome and Principe) and in Ethiopia. A number of countries are also supporting (financially and in kind) the establishment or re-establishment of UN-Habitat country offices, including Uganda, Botswana and South Africa. The main resource mobilization goals are to: (a) Increase the project portfolio significantly; (b) Generate larger programmes and projects and reduce small projects; (c) Initiate regional or multi-country programmes, especially in the area of urban resilience; (d) Increase funding from domestic sources, especially Governments, in order to both expand country presence and implement new projects; (e) Expand ROAf’s work into Francophone West Africa; and (f) Expand into new thematic areas, especially climate change and renewable energy (especially solar).

Regional Office for Asia Pacific

1) ROAP covers 28 countries in the Asia and Pacific region. As at November 2017, and exclusive of sub-allotments from HQ branches, ROAP was implementing 58 projects in 13 countries across the region with the total budget of 231.1 million USD, and yearly budget 72.4 million USD and actual expense 42.3 million USD respectively, which generated PSC of 3.1 million USD. This represents a large proportion of the total annual budget of the whole organization. Still, the scale of new funding acquired by ROAP has been decreasing over years because a rapid expansion of the portfolio often resulted from ROAP’s response to large disasters, humanitarian emergencies and violent conflicts in the past.

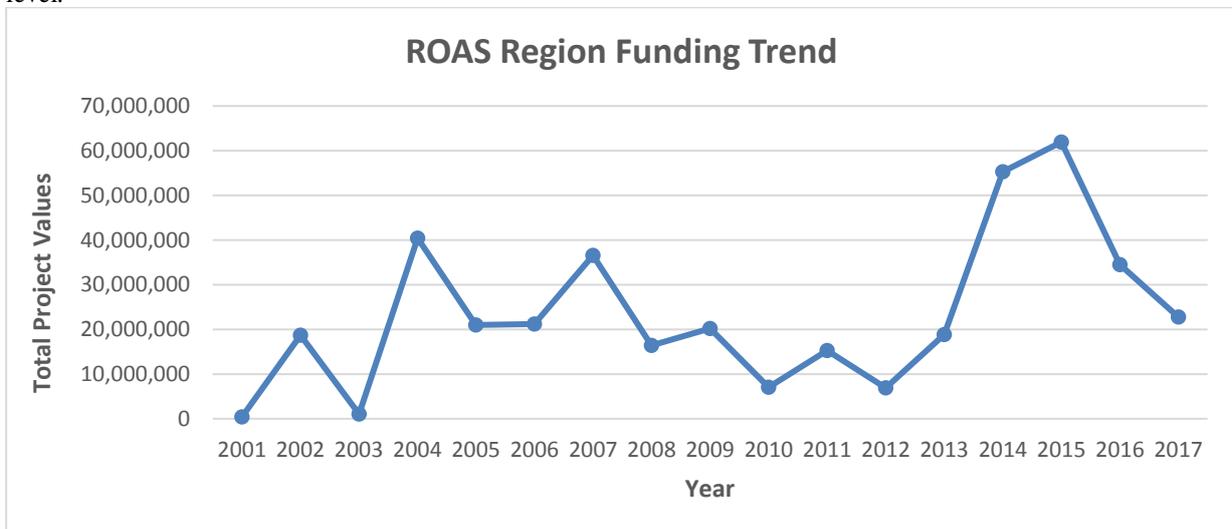
- 2) Its operational budget concentrates in specific countries: 65 % (55 % in 2016) in Afghanistan, 19 % (22 %) in Myanmar, 9 % (8 %) in Sri Lanka, 1% (7 %) in Pakistan with the rest 1 % or less for each, thus the three biggest beneficiary countries together account for more than 93 % of total expenditure in 2017.
- 3) Likewise, in 2017, the status of project acquisition clearly depicts several emerging trends:
 - a) a demise or setback of traditional donors, most notably US;
 - b) the emergence of new donors in the picture, such as Adaptation Fund and German BMUB;
 - c) a new mode of project implementation modality as depicted by Afghanistan IDLG and Sri Lanka.
- 4) The new trend (b) is due to ROAP’s recent efforts to diversify its donor base with new types of projects relevant to CCA, CCM and mitigation, such as EU, Adaptation Fund, and possibly Germany (IKI) and Green Climate Fund. On the other hand, the new trend (c) has been becoming a norm in many countries, which marks departure from Direct Implementation Modality (DIM) to National Implementation Modality (NIM) where the deliverable budget channeled directly to the national Government account instead of UN-Habitat account, hence only technical advisory and support budget are managed by UN-Habitat.
- 5) China and India are now emerging as new key players, taking various new initiatives, most notably World City Day, Shanghai Manual. Possibly, Indonesia and Malaysia which have been very supportive for preparatory process of Habitat III and WUF9, may also join major donor group in the region in near future. Still, contribution from these countries are unpredictable and fragmented, hence needs to be more consolidated.
- 6) *ROAP’s resource mobilization strategies are:*
 - a) Keep country-based approach with strong partnerships with the current bilateral donors behind the financially largest country programmes (the Government of Japan, various EU funds, USAID, and DfID)



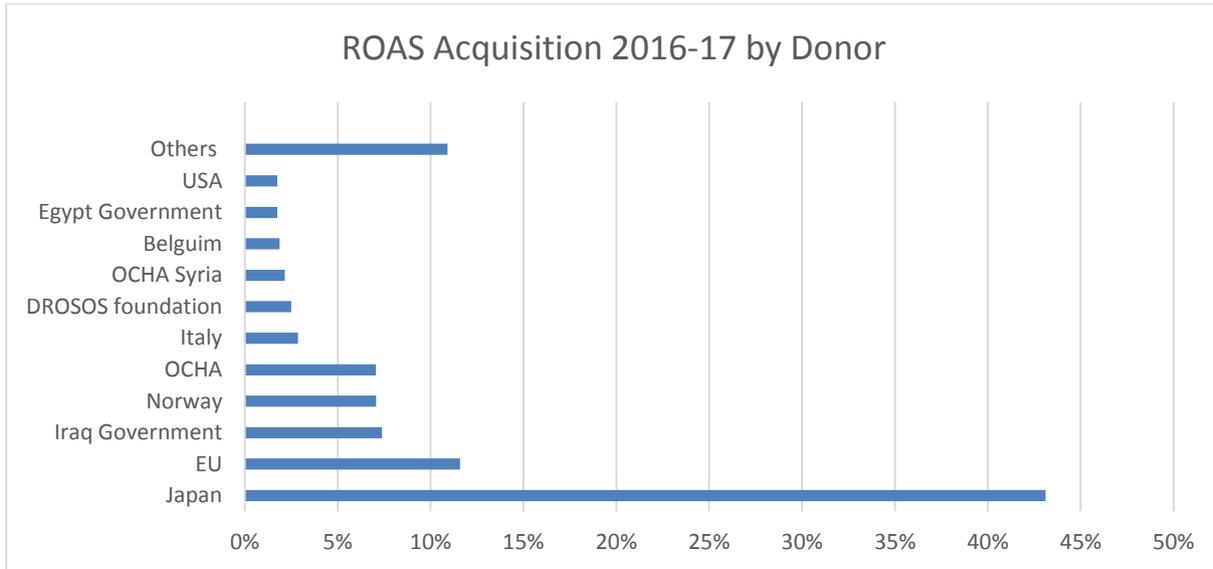
- b) Maintain ROAP’s emergency response capacity and improve operational preparedness; use emergencies to leverage support for long-term development plans, inclusive of settlement risk reduction policy development
- c) Leverage the tools, processes, resources and advocacy and knowledge management products of global and regional programmes for country level visibility as a foundation for resource mobilization
- d) Improve knowledge management and documentation and increase global visibility of ROAP’s well-established regional programmes (community & city plans for settlement upgrading and services using the *People’s Process* and the *Cities and Climate Change Initiative*)
- e) Build on best practices for which regional funding schemes are available (CCCI and DRR financing)
- f) Develop new regional initiatives, such as institutional capacity building, that incorporate normative and operational work to appeal to a wide range of donors. Design specific strategies which are aligned with the interests of key donors such as the EU and others.
- g) Increase engagement in urban programmes of regional financing institutions and major multilateral organisations (ASEAN, ADB, World Bank), and renew partnerships with other major bilateral donors (AusAid, New Zealand, KOICA, CIDA)
- h) Develop new partnerships (strengthening broad based consortia, working with and through other UN agencies, work with the private sector) to access funding that would not normally be accessible for UN-Habitat
- i) Identify new thematic entry points for funding which can strengthen the urban work of UN-Habitat (aligning DRR and CCA, Ecosystem-based adaptation)
- j) Identify UN-Habitat’s added value for UN country strategies in the region’s resource-rich as well as middle-income countries (China, Thailand, Indonesia, Vietnam, Philippines, Mongolia).

Regional Office for Arab States

The Regional office was recently established and is the fastest growing office globally. As shown in the figure below, funding trends have been increasing through 2015, with a decline in 2016 and 2017. The expectation on terms of resource mobilization is an upward trend for 2018-2020, based on increased resource mobilization targets at the national country levels, but also through increased mobilization of partnerships at the regional level.



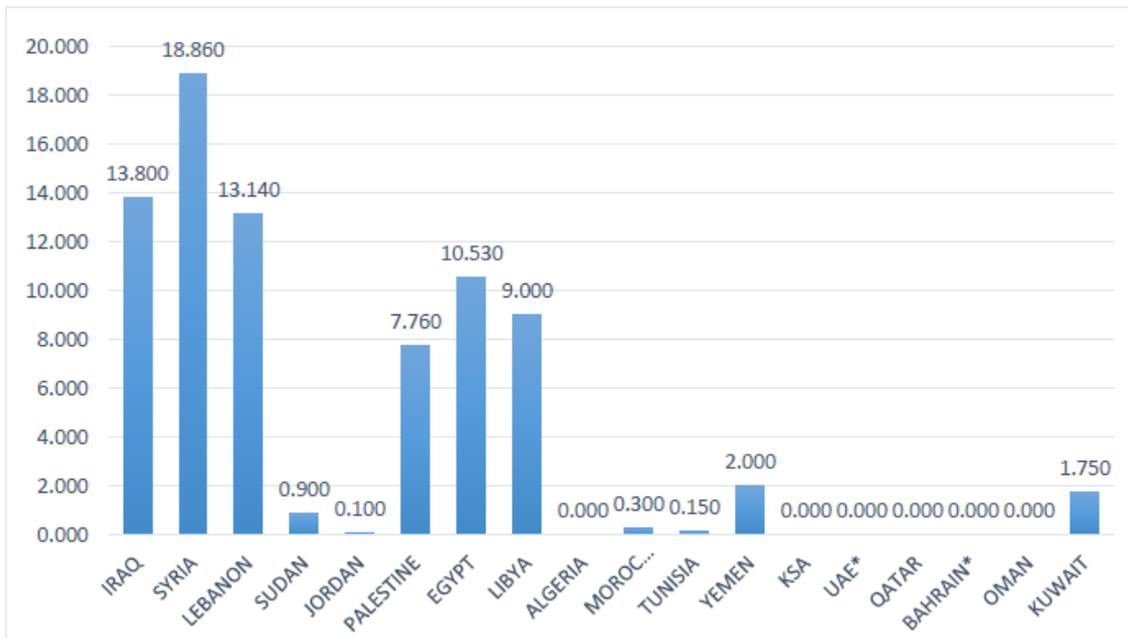
The main donor in 2016-17 to ROAs has been Japan (43%), followed by the EU (12%), Iraq Government (7%), Norway (7%), and OCHA.



Resource Targets for ROAS 2018

Hard pipelines for country offices in the region (excluding resources to be mobilized by the regional office for multi-country programmes), indicates a total resource mobilization target for 2018-19 of around \$75m, excluding Kingdom of Saudi Arabia pipeline which is estimated at \$60m.

Figure 8- Resource Mobilization Targets (million USD) per country Programmes (2018)



Elements for strengthened resource mobilization in 2018-2020

In line with the global corporate resource mobilization strategy, ROAS will strengthen its efforts for resource mobilization for 2018-2019, consistent with the corporate strategic plan, and the updated strategy for the Arab region as well as emerging national and regional priorities.

In making the case for strengthened resource mobilization, ROAS envisages that it will take advantage of emerging opportunities and entry-points globally and in the region:

- a) UN reform and the strengthened role of the Resident Coordinator system and increased drive for joint programming. UN Habitat’s entry point is its mandate as the ‘urban’ agency of the UN;
- b) The SG reform agenda, approved by the GA, for strengthened emphasis on the humanitarian - recovery - peace building/ stabilisation nexus, as well as durable solutions and the *New Way of Working*, and the Comprehensive Refugee Framework. UN Habitat can prove flexible and agile and has a comparative advantage to pilot these frameworks and contribute to this agenda in urban crisis recovery;
- c) Increased attention by development partners of the benefits of decentralized cooperation and city-to-city exchanges, especially on issues related to migration, urban resilience, territorial planning, and capacity development;
- d) The gap in post-conflict shelter/housing rehabilitation and reconstruction, and the agreement of several UN agencies of the need to ‘fill’ this gap for effective return. UN Habitat is the mandated agency to take this forward and can use its successful pilots in Iraq and other countries around the world to ‘fill the gap’.

Regional Office for Latin America and the Caribbean

The regional office has 33 countries most of them middle income countries, apart from Haiti which is a least developed country. The resource mobilization strategy for ROLAC focuses on introduction of a mechanism known as fees for services and phasing out of reliance on traditional donors. This mechanism is the backbone of the strategy for resource mobilization that the region has been developing during last 4 years.

There are some traditional donors who are supporting Haiti as the least developed country in the region, although there has been a reduction of UN activities in the region. Many donors prefer using their own national cooperation agencies to channel their Official Development Assistance This has resulted in a reduction of available resources for UN agencies to support Haiti.

Areas of strategic opportunity are related to security in northern Central America, economic transformation in Cuba, post-conflict in Colombia, migration of Venezuelans to Colombian and Brazil, and support to Bolivia to get funding from traditional donors.

With the above elements, the core of the strategy is based on fees for service modality. In that regard, the deployment of the team has been rationalized around hubs or multi-country offices, in order to cluster projects, teams and knowledge to develop capacities to deliver added value closer to the point of delivery. This strategy has been materialized in an incremental way around four hubs in Mexico City, Panama City, Bogota and Rio de Janeiro. The four hubs have influence in “catchment areas” in terms of potential which is estimated based on population, GDP/capita, number of countries, number of subnational governments with financial autonomy and capacity and number of middle sized and big cities having a-priori the capacity to enter in contributions agreements with UN-Habitat.

The fees-for-services model affected by the exchange rate between the US dollar and local currencies. The region’s main currencies are going through a period of depreciations against USD. In practical terms, this means that UN-Habitat will receive less USD for the same amount in local currency that a stakeholder can dedicate to a particular product as per market prices and costs. It is therefore very important to internalize the currency exchange factor as in LAC, counterparts and clients make/calculate expenses/investments (including when opting for our technical cooperation services) in local currencies. Significant depreciation in main LAC currencies has occurred between 2013 and 2017 (see table here below with preliminary calculations for Mex, Bra, Arg, Col).

Year	MXN	BRL	COP	ARS
2013				
2014	1.20	13.23	8.28	24.56
2015	12.54	22.88	25.62	42.49
2016	25.08	48.24	44.38	61.98
2017	37.69	37.02	41.09	68.99

(Mexican Peso=MXN; Brazilian Real=BRL; Colombia Peso=COP; Argentinian Peso=ARS)

Another challenge for the fees-for-services modality is that, LAC main countries are entering a cycle of presidential elections and this will impact the possibilities for resource mobilization in countries like Brazil, Peru, Mexico, Paraguay and Costa Rica.

There has been a positive evolution in terms of building trust with some Development Banks for future collaboration. This is advancing already with BCIE (Central American Development Bank) and World Bank under auspices of IFSUD process. Finally, UN Development System Reform provides an opportunity for joint resources mobilization for regional and sub-regional programmes.

The resources mobilization strategy for LAC has the following four elements:

Earmarked resources (Fees for Services Model)

Orientation: Defining strategic targets for each hub team in most suitable areas for short-medium term portfolio development in geographic and thematic terms (New Urban Agenda main pillars and City Prosperity Index (CPI) + Value Chain of Sustainable Urbanisation) while building on good examples from the past. Programme development strategies for specific sub-regions will be realized with relevant thematic Branches with efforts made to adapt global norms and policies to local realities and demand and using relevant evidence and knowledge.

Strategy with Development Banks

Orientation: Based on the New Urban Agenda, three-pronged approach, CPI and the Value Chain of Sustainable Urbanisation, identify opportunities and demand for building an evidence base and strategic urban integrated programmes and proposals for cities in the region. **Target:** specific cities interested in urban integrated operations under national policies. **Partners:** Innovative approach to Regional Banks, Reimbursable Cooperation Funds and Agencies. High need of specialized expertise based in the field.

Traditional donors (beyond Haiti)

Orientation. Beyond Haiti (the only LDC in the region) there is little possibility to work with traditional donors in the region. Possible opportunities are: a) proposals for European Union support of catalytic funds to support Sustainable Cities (urban design, urban mobility, waste management); b) post-conflict and cities trust fund in Colombia (with different donors); c) Support to local authorities and cities through neighborhood improvement interventions in areas with arrivals of Venezuelan refugees and migrants; mainly Colombia and Brazil; d) support to urban safety and security in northern Central American countries; e) support to New Urban Agenda in Bolivia.

Regional inter-agency programmes

Orientation. in line with UN Development System Reform, UN-Habitat is looking at interagency programmes for joint fundraising in the region. First, with ECLAC there is a joint programme initiative for a platform to monitor the Regional Action Plan for Implementation of the New Urban Agenda. Other initiatives are being discussed with UN-Women, UNOPS and UNDP.

<p>Strengths: <i>outline the main competitive advantages that UN-Habitat has in your region or branch that can attract funding</i></p> <ol style="list-style-type: none"> 1. Political and substantive leadership and capacity to influence 2. Horizontal deployment of teams organized in sub regional Hubs 3. Team commitment 4. Knowledge of the context 5. Ability to work in partnership 	<p>Weaknesses: <i>outline the main weaknesses that need to be improved to attract funding for your programmes</i></p> <ol style="list-style-type: none"> 1. Financing of operations: Financial approach to operations based on self-sustainability and through fees-for-services modality is not yet well supported by administrative and financial systems. Also, the model does not allow to cover “corporate” activities like programme development or reporting that are essential to support the process. This reduces capacity to position the expertise hence to mobilize endogenous resources 2. There is a need to increase teams of experts with more contextualized knowledge, relevant to the region to expand the capacity to respond for the specific context 3. Difficulty in adapting administrative support to projects or outsource based on regional offer by other UN-Agencies
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<p>Opportunities: <i>outline the opportunities that can be explored to enhance funding for your area</i></p> <ol style="list-style-type: none"> 1. As middle-income countries, counterparts are willing to pay directly for High Level Added Value services with administrative backup to respond to requirements for relevant delivery in a contextualized and timely manner 2. UN-Habitat is co-leading implementation of NUA in the Region through a Regional Plan for the Implementation of NUA done together with ECLAC and MINURVI 3. There is appetite for innovative ways of mobilizing resources to support implementation of NUA 	<p>Threats: <i>outline the external threats that may impact resource mobilization for your programmes</i></p> <ol style="list-style-type: none"> 1. There are almost no traditional donors in the region but other type of resources which need other ways of organization of work 2. Inadequate recognition at HQ level of specificity of technical cooperation context needed to adapt support to field activities according to the context 3. Political and financial cycles in countries affect endogenous resource mobilization
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Urban Land Legislation and Governance - ULLG will strengthen cooperation with regional offices to leverage more funds and to support both normative and operational works. Progress has been made in the cooperation between ROAF, ROAS and ROLAC that can lead to streams of funding.

Urban Planning and Design - Over the past five years, UPDB has doubled its annual budget from around USD 5.4 million in 2012, to USD 10.8 million in 2017. There have been significant acquisitions over the past two years, from a wide range of sources, including multilateral agencies (EU, Adaptation Fund), Member States (most notably Sweden and Norway, but also Korea, Cameroon, Nigeria, among others), the private sector (e.g. Microsoft/ Mojang), sub-national entities (e.g. Niger State in Nigeria), the UN Development Account (e.g. in Arab States), and local authorities. The centrality of urban and territorial planning and design to the New Urban Agenda is expected to give a boost to our efforts in the coming months as well. We are unable, however, to capitalize on all opportunities that arise, predominantly because of external perceptions, internal collaboration challenges and procedural constraints, as described below.

Urban Economy - Funding for normative urban economy relates to municipal finance and, youth and livelihoods, with local economic development as a cross-cutting theme.

As municipal finance is relatively new, less than two years, initial efforts have been directed to position the theme and produce toolkits and policy advisory outputs that can be offered and bought by beneficiaries. The second major effort has been to create and expand networks. As a result, Urban Economy succeeded in securing funding from Sweden and is working in expanding this work.

On youth and livelihood, major funding has come from Norway, and a new strategy is in preparation for dialogues with donors to increase and expand initiatives.

Collaboration with the private sector and development banks for both streams of work.

The normative branch works with all regional offices on specific projects and advocacy. Joint resource mobilization with other thematic branches including with Housing and Slum Upgrading Branch on financial strategies, Urban Planning and Design Branch on methodologies and toolkits for planning and finance, and Research and Capacity Building Branch on the major flagships reports of the agency are in progress.

Urban Basic Services – More priority for this area is called for at the organization-wide resource to reverse the decline in resources for urban basic services programmes particularly as there is growing demand from Member States for support from UN-Habitat in this area. To correct this trend, it is recommended that a campaign be developed, and be spearheaded by the Executive Director to raise awareness of the contribution of Urban Basic Services Work towards sustainable urbanization.

The Urban Basic Services Trust Fund (UBSTF), as indicated in GA Resolution, is the main vehicle for raising and managing resources to implement UN Habitat’s work under Sub Programme 4. UBSTF has goal of USD 60 million over five years. Following the expertise of the Water and Sanitation Trust Fund, UBSTF will work closely with multilateral and other financial institutions, private sector and foundations in supporting in attaining the urban dimension of SDG 6.

UBS through its out-posted staff has made every effort to establish concrete linkages with many of UN-Habitat's sister UN agencies. Formal agreements with WHO, UNHCR, UNEP are paving the way for a new generation of projects, addressing the operational and policy aspects of basic service provision in addition to developing monitoring frameworks in support of the SDGs and NUA.

UBSB recommends a restructuring that brings together regional offices and the thematic branches under one cost centre in the Sub Programme in a coordinated structure so that fund raising becomes the joint responsibility of the Country Offices, Regional Offices and branches related to the respective Sub Programmes.

In the interim, UBSB's strategy for resource mobilisation includes complementary alignment of its work with the work of the regional offices including under UNDAF frameworks. Efforts to progress in this direction includes working more closely with the Regional and Country Offices. For example, UBSB's recent project acquisitions include \$4.1 million from the German Climate Fund for the "Urban Pathways- Supporting Urban Low Carbon Plans for Basic Services in the context of the New Urban Agenda". Funding under this project will be used for developing projects in collaboration with ROs for potential funding by Climate Funds and other sources. The idea is that contributions by UBSB, Regional Offices and other relevant branches will lead to bigger projects and attract more donor funds. The Urban Pathways project is expected to play a key role in this manner and activities on these lines have been initiated with ROAF for Mozambique, Kenya, Rwanda and Ethiopia and with ROAP for work in Indonesia. UBSB is also actively working with UNEP to increase its portfolio and together with UNEP will continue to target climate funds.

Some targets for resource mobilisation with respect to different areas of UBSB work in the short and long term are outlined below

UBSB: Resource Mobilisation Short and Medium-Term Goals

Area	Short Term Goals (One year)	Long Term Goals (3 years *)
Urban Mobility	Increase in portfolio by \$ 2 million	Portfolio value at \$ 10 million; Minimum project acquisition of \$ 1 million per year
Water and Sanitation	GWOPA to secure \$ 6 Million for hosting by calling bids	Portfolio value at \$ 10 million; Minimum project acquisition of \$ 1 million per year
Waste Management	\$ 2 Million Proposal to Japan	Portfolio value at \$ 5 million; Minimum project acquisition of \$ 500,000 per year (*)
Urban Energy	Proposal to raise \$ 4 Million	Portfolio value at \$ 10 million; Minimum project acquisition of \$ 1 million per year
Basic services for Refugees and displaced persons	Proposed to raise \$ 2 million	Portfolio value at \$ 5 million, Minimum project acquisition of \$ 500,000 per year

Urban Housing and Slum Upgrading - The Housing and Slum Upgrading Branch has diversified its funding sources through an expanded portfolio and thematic entry points such as on human rights, sustainability, finance, migration, policy, peace and post-conflict, community managed funds and sustainable livelihoods, participatory slum upgrading climate change, and youth. The Branch is aligned with the Sub-Programme and serves particularly least developed countries – 45 out of 47. However, middle income and developed country driven demands have increased substantially in the last two years since the endorsement of the New Urban Agenda.

Governments and country programmes are and will remain important sources of funding. The Branch focuses on delivering technical services to render housing sectors more sustainable and inclusive. There is an urgent demand to advise Governments and housing practitioners on how to shape housing finance policies that are inclusive and flexible and that target specifically low-income groups and persons in vulnerable situations. The branch has partnered and leveraged funds with Mexican and Indian Government institutions to deliver practical tools and mechanisms to render the housing finance and construction sector more sustainable and affordable. New projects to strengthen the policy frameworks in Bahrain, Angola, Bulgaria, Malaysia and Paraguay will constitute an important opportunity to mobilize funds for larger scale housing projects and assist the same countries in the implementation of solutions. Regional strategies and affordable housing programs are being developed and will offer the programmatic framework to support the resource mobilization of the Branch and the

sub-programme at a global level aligned with the New Urban Agenda and the SDG. Development Finance Institutions, Regional Development Banks and national will be the main target partners.

Emerging topics such as migration have become and will continue a focus of the Branch. For example, UN-Habitat is a key partner in the Mediterranean City-to-City Migration project (MC2CM), that has secured a renewed funding of 6.5 million EUR for the second phase (2018-2021) which aims at developing improved policies and governance at city level for migrants in European, North-African and Middle East cities. The work in post-conflict and stabilization countries is increasing and represents an area where UN-Habitat, through its sub-programme 5, can mobilize significant funds. Durable housing solutions have been designed for IDPs in Somalia and a new Housing Policy will establish the conditions for Afghanistan to setup a national housing finance system. This is an area where the Branch will strengthen its resource mobilization efforts, approaching UN partners (i.e. UNHCR, OCHA, UNDP, UNOPS) and working closely with our Regional and Country Offices to strengthen the humanitarian development nexus regarding housing solutions.

Additionally, the Branch is currently strengthening the resource mobilization efforts by targeting private sector construction companies through a novel housing design methodology that has been tested with the Government of Mozambique and the Technical University of Zurich (ETH). The Housing Studios are a new way of providing design solutions to deliver and realize housing policy objectives; adding an operational and hands-on product to the already diverse portfolio. Likewise, the use of innovative smartphone applications such as the newly launched [SHERPA](#) app, are allowing the branch to engage in partnership development with local governments and the private sector, as they cater to important players in development, and have the potential of creating large scale awareness of sustainability in the housing sector and the overall work of the agency.

Regarding the focus of sustainability within the housing sector, the Housing Unit continues to be an active member of the One Planet Network who will launch their Multi Partner Trust Fund later this year during HLPF, and which will open the door for projects that are focused on housing, sustainable consumption patterns, and the links between SDG11 and SDG12. Also, the [Global Network for Sustainable Housing](#) continues to attract important stakeholders globally, raising the awareness of UN-Habitat's work on green and sustainable housing, and opening doors for further project development and joint fundraising. Large scale projects are being developed in Nicaragua and Philippines the framework of Global Climate Adaptation and Mitigation funds.

Finally, in line with global efforts to localize the SDGs and the New Urban Agenda, the Branch is increasing efforts to work with sub-national governments and especially local authorities. Normative tools are being designed and will be accompanied by a resource mobilization strategy focusing on this group. The Branch will use the global network with national Governments as an entry point and work with partners such as UCLG and ICLEI and UNCDF.

For slum upgrading, the main resource remains based on the partnership with the European Commission and the Secretariat of the African, Caribbean and Pacific Group of States and the global flagship programme: Participatory Slum Upgrading Programme (PSUP). Renewed funding was secured in August 2017 – 10 million Euros to be implemented between 2017-2021. The programme design provides opportunities for new strategic funding sources such as engaging with EU Delegations in the framework of the National Indicative Programmes, technical support funds for the implementation of larger scale interventions financed by the EU blending or the European Investment Plan as well as the mobilization of AFD, KfW and other development banks. This will mature in 2019 in up to 5 selected PSUP countries. The institutionalization of the approach in around 30 African, Caribbean and Pacific countries enables UN-Habitat to access co-funding from countries, which are already now an important additional source.

During the 9th World Urban Forum, the initiative of creating a network launched in Quito as means of implementing the Sustainable Development Goals (SDGs) and the New Urban Agenda (NUA) was taken forward with the creation of SISnet – the Slums and Informal Settlements Network. SISNet - Monitoring. Knowledge Tools - is engaging Governments in monitoring the implementation of the SDGs in informal settlements and slums; it conducts research, global case studies and practical tools. This network provides an opportunity to mobilize resources from Member States as well as research and knowledge management related funds.

Regional strategies on implementing the SDGs and the NUA will further facilitate the establishment of regional hubs for resource mobilization and technical support expanding the SISNet and the PSUP to all regions. The engagement of the PSUP Campaign endorsed by the Secretariat of the African, Caribbean and Pacific Countries and the European Commission “UpforSlumDwellers” seeks to mobilize private sector contributions

for inclusive urbanization through slum upgrading and prevention at national and global levels. There is the endorsement of a Campaign on Affordable Housing by the Governing Council.

Lastly, in partnership with the Urban Economy Branch, a financing strategy that caters for additional and targeted funding sources for diverse partners including community members is being developed.

Risk Reduction and Rehabilitation - resource mobilization efforts are focused on implementation of the City Resilience Profiling Programme (CRPP) in cities. Resources generated through implementation of the Programme support further tool development, knowledge creation and advocacy efforts. The UN-Habitat's urban resilience work, under the CRPP, continues to draw support from various and varied donors and supporters in 2018-2019.

The ongoing collaboration with the European Commission DEVCO (2016-2019) allows for tool development and implementation in pilot cities to advance. The USD 3.3 million contribution from EC represents 50% of total resources mobilized since CRPP inception. UN-Habitat CRPP -together with programme's partner UNISDR- is interested in a second phase of the project in order to scale-up operations on building city resilience (2019-2022).

In addition, bilateral agreements with local governments are allowing to implement the CRPP in various contexts. For instance, the City of Yakutsk, in Russia, signed a bilateral agreement (2017-2019) with a contribution of USD 200.000 that is allowing to calibrate the City Resilience Profiling Tool under extreme climate conditions while the Municipality of Teresina, in Brazil, is in the process of signing a Cooperation Agreement (USD 100.000, 2018-2020).

Renewed collaborations with the Government of Norway and the City Council of Barcelona support the knowledge, advocacy and communication aspect of the Programme's work. The collaboration with the Government of Norway constitutes a contribution of USD 214.000. The current Cooperation Agreement with the Barcelona Municipality covers 2018-2019 with a contribution of USD 235.000. Both bilateral relations are very well established with potential future renewals.

UN-Habitat CRPP is one of the 16 members of the RESCCUE project, a Research and Innovation Programme funded by European Union's Horizon 2020. RESCCUE was born to improve urban resilience: Resilience to cope with Climate Change in Urban Areas, a multisectoral approach focusing on water. Total grant for UN-Habitat for the period 2016-2020 is USD 320.000.

On Urban Rehabilitation, UN-Habitat is partnering with the private company AXA, a member of the World Urban Campaign, to develop guidelines and toolkits for decision makers on promoting compliant to resilient construction. The collaboration is securing USD 340.000 for the project until December 2018.

Finally, potential partnerships with prominent organizations such as C40 Cities might enable seed funding for joint-programmes for capacity building and resilient implementation in cities. In this context, UN-Habitat is chairing the pioneering Medellin Collaboration for Urban Resilience platform, which gathers the most prominent international actors committed to city resilience and a possible source of collaborative fundraising to support local, regional and national Governments addressing resilience.

The area of Shelter and Settlements will continue to support Regional Offices and Branches mobilize resources around the key thematic areas of crisis, post-crisis and protracted crisis where more than 50% of UN-Habitat's field operational budget is acquired and disbursed – in excess of USD 100 million for 2018 in less than 10 countries. Support to Member States in the aftermath of natural disasters will continue to be a focus and capacity is being strengthened to provide more predictable support to Member States and UN-Habitat country-based teams. Attention will focus on knowledge creation around conflict in cities, displaced populations – refugees, IDPS and migrants in urban areas including collaboration with the International Institute of Strategic Studies. Support to South Sudan refugees in Settlements projects in Kenya will continue.

The Secretary General's Reform Agenda, including a determination to see a *New Way of Working* for the UN humanitarian community and development partners provides a resource mobilization opportunity for UN-Habitat. The focus on making the *Humanitarian Development Peace and Security* nexus work, particularly in urban areas, plays to UN-Habitat's strengths and experience. Similarly, the shift away from sectoral or cluster based (shelter; water and sanitation; food; health; livelihoods etc.) responses to crisis to a more inclusive and comprehensive area or neighborhood approach, including cash-based programming, is an area where UN agencies are struggling to make the transition and where UN-Habitat can offer significant support. To achieve

the above, efforts will be made to develop relevant knowledge management tools to attract funds including into the newly established (GC26) Urban Emergency Response fund.

Research and Capacity Development - The resource mobilization strategy is aligned to the goal of UN-Habitat becoming the leading global capacity building agency to effectively strengthen capacities of national and local governments and empower institutions and individuals with knowledge, skills and cutting-edge approaches to successfully implement the NUA and the SDGs. The strategy is based on an incremental development approach that starts with the adoption of capacity building and training as a cross-cutting issue and concludes with the creation of an UN-Habitat Urban Knowledge Center of Excellence. In the proposed roadmap, a staff-wide consultation is recommended on the development of a global capacity building programme and preparation of a feasibility study to assess the viability of this novel solution to be prepared by the end of 201; an active fund-raising strategy to be rolled out in 2019 is expected to mobilize 8 million US dollars.

In the last four years, RCD has developed a flagship programme entitled City Prosperity Initiative (CPI) that has become a successful resource mobilization programme. CPI connects strategically the work of the whole subprogramme and works organically with other sub-programmes and regions. A specific business model has been proposed for the following four years with five specific objectives for resource mobilization: 1) Become the largest global initiative connecting data and information to policy formulation at city level; 2) Be recognized as the most important framework for urban SDGs and NUA monitoring and reporting; 3) Cover at least 300 additional cities and 10 countries and generate a financial turnover of 20 million dollars in the next four years; 4) Create a self-sustained hub of CPI development and creativity for the design of new products, services and solutions that provides general guidance and open new opportunities for funding in different regions; 5) Establish strategic partnerships with other UN Agencies and international development partners, outsourcing some of the functions of the CPI and/or developing multiple joint programmes to obtain additional funds.