

**UN-Habitat**  
Resource  
Mobilization  
Strategy

2013-2015

March 2013

Time to  
think  
**urban**

Cities are facing unprecedented demographic, environmental, economic, social and spatial challenges. The world is urban and urbanization is a source of development. How we develop our cities in the next years will have an impact in the quality of life of millions of citizens and will be the legacy for future generations

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## Foreword: Time for solutions

Dr. Joan Clos, Executive Director of UN-Habitat

UN-Habitat is **ready to play a leading role** in guiding the urban development agenda. The organization review undertaken in 2012 has transformed the agency into a more **efficient, accountable, productive and transparent organization**. The reform came at an opportune time when the agency, in close consultation with member states, was preparing UN-Habitat's 2014-2019 six year strategic plan and the 2014-2015 biennial work programme. This ensured that the institutional review was aligned to future strategic goals and programmes.

The current work to define the **Post-2015 Sustainable Development Goals** presents an opportunity for UN-Habitat to incorporate urban development goals into the wider sustainability agenda. These goals must address the **priorities of developing countries and emerging economies**. This will help to ensure that the **urban centers of the future** are designed to **reduce poverty**, facilitate **equitable access** to basic services, provide **easy mobility** for citizens, create an enabling environment for economic activity and **job creation**, remain **resilient** to natural disasters, and promote **sustainable energy** generation and consumption. The goal must support **social inclusion and citizen participation**, and encourage sound regulatory frameworks and **land management** principles to deliver adequate **shelter for all**. The planned Habitat III Conference offers an excellent opportunity to move forward, setting a new urban and human settlements agenda for the next twenty years, based on the Sustainable Development Goals.

In developing countries, the urban sprawl that tends to produce large informal suburban neighbourhoods and generate new uncontrolled urban corridors is the result of **lack of planned expansion of the city**. The results of urban sprawl in different parts of the developing world are congested city centres and physically chaotic urban peripheries, unsustainable energy consumption patterns, an inefficient spatial structure that leads to loss of productivity, and greater poverty.

The **transition from spontaneous urbanization to planned urbanization** requires robust governance capacity at both the national and local levels. If cities and towns are to play their proper role as drivers or engines of national economic and social development, these challenges have to be addressed through **effective planning and governance**.

**National urban policies** provide a framework for future urban development and should ensure that the national and local benefits of urbanization are maximized while potential negative impacts are mitigated. Planned city extensions are necessary to address the widespread phenomenon of urban informality, especially in rapidly urbanizing contexts, including the chaotic expansion of urban peripheries. Due attention is needed to market towns and intermediate cities. **Public space is the most important common good in cities** and the biggest challenge for planners in developing countries. Without a clear understanding of the importance of public goods, there can be no capacity to plan urban development effectively.

**Planned urbanization requires robust political and institutional capacity** to manage differences, land disputes and conflicts of interest. The financial cost of planning is nearly irrelevant in relation to the expected outcomes. In its more fundamental phase, it requires no investment. It is a design exercise and a consensus building process. It is by far more a legislative initiative than investment. Once the urbanization is initiated and an urban value is generated, then it is time to consider value sharing and public investment. In a democratic context, planned urbanization requires political legitimacy, trust and the rule of law.

This document addresses the critical issue of generating the resources needed by UN-Habitat to implement its mandate, and should be seen as linked to the UN-Habitat Strategic Plan 2014-2019. This document addresses both how UN-Habitat's financial challenges can be addressed in the short term, while pointing to the future on how its revitalized approach will generate resources to allow for improved and increased programming. It will serve as a platform for discussions with development partners, and chart a clear path forward on increasing core and programme resources.

**Join us in this journey to build human settlements that will last for centuries and to improve the livelihoods of citizens and build opportunities for future generations. The development agenda is urban.**

## **Urbanization** as a source of development

For the first time in history **more than half of the world's people live in cities**. There has been a phenomenal shift towards urbanization, with **7 out of every 10 people in the world expected to be residing in urban areas by 2050**. At the beginning of the 19<sup>th</sup> century only 2% of the world population lived in cities. It was 10% at the beginning of the 20<sup>th</sup> century and at the beginning of the 21<sup>st</sup> century, it has reached 50%. The world population has moved from 900 million in 19<sup>th</sup> century to a total of 7 billion in 2012.

**Urbanization** is an **opportunity**. It is a powerful engine that can transform production capacities and income levels in developing countries. With appropriate policies, strategies and support, it can propel development. A **shift of mind-set** is required to prioritize urbanization in the national economic development plans and see it as a **positive asset to drive development**.

**Cities, towns and villages** are facing unprecedented demographic, environmental, economic, social and spatial challenges, including high percentages of people living in slums; unemployment, especially among young people; inadequate basic urban services, in terms of water, sanitation and energy; unsustainable patterns of energy consumption; increasing emissions of greenhouse gases; social and political conflict over land and natural resources; high levels of vulnerability to natural disasters; and poor transport systems.

The challenge is not the increase of the urban population; the problem is how we prepare our cities for that growth, ensuring **equity**, access to urban basic services, public space, employment... Cities are a **human creation**, based on social and political consensus. It is our responsibility to ensure that we propose solutions and we **plan to build better cities**.

The development agenda should strive for the **“good city”** of the 21st century that is people-centred and capable of integrating the tangible and more intangible aspects of **prosperity**.

Enormous financial flows will have to be mobilized for **investment** in construction, energy, public transport and other aspects of the urbanization process. Investment in cities in the next 40 years is expected to exceed the sum of all expenditure on urbanization over the entire history of humankind. Policy decisions that will guide this enormous economic effort must take account of all the successful experiences in urban transformation in recent years. The objective is clear: to **shape good cities**, those in which the inhabitants live together comfortably at the right **density** and embrace **diversity**, where the urban economies of agglomeration and scale are able to generate prosperity and where the public spaces are open and **accessible** to all and where **equality** and **justice** of citizens is respected.

To reduce urban poverty we must re-organize the spatial order in unplanned cities and we must have institutions to implement it. For a city to generate wealth, prosperity and jobs for its young people, provide adequate shelter and basic services, improves equity and reduces poverty – it has to be properly and **carefully planned and well managed**.

In the 21st century as in earlier centuries, people congregate in cities of different sizes to realize aspirations and **dreams**, fulfil needs and turn ideas into realities. If we are to take measures that will make a difference to the lives of the billions of people in the world's cities, and to future generations, we need to **start thinking urban**.

**NOW WE ARE DEVELOPING  
THE CITIES OF 2050  
NOW WE CAN ACT  
NOW WE CAN CHANGE**

**UN-Habitat's definition  
of "urban"**  
encompasses all levels of human settlements, including small rural communities, villages, market towns, intermediate cities and large cities and metropolises, i.e. wherever a stable community is continuously located and there are housing units together with permanent social and economic activities, common public space, urban basic services, and a local governance structure.

## UN-Habitat - the transformed Urban agency

For more than forty years, UN-Habitat has been leading projects in urban settlements throughout the world. The efforts of UN-Habitat have been focused on building a brighter future for developing **cities of all sizes**, which are most in need of support in guiding the process of urbanization.

As the United Nations focal point on human settlements, we lead advocacy efforts to raise awareness on sustainable urban development; provide evidence-based policy advice; build capacities; develop tools, norms and standards based on best practices; work and implement on demonstration projects; and provide assistance to Governments, local authorities and other public institutions responsible for urban issues.

UN-Habitat has developed a **unique position** supporting the urban development and the planning and building of a better urban future for future generations, as a key process that supports economic growth and social development and **reducing poverty and inequalities**. It is the leading United Nations specialized organization worldwide in the urban sector, has an extensive network of urban professional staff at the operational level and a consolidated broad network of national, regional and local partners, ranging from Governments to regional bodies, development banks, private sector, NGOs, community and slum dwellers organizations, professional associations to research institutions and universities.

UN-Habitat has a strong normative and regulatory role and its operational activities at regional and country level have been recognized for their social and community based approach and their impact in the improvement of the quality of life of urban dwellers. **UN-Habitat is the UN programme focal point for local authorities.** The organization's wide experience in the implementation of post-conflict and post-disaster projects, which are increasingly urban, has provided an outstanding role to the organization in relief, recovery and reconstruction within the humanitarian action.

In 2011 and 2012, UN-Habitat went through a major transformational change to enable the organization to respond to the challenges of the new urban age. **The goal was to build a more strategic program to address the core issues of the urban development agenda.**

The institutional review achieved significant milestones, including organizational restructuring, programmatic realignment, and establishment of new management systems and policy frameworks. Implementation of these changes has resulted in a revitalized **flexible organization** with refined focus and the **capacity to effectively deliver strategic results** and **implement operational projects** more efficiently in a transparent and accountable manner.

#### MAIN ELEMENTS OF THE RESOURCE MOBILIZATION STRATEGY

- Deliver quality value-for-money services efficiently and transparently
- Advocate for increased assessed contributions to the regular budget
- Request Governing Council endorsement of the Voluntary Indicative Scale of Contributions, or any similar mechanism, for the foundation
- Tailor strategies to regional and country priorities and situations
- Expand multi-donor trust fund initiatives to leverage funding
- Deliver more comprehensive coherent programmes for greater impact
- Explore innovative approaches to engage non-traditional partners
- Support the strategy with greater and targeted advocacy

#### OPPORTUNITIES FOR UN-HABITAT RESOURCE MOBILIZATION STRATEGY

- Increase **global recognition of the urban agenda** and the leading role of cities in national economic growth, increases demand of national and local governments and development partners, private foundations, corporations and general public for knowledge, technical expertise and operational support provided by UN-Habitat.
- Increase demand for urban based interventions in shelter/housing, land management, urban planning, water and sanitation infrastructure development, humanitarian post-conflict and post-disaster assistance as well as urban livelihoods.
- Strong demand for UN-Habitat's urban expertise to **complement other agencies** expertise through common policy platforms and joint programmes.



**UN-HABITAT INFLUENCING URBAN CHANGE**

- Third United Nations Conference on Housing and Sustainable Development, **HABITAT III**, to be held in 2016 will outline a new Urban Agenda to respond to the new challenges and to raise the strategic, political and media profile for sustainable urban development.
- **Post-2015 United Nations Development Agenda** and the Sustainable Development Goals processes to take into account urban challenges.
- Recognition of UN member states at the **Rio+20** outcome document, “The Future We Want”, that: “if they are well planned and developed, including through integrated planning and management approaches, cities can promote economically, socially and environmentally sustainable societies. In this regard, we recognize the need for a holistic approach to urban development and human settlements that provides for affordable housing and infrastructure and prioritizes slum upgrading and urban regeneration...” (paragraph 134)

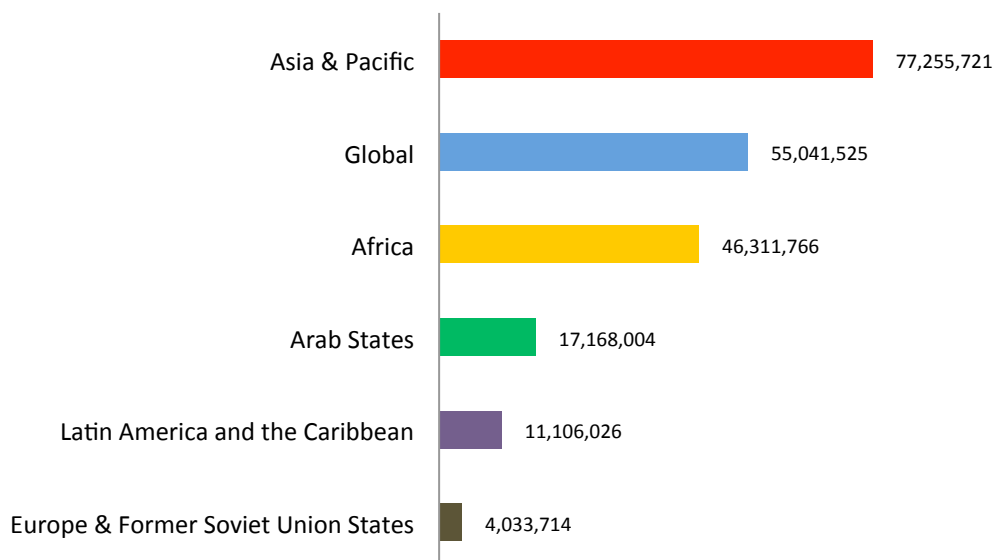
**UN-HABITAT's STRENGTHS**

- United Nations lead agency on urban development.
- Extensive network of partners around the world at the national, regional and local levels from the public and private sectors and civil society.
- Prominent normative and regulatory role in urban issues such as slum upgrading, housing, water and sanitation and other urban basic services, urban resilience, climate change adaptation and mitigation, land management; participatory approach, etc.
- Recognized centre of knowledge on urban issues authoring widely referenced flagship publications and urban data on urban trends.
- Presence in regions and countries, participation in UN coordination mechanisms (e.g. Delivering as One) and major contribution to national development strategies based on priorities.
- Recognized and wide experience in field projects all over the world with major contribution to national development strategies including a prominent role in field operations in post-conflict and post-disaster countries.
- Significant cooperation within the UN system, through partnerships with other sister agencies, UN multilateral assistance frameworks and humanitarian funds.
- Supporting role for regional ministerial platforms such as the African Ministerial Conference on Housing and Urban Development (AMCHUD), Asia-Pacific Ministerial Conference on Housing and Urban Development (APMCHUD) and Regional Meeting of Ministers and High-Level Authorities on Housing and Urbanization in Latin America and the Caribbean (MINURVI)
- Special attention to gender implications in of all UN-Habitat programmes.
- Expertise in youth engagement through specific programmes on entrepreneurship, capacity building and participatory governance.
- Strong advocacy through global events and initiatives such as the World Urban Campaign, World Urban Forum and active engagement of individuals in the urban change through “I’m a City Changer” campaign.
- Recognized global partners’ networks supported by donors such as the Global Land Tool Network (GLTN), Climate Change Cities Initiative (CCCI) or the Global Network for Safer Cities (GNSC).
- Revitalised innovative organization able to deliver innovative products such as the city prosperity initiative, urban resilience indexing, safety monitor, urban law database, among others.

## UN-Habitat portfolio

UN-Habitat has an active portfolio of USD 716 million as at 31 January 2013, with an outstanding value of USD 217 million to be implemented. At the current rate of implementation, that represents one year and eight months of work load. As seen in Figure 1, UN-Habitat has more than 200 projects located in different regions.

**Figure 1 UN-Habitat Portfolio per region (as at 31 January 2013)  
(in USD)**

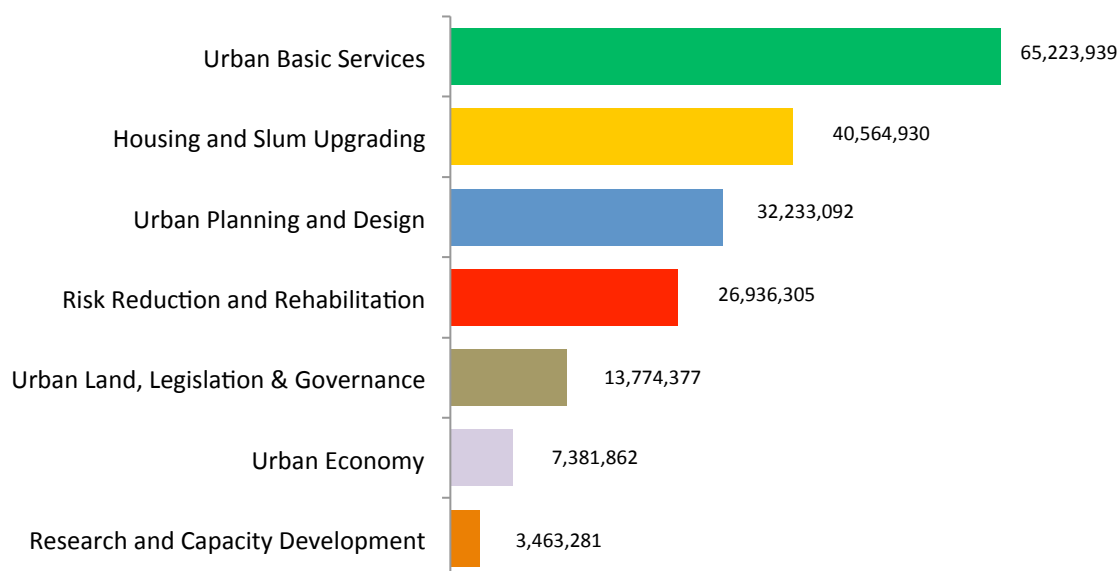


The Global figure (USD 55 million) represents normative and multi-country projects not allocated to any specific country.

In Figure 2, the distribution of resources by thematic areas is shown. Urban Basic Services, which includes as the first topic, largely water and sanitation, and also energy, transport, waste management and drainage services gets the lion's share.

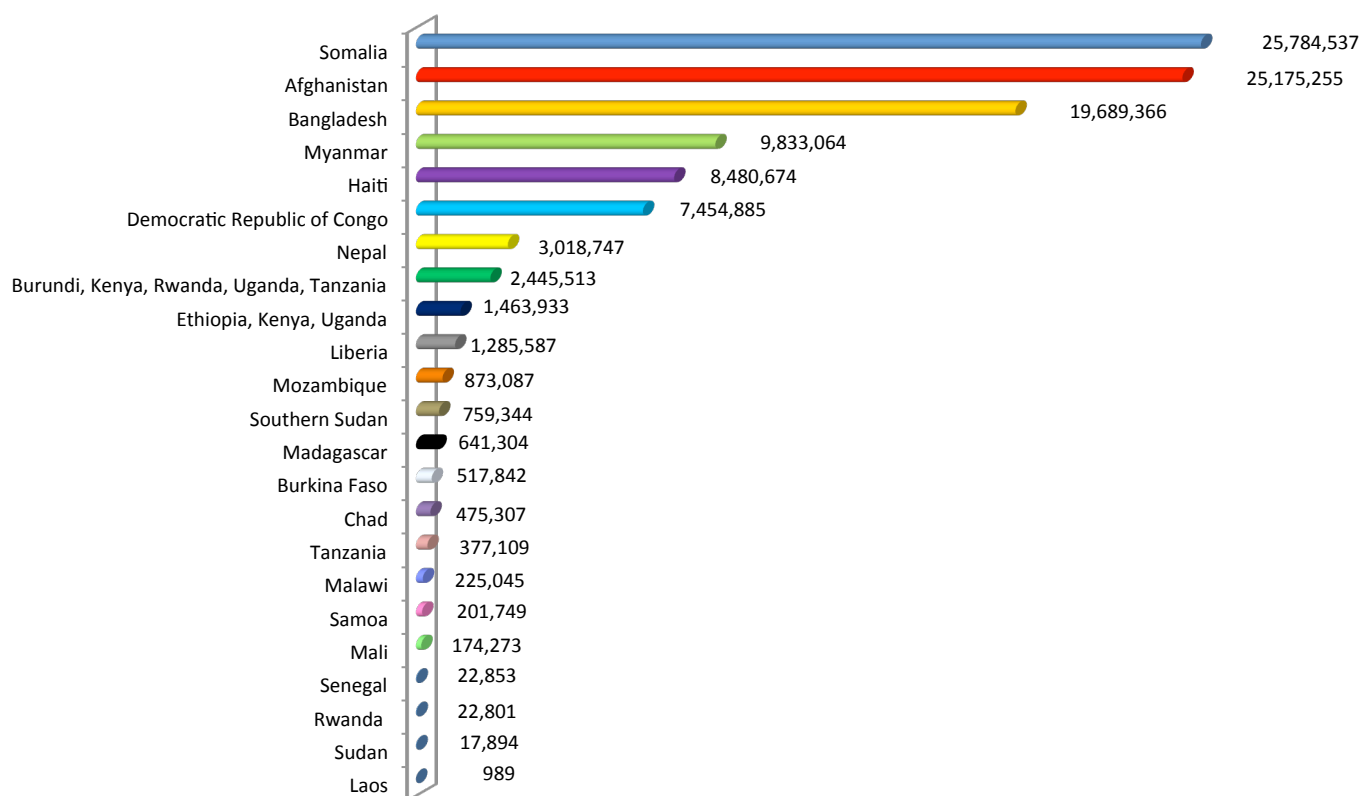
Housing and Slum Upgrading represents the second most important activity of UN-Habitat in terms of thematic portfolio. Urban Planning and Design is increasing very quickly its relevance in the UN-Habitat portfolio, as are Urban Legislation, Land and Governance.

**Figure 2 UN-Habitat 2013 Portfolio per thematic branch  
(in USD)**



UN-Habitat's focus on support to Least Developed Countries (LDCs) represents more than 50% of the portfolio. UN-Habitat has a strong pro-poor agenda, helping communities developing their capacities in organizing urban space. Slum upgrading and participatory urban development are the flagship programmes of LDCs.

**Figure 3 UN-Habitat 2013 Portfolio in Least Developed Countries (LDCs)**  
(in USD)



## UN-Habitat financial overview

UN-Habitat runs currently more than 200 technical cooperation programs and projects in 75 countries and employing well over 2,000 staff.

The financial framework of UN-Habitat comprises three sources of funding:

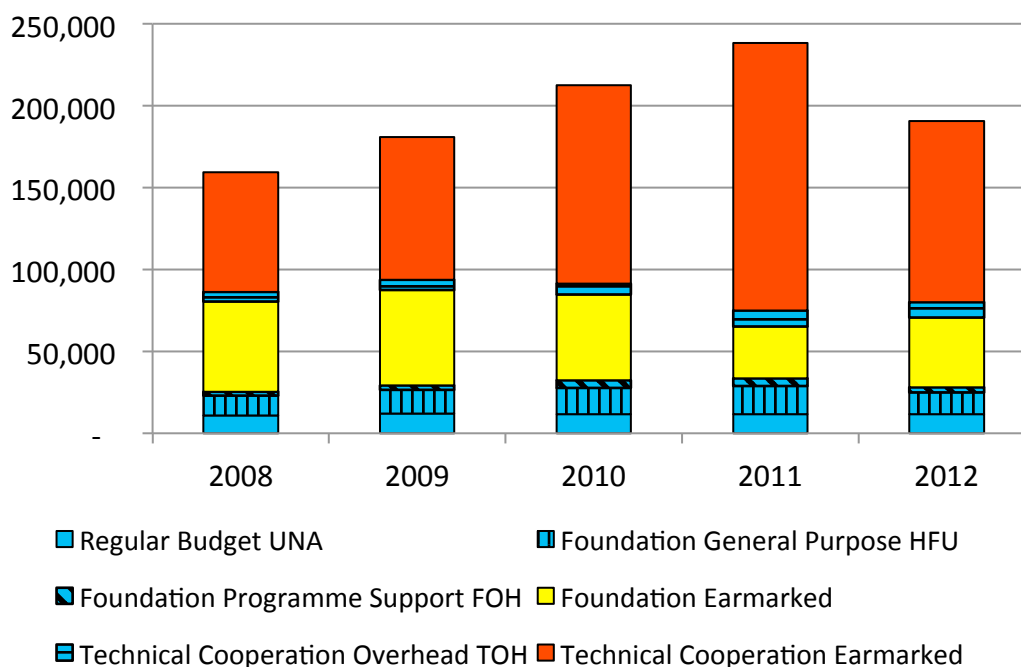
- 1) United Nations **regular budget** allocations approved by the United Nations General Assembly;
- 2) United Nations Habitat **Foundation** funded by voluntary contributions. The foundation is split into the **foundation general purpose**, which funds core activities, and **foundation special purpose** for specific activities;
- 3) **Technical cooperation contributions** and Trust Funds funded by voluntary contributions for specific regional and country level projects.

The organization's activities have grown significantly over the last two decades with expenditure rising from USD 18.7million in 1988 to USD 225 million in 2011. Since 2002, when UN-Habitat was upgraded from a centre to a United Nations Programme, annual contributions have nearly tripled from USD 58 million to USD 156 million respectively in 2012.

Figure 4 below shows the annual budget implemented from 2008 to 2012. The blue portions represent the core budget, comprising of regular budget, foundation general purpose, and overhead resources from implementation of foundation special purpose and technical cooperation activities.

**Regular budget** allocations from the United Nations General Assembly have remained broadly constant, averaging around USD 20 million per biennium. The **foundation** budget is funded by voluntary non-earmarked contributions. Currently this budget is vulnerable to global economic fluctuations. The foundation budget mainly supports global, regional and multi-country programmes, including normative programmes to establish policies, standards, best practices, tools and demonstration projects' strategic thematic areas.

**Figure 4 UN-Habitat annual budget implemented from 2008 - 2012**  
(in thousands of USD '000)

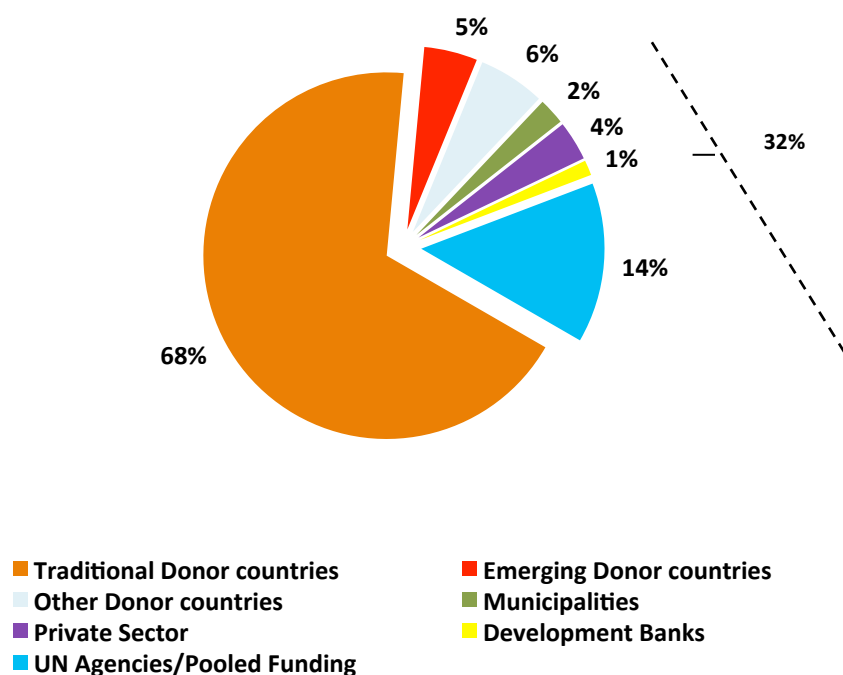


There has been a significant increase in **Technical Cooperation** activities at country level, especially in urban development, provision of urban basic services, land, housing and slum upgrading and rehabilitation after major natural disasters and conflict. The added value of UN-Habitat's policy guidance, advice and operational expertise at country level is recognized both by beneficiary countries and development partners. This assistance has contributed improvements in the living conditions of urban dwellers, including the most vulnerable.

## UN-Habitat Sources of Funds

In the last two years the number of donors to UN-Habitat has diversified and increased a 33% reaching 105 in 2012. As reflected in Figure 5, in **2012 voluntary contributions provided by funding streams different to those of the traditional donor countries represented a 32% of total voluntary contributions**, from 26% in 2010. This resulted from **higher contributions by UN/Pooled funding, private sector (private corporations, private foundations, general public) and other donor countries (mainly middle income) and local governments, which in 2012 reached 2% of total voluntary contributions.**

Figure 5 UN-Habitat 2012 Sources of Funds <sup>1</sup>



<sup>1</sup> Traditional Donor Countries according to the OECD are those countries members of the Development Assistance Committee (DAC). Under Emerging Donor countries we include other important providers of development co-operation which are not DAC members. According to the OECD they can be classified in three sub-groups: countries with new or recently revived, aid programmes, providers of South-South cooperation (developing countries, middle income countries and emerging economies that share expertise and financial support with other countries) and Arab Donors (some of them have been engaged in development cooperation for decades). Other donor countries include other governments contributing to UN-Habitat not included under the aforementioned categories.



Especially significant is the share of voluntary contributions from **our engagement within the UN system, which amounts to 14% of all contributions**. This represents **partnerships** with other UN agencies, contributions obtained through participation in **UN multilateral assistance** frameworks (**UNDAFs, Delivery as One** and other joint UN assistance mechanisms) and the **UN humanitarian response funds**.

**Emerging Donor Countries** (5%) and **Other Donor countries** (6%) already represent 11% of the total voluntary contributions to UN-Habitat. Some of these countries were listed last year for the first time among the first top ten contributors to UN-Habitat and the list of other donor countries has expanded from 14 countries up to 27. The majority of them are middle income countries.

**Local authorities and municipalities** contributions are a new source of income for UN-Habitat. These open an opportunity for partnership and UN-Habitat will develop specific portfolio in that direction. In 2012 contributions represented nearly eight times the amount registered in 2010.

**Private Sector** is also expanding as a source of finance, especially through the World Urban Campaign.

## Resource mobilization strategy

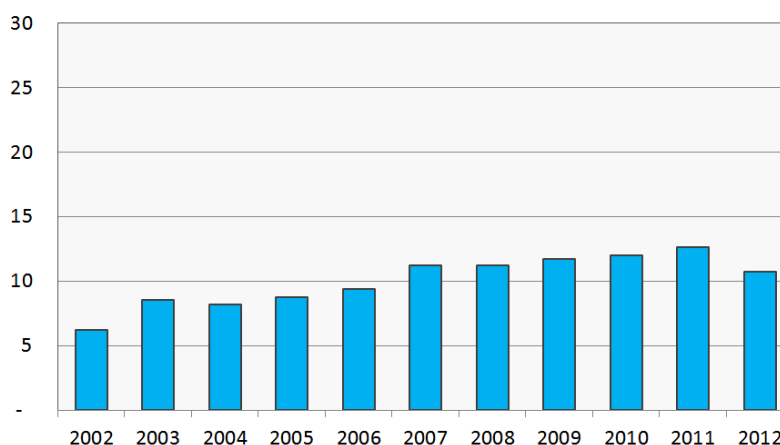
UN-Habitat's resource mobilization strategy identifies targeted action to increase the level of income for each of the three UN-Habitat sources of funding (regular budget, UN-Habitat Foundation and Technical Cooperation). It also presents more general strategies to achieve sustainable and predictable income and to enhance financial support to both core and earmarked activities.

Elements of the strategy include enhancing the quality of donor interactions with existing long-term development partners and building on existing relations with partners to leverage and expand the donor base to non-traditional donors, including emerging economies and other important donor countries. Through a revitalised agenda that responds to current needs and anticipated trends, the agency is positioned to attract contributions from beneficiary countries by demonstrating the added value of UN-Habitat's assistance. Greater advocacy, underscoring the significance of sustainable urbanization and UN-Habitat's role in achieving the Habitat Agenda, will help reinforce efforts to mobilize more political and financial support.

The strategy will be supported by strategic communications, systems and tools to create an enabling environment for more effective resource mobilization.

### a) Regular budget contributions

**Figure 6 Trends in contributions for UN-Habitat regular budget**  
(in millions of USD dollars per year)

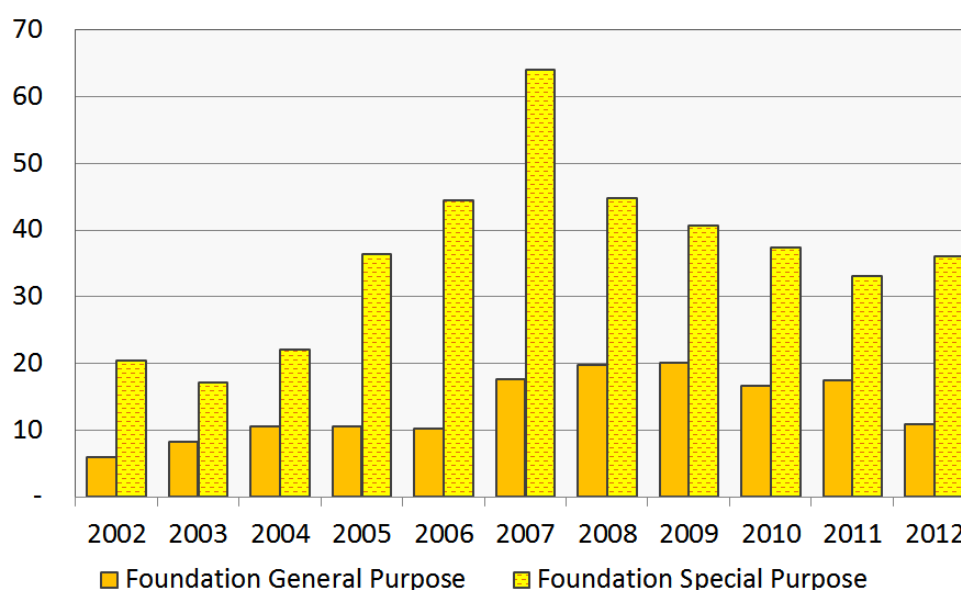


The regular budget appropriation is approved by the United Nations General Assembly and funded by assessed contributions. Regular budget funds are required for essential functions including strategic and executive coordination, statutory functions and the policy work of the agency. During the last 10 years, there has been no increase in regular budget allocation for UN-Habitat's work, yet demand for policy guidance to respond to the exigencies of a rapidly urbanising world has risen significantly.

As nations prepare to commit to new targets in the post-2015 sustainable development goals, and to chart a new chapter of the Habitat Agenda for the next 20 years at Habitat III, UN-Habitat will strongly advocate for support from member states directly and through relevant General Assembly bodies and the United Nations System to provide predictable funding for the sustainable urbanisation agenda through assessed contributions. In monetary terms, **UN-Habitat aims to increase the share of the United Nations budget from the current level of 0.002 per cent to 0.005 per cent. The current annual regular budget contribution is USD 10 million.** This would enable the agency to provide the assistance and guidance that is commensurate with the demands of this important mandate.

## b) UN-Habitat Foundation contributions

**Figure 7 Trends in contributions for UN-Habitat Foundation budget**  
(in millions of USD dollars per year)



The UN-Habitat Foundation comprises a general purpose portion funded by voluntary non-earmarked contributions and special purpose portion funded by voluntary earmarked contributions for specific activities.

Contributions to the foundation budget peaked to USD 84 million in 2007 and have diminished in parallel with the financial crisis to an average of around USD 50 million per year. Within this amount, voluntary contributions to the foundation general purpose budget peaked in 2008 at 20 million and have declined to USD 11 million in 2012, owing largely to the global economic crisis.

The organizational review of UN-Habitat in 2012 **refocused the strategy of the agency** to meet current and emerging demands relating to sustainable urbanization. In addition to the existing strategic priorities such as housing, slum upgrading, urban basic services, and land management, renewed focus is placed on urban planning and design, legislation, economy, job creation, mobility, energy and drainage where there is demand for support, and where evidence points to these areas as being key driving factors for socially, economically and environmentally sustainable cities.

The Foundation is indispensable for activities **that are at the heart of agency's mandate** such as research, standards setting, capacity development, policy formulation and knowledge management. The Foundation resources allows development of urban policies, strategies, standards, tools, statistics, trends, legislative frameworks, etc., to assist countries worldwide to build and manage sustainable human settlements, towns and cities.

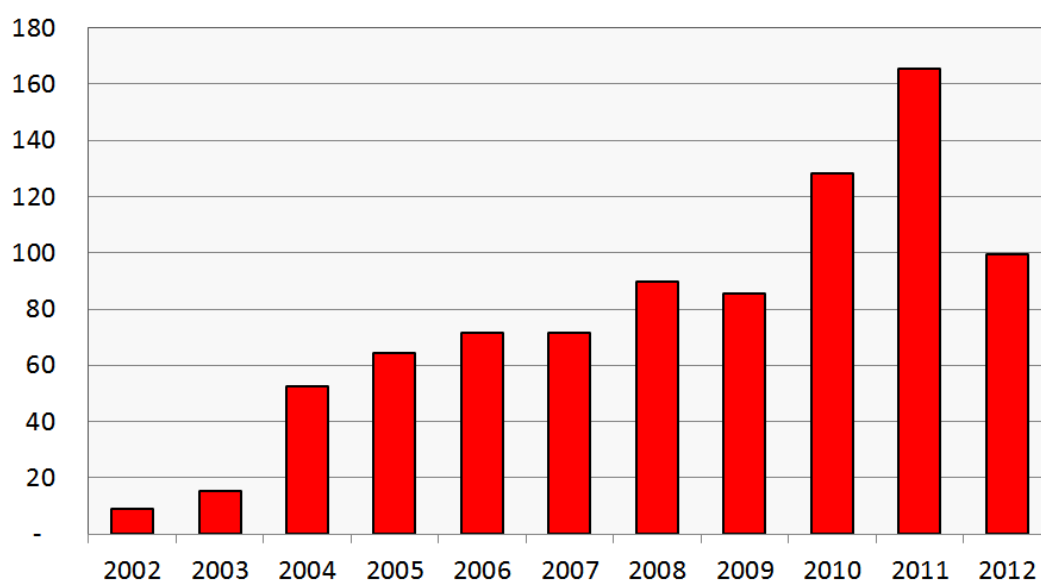
With this strategic realignment, and to meet the objectives set within the Work Programme and Budget, UN-Habitat foresees an increase in the Foundation's portfolio, and aims at increasing this fund to an annual amount of at least USD 85 million.

Central to this strategy is to request the 24<sup>th</sup> Governing Council to consider the introduction of a **Voluntary Indicative Scale of Contributions (VISC)**, or a similar mechanism, in line with recommendations of the UN Joint Inspection Unit and current practice in other UN agencies. The VISC is a proven instrument for guiding core contributions of member states, taking into account their economic and social circumstances and resources required to deliver the biennial work programme. It also enables countries to demonstrate ownership, commitment and support for the achievement of the work programme which UN-Habitat is mandated to deliver. The scale has been successfully implemented in other agencies including UNEP.

In addition, UN-Habitat aims at nurturing existing **long term partnerships** with traditional donor countries and increasing the number of long-term cooperation agreements with other major traditional donors. UN-Habitat aims also at working with its main traditional donors to pursue new support from other traditional donor countries and to enhance dialogue with non-traditional financial sources like local authorities, NGOs and foundations, which are major players in traditional donors' countries development assistance.

### c) Technical Cooperation activities

**Figure 8 Trends in contributions for UN-Habitat Technical Cooperation budget**  
(in millions of USD dollars per year)



Earmarked contributions towards Technical Cooperation activities have increased significantly from USD 9 million in 2001 to a peak of USD 166 million in 2010. The contributions reflect **recognition and appreciation by countries for UN-Habitat's assistance and interventions at regional and country level**. It also confirms that the research, norms, policy frameworks, standards, and tools developed by the agency are relevant, applicable and scalable at country level and that they are effective in responding to urban development requirements.

Based on UN-Habitat's long experience and knowledge of the urban situations in the countries and regions that it operates, and in view of the continued rapid increase in urbanization in developing and emerging economies, **UN-Habitat estimates that the value of the annual technical cooperation portfolio may reach USD 300 million per annum.**

At the **regional level the ministerial meetings** on housing and urban development will continue to play a major role in highlighting the strategic priorities of the regions and guiding the agenda for countries to develop national strategies to respond to these priorities.

Also at the regional level, UN-Habitat will build on existing experience with development banks (e.g. Asian Development Bank, and African Development Bank) and work strategically with them to leverage funding for regional and country initiatives on urban development. Particular focus will be placed on programmes that are aligned to the banks' regional economic assessments, and feature in their medium and long-term lending programmes and operational strategies. UN-Habitat is recognized by major development banks as a leading partner in urban development strategy and has existing agreements with some banks.

#### **d) Regional and national activities**

Also, **Resource mobilization strategies tailored to each region** will be developed. An initial overview of regional specificities is given below:

- **Asia and Latin America** are largely made up of middle income countries, thus offering many opportunities for partnership agreements within the regions. Programming would largely take the form of technical cooperation agreements and advisory contracts. South-South cooperation opportunities would be fostered by UN-Habitat as part of these partnerships. Resources would be sought from international finance institutions, national governments, development banks, and local government funding.

- **Africa** has a significant number of least developed countries, with an increasing number of countries gaining middle income status. UN-Habitat will focus on strengthening strategic relationships with national governments, regional institutions and organizations such as the African Union, ECOWAS, SADC and EAC, and city governments. Resources would be sought from ODA partners, development banks (as the African Development Bank), the Regional Economic Committees (RECs) and IFIs, national resources, and multi-donor trust funds.
- In **Eastern Europe** opportunities arise from EU financing mechanisms (e.g. European Commission and European Investment Bank). Renewed interest has been identified in some EU countries, for collaboration with UN-Habitat through these mechanisms. Efforts will focus on regional programming in regions like the Western Balkans, where donor agencies are shifting to regional programming, and in approaching new donor countries in the Commonwealth Independent States.

At the **country level**, UN-Habitat's strategy is to work with governments to develop **national urban policies** informed by analyses of urban priorities and challenges in the country. This strategy provides a coherent framework for working with beneficiaries, donors and other stakeholders and facilitates synergies between urban interventions for better efficiency and to realise maximum impact at country level.

UN-Habitat will continue to participate in country level multilateral coordination systems such as the **UN Development Assistance Frameworks** and **Delivering as One** programmes which are increasingly recognized as effective channels for delivering coordinated multilateral aid for national priorities and are often linked to multi-donor trust funds. UN-Habitat's strategy is to assure long-term presence in priority countries, to strengthen partnerships with development partners and other stakeholders within beneficiary countries, contribute to policy dialogue, and develop common policy frameworks and programmes with other UN agencies that have complementary mandates to achieve higher impact at the national level.

### e) Guiding Principles

In addition to the strategies outlined above, the following guiding principles will be pursued:

- i. **Transformation of programming model, based on comprehensive and coherent service provision, replication and scalability.** UN-Habitat will focus on substantially increasing the linkages between its normative and technical cooperation work, increase the range of services UN-Habitat provides and enhance the synergy between programmes to achieve maximum impact at global, regional and country levels. The organizational review in 2012, which gave emphasis to closer collaboration between thematic and operational functions, better positions UN-Habitat to deliver a more comprehensive package of services that addresses the multi-faceted aspects of sustainable urban development. Thematic, multi-country and multi-resourced programmes will be developed, to show measurable results at outcome level.
- ii. **Value for money.** UN-Habitat's goal is to provide services including policy guidance, technical assistance and knowledge resources that of real value in advancing the urban agenda at global, national, regional and local level. It is expected that excellence in coherent, quality service provision in an efficient, effective, accountable and transparent manner will attract greater political and financial support from development partners, beneficiaries and other urban stakeholders.
- iii. **Broaden resource base.** Recognising the coming challenges of urbanization in developing countries, programming supported by traditional and emerging donors will increasingly be supplemented by national budget funding, Public Private Partnerships and South-South Cooperation. Most governments are already considering how resources can be generated to meet anticipated needs. Therefore, innovative partnership in resource model must be developed. In building stronger national and regional partnerships, UN-Habitat plans to be an important catalyst in its area of mandate.



- iv. **Increasing local governments funding. Cities and human settlements are key beneficiaries** of the programme and agenda of UN-Habitat and as shown before they are becoming a new source of contributions to UN-Habitat. The strategy of UN-Habitat gives a significant importance to intensify its engagement with municipalities. The strategy builds on the implementation of major UN-Habitat's normative innovations, specifically the City Prosperity Initiative, through cooperation agreements with local and national governments. The initiative assists cities' decision makers in designing clear policy interventions and improve the performance of their cities, facilitating the attraction of investments, and the monitoring of the progress towards achieving sustainable urban development. Along the City Prosperity Initiative other normative innovations of UN-Habitat towards local governments include the Urban Resilience Indexing Programme and the Safety Monitor.
- v. **Expanding thematic and pooled funding; UN system partnerships.** Funding modalities like thematic funds, allow for longer-term planning while reducing transaction costs and increasing efficiency for leveraging further funding. UN-Habitat will build on successful models such as Water and Sanitation Trust Fund (currently expanding into an Urban Basic Trust Fund) or the Slum Upgrading Facility which have leveraged substantial financial resources and contributed to enhanced cooperation with development banks, international and national development partners, and private sector. UN-Habitat will further develop its programme activities as part of the Delivering as One initiative and the UN Development Assistance Frameworks, and associated use of UN multi donor trust funds. UN Humanitarian funds will continue to be an important source of funding in crisis and post crisis countries.
- vi. **Greater engagement with the private sector and the private individuals.** To further enhance support from non-traditional donors:
  - UN-Habitat will build on existing partnerships with **private sector** companies (SIEMENS, ARCADIS, VEOLIA, LAFARGE, GDF, Google, CISCO or Coca Cola, etc.) that are part of the UN Global Compact through the **World Urban Campaign** and technical cooperation programmes by identifying opportunities for private sector companies to contribute to infrastructure projects and advocacy initiatives.

- Through the World Urban Campaign and other programmes, UN-Habitat will deepen relations with major **foundations**, going beyond securing financing for specific programmes to engaging them as champions for sustainable urbanization globally.
  - New technologies like social media have contributed to increasing global community giving. UN-Habitat will explore fundraising from **the general public**, for particular causes that speak to the hearts of individuals such as support for the most vulnerable urban populations and emergency assistance after disasters and conflicts. This will be complemented by greater engagement of individuals in the urban debate through advocacy platforms like World Urban Forum, World Urban Campaign and “**I’m a City Changer**” campaign.
- vii. **Build in-house capacity in resource mobilization.** To ensure the success of the resource mobilization strategy, UN-Habitat will develop the capacity of key staff, who interact most with donors, in fundraising techniques and project acquisition. This includes branch coordinators, regional directors, and other staff at regional and country level where much of the funding for country activities is negotiated. This will be complemented by **tools** to support their efforts such as donor information packages, market intelligence on funding opportunities and trends, donor and partner relationship management systems.
- viii. **Enhance corporate outreach and communications.** UN-Habitat will continue efforts to foster a corporate approach to communications with consistent messages and coherent products. The aim is to improve the image and the visibility of the organization, highlight its role as the UN focal point on urban matters and a key advocate for sustainable urban development, affirm its standing as a centre of excellence on sustainable urban development and demonstrate the impact of the agency’s work at the global regional and country levels. The World Urban Forum, World Urban Campaign and World Habitat Day provide important advocacy platforms.

These strategies and guiding principles are being developed into several action plans at regional and corporate level.

The UN-Habitat fund-raising strategy for 2013-2015 should reinforce the efforts towards a better urban future. We will like to invite and to encourage governments, partners, stakeholders, citizens to accompany us in this urban change journey.