



Distr.: General 13 August 2014

Original: English

Sixty-ninth session Item 20 of the provisional agenda\* Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-Habitat)

# Implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme (UN-Habitat)

**Report of the Secretary-General** 

## Summary

The present report, submitted pursuant to paragraph 24 of General Assembly resolution 68/239, provides a description of the activities of the United Nations Human Settlements Programme (UN-Habitat) since the issuance of the previous report (A/68/332) in implementing the outcome of the second United Nations Conference on Human Settlements (Habitat II) and in strengthening UN-Habitat.

The report contains an update of progress made in preparations for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III), including through the seventh session of the World Urban Forum and the World Urban Campaign. It also provides a description of progress made in the implementation of three major issues highlighted by the General Assembly in resolution 68/239: outcome of the governance review process; financial developments in UN-Habitat; and sustainable urbanization and the post-2015 development agenda.

\* A/69/150.





The report further describes the engagement of UN-Habitat in the first-ever integration segment of the Economic and Social Council, the thematic focus of which was on sustainable urbanization, as well as significant global and regional activities implemented by the Programme during the reporting period, including the publication of the *Global Report on Human Settlements 2013: Planning and Design for Sustainable Urban Mobility*, World Habitat Day 2013 activities and preparations for the first World Cities Day. It concludes with a number of recommendations relating to Habitat III and urbanization and human settlements policy issues.

# I. Introduction

1. The present report is submitted pursuant to paragraph 24 of General Assembly resolution 68/239 on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and the strengthening of the United Nations Human Settlements Programme (UN-Habitat).

# **II.** Update on progress made in preparations for Habitat III

2. The General Assembly, in paragraph 24 of its resolution 68/239, requested the Secretary-General to include in his report to the Assembly at its sixty-ninth session an update on progress made in the preparations for the United Nations Conference on Housing and Sustainable Urban Development (Habitat III).

3. During the reporting period, UN-Habitat preparations for Habitat III were guided by Assembly resolutions 67/216 and 68/239, and UN-Habitat Governing Council resolution 24/14.

## A. Global preparatory activities

4. Global preparatory activities carried out during the reporting period include: follow-up to Governing Council decisions on Habitat III; support to deliberations of the Committee of Permanent Representatives to UN-Habitat on Habitat III; mobilization of local Governments and other Habitat Agenda partners; mobilization of resources for the preparatory process and the conference itself; and establishment of the Habitat III secretariat.

#### Follow-up to UN-Habitat Governing Council decisions on Habitat III

5. The General Assembly, in paragraph 14 of its resolution 67/216, requested the Secretary-General of Habitat III to prepare, using the expertise of the United Nations system, a proposal for consideration by the Governing Council at its twenty-fourth session, on how best to provide inputs for and support to the preparatory process of the conference in the most inclusive, efficient, effective and improved manner, and to proceed accordingly.

6. In response, the Executive Director of UN-Habitat, in his capacity as Secretary-General of the Conference, presented the requested proposal to the Governing Council at its twenty-fourth session. The Governing Council was requested to decide on the documentation and meetings that would constitute the inputs and support of UN-Habitat and the United Nations system to the preparatory process for Habitat III.

7. The present report describes implementation by UN-Habitat of the remaining follow-up activities in the current reporting period.

8. Firstly, in follow-up to Governing Council resolution 24/14, paragraph 2 (a), by which the Council had requested the Habitat III Secretary-General to consider possible contributions from United Nations system organizations and Habitat Agenda partners to the preparatory process, the United Nations inter-agency coordinating committee for Habitat III was established on 3 July 2013 in Geneva,

after which the committee had its first meeting (see A/68/332, paras. 30 and 31). During the reporting period, the committee held its second meeting in New York on 27 November 2013, and its third meeting on 8 April 2014 in Medellin, Colombia, during the seventh session of the World Urban Forum.

9. At the twenty-seventh session of the High-level Committee on Programmes of the United Nations System Chief Executives Board for Coordination (CEB), held in Santiago on 17 and 18 March 2014, UN-Habitat proposed the introduction of an agenda item on "A new United Nations urban agenda". Following positive feedback, a working group was established in early July 2014 and began its work.

10. On the basis of the report of that working group, it is expected that the Highlevel Committee on Programmes will prepare draft policy recommendations on a new United Nations urban agenda for preliminary consideration by CEB in November 2014. It is also envisaged that, after approval by the Board, the final recommendations will be submitted to the Habitat III Preparatory Committee in December 2015 as the formal input of the United Nations system organizations to the preparatory process.

11. Secondly, in line with paragraph 2(c) of Governing Council resolution 24/14, UN-Habitat continued to refine the updated think piece intended to inform the Habitat III preparatory process. The document has been shared with other United Nations programmes and funds, specialized agencies and Member States.

12. Thirdly, in line with paragraph 2(d) of resolution 24/14, the Habitat III Secretary-General finalized and distributed to Member States the guidelines and format for the preparation of Habitat III national reports in November 2013. The guidelines were the outcome of a series of consultations with Member States, Habitat Agenda partners and United Nations system organizations held during the second half of 2013.

#### **Deliberations of the Committee of Permanent Representatives to UN-Habitat**

13. As stated above, the Governing Council, through its resolution 24/14, requested the Secretary-General of the Conference, in his capacity as Executive Director, and in consultation with the Committee of Permanent Representatives, to refine his proposed input to the preparatory process for Habitat III.

14. In follow-up to the above request, the Committee's working group for planning (later renamed the Committee of Permanent Representatives Subcommittee on Policy and Programme of Work) continued to hold meetings on preparations for Habitat III. Four meetings have been held since and updates provided on the status of preparations for Habitat III, focusing on the organizational aspects and documentation, including the draft think piece, and the road map for the preparatory process. The Committee has expressed its readiness to be involved in Nairobi-based preparations for Habitat III.

#### Mobilization of local Governments and other Habitat Agenda partners

15. During the reporting period, UN-Habitat mobilized local Governments and other Habitat Agenda partners through the World Urban Forum, the World Urban Campaign, and a project entitled "Strengthening Partnerships for an African Urban Agenda".

#### Seventh session of the World Urban Forum

16. The World Urban Forum was recognized by the General Assembly in its resolution 68/239 as the foremost global arena for interaction among policymakers, local government leaders, non-governmental stakeholders and expert practitioners in the field of human settlements.

17. The seventh session of the World Urban Forum, convened by UN-Habitat, was highly successful, in terms of relevance, outcomes and participation. It was attended by more than 22,000 persons from more than 140 countries, gathered together to seek ways of promoting inclusive urban development in all parts of the world. The spirit and main recommendations of the Forum were captured in the Medellin Declaration, the key outcome document of the session. The Declaration focused on equity as a foundation of sustainable development, the city as an opportunity, the need to promote a new urban agenda, and the need to contribute to the future through deliberations on the post-2015 development agenda and Habitat III.

18. Participants at the seventh session of the World Urban Forum acknowledged that, when equity is an integral part of the development agenda, the deep structural problems and challenges of cities can be better addressed. Equity is both a moral obligation and a central element of social justice, and becomes part of transformative change.

19. Participants highlighted the need to promote a new urban agenda that can overcome the challenge of the lack of adequate legal framework and planning, which leads to the relentless expansion of cities, intensive energy use, dangerous climate change impacts, multiple forms of inequality and exclusion and increased difficulties in providing decent work for all. The agenda should promote an urbanization model that is people-centred.

20. The framework of the post-2015 development agenda was identified as an opportunity to reaffirm the universal relevance of well-planned and well-managed cities as real drivers for change. Towards that end, the participants at the Forum reaffirmed the need to include key aspects of sustainable cities and human settlements in the post-2015 development agenda in order to harness the transformational power of cities to achieve and advance sustainable development.

21. The discussions at the seventh session of the World Urban Forum provided an important contribution to Habitat III. It was recognized that Habitat III was a unique opportunity to develop a new urban agenda that could contribute to harnessing urbanization as a positive force for present and future generations, and to advancing the quest for equity and shared prosperity.

22. To this end, the World Urban Campaign was recognized in Medellin as a participatory process and partnership platform among actors of change working to ensure an inclusive and encompassing process towards Habitat III.

#### World Urban Campaign

23. Since its launch in March 2010 at the fifth session of the World Urban Forum, the World Urban Campaign has evolved from a knowledge-sharing network into a think tank and has been considerably strengthened, in terms of both legitimacy and the number of partners engaged.

24. The Campaign currently includes more than 75 partners and members, which feature major constituencies and umbrella organizations with large global outreach. Its partners are instrumental for UN-Habitat in promoting urbanization issues and solutions in general, as well as Habitat III. Campaign members also act as multipliers in terms of dissemination of key messages.

25. Since the sixth session of the World Urban Forum, held in Naples, Italy, in September 2012, and the launch of the "Manifesto for cities: the urban future we want", the World Urban Campaign has become actively engaged in the Habitat III preparatory process. Partners have recognized the strategic importance of Habitat III to the elevation of the urban agenda globally. A working group on Habitat III, established by the World Urban Campaign Steering Committee in September 2012, met in April and September 2013 to reflect on past conferences, initiate a strategy and draft a position on the "City we need" (the vision of a city for the twenty-first century) as a contribution by partners to the Conference.

26. The consensus document on the "City we need" was launched in New York in March 2014 by key partners, including the Special Envoy of the United Nations Secretary-General for Cities and Climate Change, Michael R. Bloomberg, in collaboration with the Ford Foundation. The next step in the "City we need" process towards Habitat III will take place at the Urban Thinkers Campus in Caserta, Italy, in October 2014.

#### Engagement of local authorities and regional governments

27. The General Assembly, in paragraph 7 of its resolution 68/239, invited Member States to facilitate participatory processes and wide stakeholder participation, including local authorities and their associations, when developing, revising and implementing national urban policies, where appropriate, in particular through national urban forums also as a means for the preparation of Habitat III.

28. The outcome document of the United Nations Conference on Sustainable Development, entitled "The future we want", acknowledges, in paragraph 42, the importance of all levels of government and legislative bodies, including local governments, in promoting sustainable development in the following words: "We reaffirm the key role of all levels of government and legislative bodies in promoting sustainable development."

29. During the preparation for the Conference, held in Rio de Janeiro, Brazil, in June 2012, a group of local government associations met in April 2012 to provide inputs to the Group of Friends of Sustainable Cities. This informal group of 29 permanent representatives to the United Nations in New York is co-chaired by Singapore and Sweden and has been instrumental in bringing the urban dimension to the deliberations of the General Assembly. The United Nations Secretary-General was present at the April meeting and the representatives to the United Nations took careful note of the contributions by mayors and governors.

30. A result of the success of the Rio Conference in this regard was the initiative to form the "Global Task Force of Local and Regional Governments for the Post-2015 Development Agenda towards Habitat III" by United Cities and Local Governments, in order to build a joint strategy to contribute to the international policymaking debates within the framework of the post-2015 development agenda, follow-up to the Rio Conference and towards Habitat III.

31. With regard to other Habitat Agenda partners, UN-Habitat launched a project entitled "Strengthening Partnerships for an African Urban Agenda", with financial support from Nigeria amounting to \$3 million. Building on "*The New Pact: Optimizing the Urban Advantage*" of the fourth African Ministerial Conference on Housing and Urban Development, this project aims at highlighting the importance of urbanization as an imperative for development in Africa while preparing sub-Saharan Africa for Habitat III. It articulates the region's priorities for the next 20 years.

32. The involvement of Habitat Agenda partners in all steps in the development of an African Urban Agenda, which would also serve as Africa's input to the Habitat III preparatory process, aims to ensure an outcome that truly responds to African people's needs.

33. The project has attracted a lot of interest from other key stakeholders and has been merged with the Presidential Initiative on an African Urban Agenda, spearheaded by President Mahama of Ghana and President Jonathan of Nigeria. Ghana announced a contribution of \$500,000 at the take-off conference for the project held in December 2013. The Economic Commission for Africa, the African Development Bank, the Cities Alliance and United Cities and Local Governments-Africa have all expressed their willingness to partner with UN-Habitat to support Member States in driving the African Urban Agenda.

#### Financial and other resources for Habitat III and its preparatory process

34. The proposal presented by the Habitat III Secretary-General to the UN-Habitat Governing Council during its twenty-fourth, session, in follow-up to paragraph 14 of General Assembly resolution 67/216, was accompanied by a proposed road map and a draft budget for the preparatory process.

35. At that time, an estimated \$12,861,300 was foreseen for the Habitat III preparatory process and the conference itself, excluding the operational costs for the host country. Of that amount, \$9,073,100 would be mobilized for the Habitat III trust fund and \$3,788,200 would be requested from the regular budget.

36. In November 2013, the United Nations Controller fully operationalized the Habitat III trust fund, and an account for deposit of voluntary contributions was opened.

37. In December 2013, under section 15 of the regular budget of the United Nations (Human settlements), the General Assembly allocated \$2,073,700 for the Habitat III preparatory process during the biennium 2014-2015. A further amount of \$1,063,000 was allocated under section 2 of the regular budget (General Assembly and Economic and Social Council Affairs and Conference Management) for the organization of the first two Habitat III Preparatory Committee meetings.

#### Establishment of the Habitat III secretariat

38. The Habitat III Secretary-General established the Habitat III secretariat on 4 February 2014. At its helm is the Habitat III Deputy Secretary-General, at the D-2 level. This D-2 position is funded by the regular budget, as are three General Service posts at the G-7 level. Other Professional posts will be funded by the Habitat III trust fund.

## B. Regional and national preparatory activities

39. In all regions, progress with Habitat III preparatory activities was made on several fronts and to varying extents, including intergovernmental deliberations, establishment or strengthening of national Habitat committees and preparation of national Habitat III reports.

#### Africa

40. The fifth session of the African Ministerial Conference on Housing and Urban Development, which was held from 25 to 28 February 2014 in N'Djamena, included in its agenda a discussion of the Habitat III preparatory process and the post-2015 development agenda — which linked the two processes. The theme of the session was "Case studies in financing human settlements in Africa: appropriate legislative frameworks and innovations in implementation". Other matters discussed included the urban agenda for Africa and its linkage with the African Union Agenda 2063, the outcome of the take-off conference for the project on "Strengthening Partnerships for an African Urban Agenda" and progress made in the preparations for the seventh session of the World Urban Forum.

41. The main outcome documents of the session were the N'Djamena Declaration and the N'Djamena Action Plan. Both documents outlined Africa's key priorities in the area of cities and other human settlements, forming the continent's aligned input to the African Urban Agenda, the Habitat III preparatory process and the post-2015 development agenda.

42. Furthermore, three broad recommendations were made. First, the Ministerial Conference needed to consider how to strengthen its engagement in regional and global level processes, including through harmonization of inputs to Habitat III, the post-2015 development agenda and the seventh session of the World Urban Forum. Second, effective preparations for Habitat III needed strengthened national Habitat committees and the commitment to have the first drafts of Habitat III national reports by the first meeting of the Habitat III Preparatory Committee. Third, Ministerial Conference members were encouraged to consider whether they were in a position to declare support for a stand-alone sustainable development goal on urbanization and to develop clear milestones in the preparatory journey towards Habitat III.

43. UN-Habitat, through the "Strengthening Partnerships for An African Urban Agenda" project, is currently supporting 33 least developed countries in Africa to prepare Habitat III national reports, with funding from Nigeria and France. This process started with countries that had already established national Habitat committees. By early July 2014, 20 African countries had established or were in the process of establishing national Habitat committees, while 5 countries had commenced preparation of Habitat III national reports.

#### **Arab States**

44. Three Habitat III preparatory meetings were held in the Arab States region. On 27 May 2014 in Beirut, the UN-Habitat Regional Office for the Arab States held a meeting with the Economic and Social Commission for Western Asia (ESCWA) on regional preparations for the post-2015 development agenda and Habitat III. Strong interest was shown by ESCWA to collaborate on both processes.

45. From 9 to 11 June 2014, an event titled "Regional Workshop on Monitoring the Post-2015 Sustainable Development Agenda Targets: Sustainable Urbanization in Focus — the Role of Urban Observatories" was held in Kuwait City. The meeting was attended by representatives from various Arab countries engaged in local and national urban observatories. The meeting discussed the role of urban observatories and the city prosperity index in measuring the implementation of sustainable development goals in the Arab region. Participants encouraged the establishment of indicators at an early stage in order to ensure ownership over the process and sustainability of the outcomes.

46. On 2 July 2014, the UN-Habitat Regional Office for the Arab States held a meeting with the League of Arab States in Cairo, as part of the UN-Habitat collaboration with the League in the preparation of an Arab Strategy on Housing and Sustainable Urban Development. The League of Arab States had been engaged in the post-2015 development agenda regional preparations and offered support in providing inputs to the Habitat III regional reports. It was agreed that the Iraqi National Habitat Committee would support the League of Arab States in the preparation of the Habitat III Arab regional reports.

47. By early July 2014, 11 Arab states had established or were in the process of establishing national Habitat committees, while all 11 had commenced preparation of Habitat III national reports.

#### Asia and the Pacific

48. "Regional preparations for Habitat III" was an agenda item at the third session of the Economic and Social Commission for Asia and the Pacific (ESCAP) Committee on Environment and Development, held in Bangkok in October 2013. ESCAP member States reaffirmed the importance of the regional preparatory processes and endorsed the ESCAP proposal for planned regional preparations for Habitat III.

49. ESCAP also organized an event on the role of local governments in "The future we want" in Bangkok in October 2013. ESCAP and UN-Habitat jointly discussed Habitat III preparations with the Embassy of Indonesia in Bangkok. This was followed by a visit to Jakarta by the Habitat III Secretary-General in June 2014, during which further discussions took place, focusing on preparations for Habitat III in the region and Indonesia's role in the process.

50. A number of meetings at which Habitat III was discussed or promoted were attended by the UN-Habitat Regional Office for Asia and the Pacific.

51. The Habitat III national preparatory process was included in the United Nations Development Group Asia-Pacific Guidelines for Integrating Urbanization in United Nations Development Assistance Frameworks. Finally, UN-Habitat, in collaboration with ESCAP, prepared the *Asia-Pacific State of Cities Report 2015*, to be published in early 2015.

52. By early July 2014, updates had been received from 14 countries concerning the establishment of national Habitat committees and preparation of Habitat III national reports. Of those countries, 11 had established national Habitat committees, while 10 had started preparing their Habitat III national reports.

#### **Europe and North America**

53. In Europe and North America, in addition to the establishment or strengthening of national Habitat committees and the preparation of national reports, the Habitat III preparatory process was initiated with intergovernmental deliberations through the Economic Commission for Europe (ECE) and the European Union.

54. In October 2013 UN-Habitat launched *State of European Cities in Transition* 2013: Taking Stock after 20 Years of Reform during the European Union Open Days in Brussels. It also presented the Habitat III preparatory process at the ECE Ministerial Meeting on Housing and Land Management held in October in Geneva. At the same meeting ECE adopted its strategy for sustainable housing and land management containing specific targets to be reached by member States by 2020. The strategy is built upon a survey of opinions of the 58 ECE member States on priorities and challenges in housing and land management, including sustainable urban development, in the region. As part of this effort, ECE has worked with UN-Habitat to conform its country profiles to the guidelines for the preparation of Habitat III national reports.

55. In October 2013, in relation with the Habitat III preparatory process in the European Union, the UN-Habitat Liaison Office in Brussels started engaging with the Urban Development Group, which comprises European Union ministries in charge of urban and territorial development. At the November Urban Development Group meeting of Directors General responsible for urban issues, held in Vilnius, the European Union member States agreed that UN-Habitat should be included as a permanent observer in the meetings of the Urban Development Group and subsequent meetings of Directors General and in ministerial meetings.

56. In February 2014, the European Commission Directorate General for Regional and Urban Policy laid a stepping stone for the formulation of a European Union Urban Agenda through the Cities of Tomorrow: Investing in Europe conference, held in Brussels. In its report, the conference considered the European Union's contribution to Habitat III as an opportunity to take stock of de facto European Union urban priorities and affirmed the lead role of the European Union in sustainable urban development.

57. At the Urban Development Group meeting under the Italian Presidency of the Council of the European Union, held in Rome in July 2014, discussions were held on a proposal to develop a framework of cooperation between the European Union and UN-Habitat aimed at strategic collaboration in preparing for Habitat III.

#### Latin America and the Caribbean

58. The twenty-second meeting of the General Assembly of Ministers and Highlevel Authorities of the Housing and Urban Development Sector in Latin America and the Caribbean, at which Habitat III was discussed, was held in Santiago from 30 September to 2 October 2013, with 13 Governments represented. The regional meeting is responsible for the promotion of intergovernmental coordination and cooperation among Latin American and Caribbean countries in all areas relating to sustainable development in human settlements.

59. The main result of the meeting was a commitment to promote the development of urban policies that are inclusive of populations of informal settlements,

guaranteeing access to urban infrastructure, community services and environmental sanitation, while also strengthening human and social capital.

60. The main outcome document of the assembly was the Santiago Declaration, in which the participants, among other things, expressed their desire to participate actively in the seventh session of the World Urban Form and the Habitat III preparatory process, as well as the conference itself.

61. The UN-Habitat Regional Office for Latin America and the Caribbean has designed a road map for the Habitat III preparatory process at the national and regional levels, including preparation of Latin America and the Caribbean national and regional reports for Habitat III. The Regional Office has also drafted a project document for the purpose of mobilizing financial resources needed to provide technical support for the preparation of Habitat III national reports.

62. Meetings with the Cities Alliance were held and the Alliance expressed interest in co-funding Habitat III national and regional reports.

63. By early July 2014, six Latin America and Caribbean States had established national Habitat committees, while one State had commenced preparation of its Habitat III national report.

### C. Information and publicity

64. During the course of 2013, UN-Habitat created a webpage for Habitat III. All General Assembly and Governing Council resolutions on Habitat III, and all key documents, including reports submitted to the Assembly and Governing Council on Habitat III and the Habitat III budget, have been uploaded to the webpage.

65. The seventh session of the World Urban Forum and the World Urban Campaign, both already described above, also contributed significantly to dissemination of information on Habitat III and general publicity of the conference's preparatory process.

# III. Outcome of the governance review process

66. In paragraph 15 of its resolution 68/239, the General Assembly encouraged the Committee of Permanent Representatives to continue its consideration of proposals, including recommendations and options for reform, with a view to reaching a consensus on how to proceed with the governance review.

67. During the reporting period, the Committee, through its Bureau, continued consideration of the governance review process, including the timing of this process in relation to the envisaged outcome of the Habitat III conference. However, at the time the present report was being prepared, no consensus had been reached.

# **IV.** Update on financial developments

68. Income projections for the biennium 2014-2015 stand at \$62.9 million for non-earmarked income and \$283 million for earmarked income. As at 30 June 2014, non-earmarked income received and confirmed pledges amounted to \$24.5 million

(or 39 per cent of the projection), while \$57.6 million (or 19 per cent of the projection) had been received in earmarked income.

69. During the reporting period, UN-Habitat continued to implement a strengthened resource mobilization strategy aimed at widening its donor base to include emerging economy countries, and to expand its earmarked project portfolio. Positive results have been achieved with respect to the earmarked portfolio; earmarked income received in 2013 was 27.6 per cent higher than that received in 2012.

70. Streamlining of full cost recovery in line with the principles outlined by the General Assembly in its resolution 67/226, to enable more accurate attribution of costs to projects, continued, resulting in more accurate attribution of \$1.8 million to earmarked projects in 2013, thus reducing subsidization of earmarked projects by core funds. A higher level of cost recovery is expected in 2014 as cost recovery is applied to an increasing proportion of new contribution agreements.

71. UN-Habitat also made considerable progress in the implementation of the International Public Sector Accounting Standards (IPSAS), including accurate recording of fixed assets in all offices, a major update of the contribution and implementing partner agreement database and associated income and payment schedules, as well as reviewing of unliquidated obligations. From the end of 2014, UN-Habitat financial statements will be produced annually and will be IPSAS compliant. UN-Habitat is now focusing on fostering IPSAS compliance throughout the organization.

72. During the reporting period, UN-Habitat continued to control core expenditure through a wide range of measures, including reducing travel costs, limitation of new recruitment to critical positions, closer alignment of expenditure with forecast income and establishment of a matrix organizational structure to enable more flexible allocation of staff. In 2014, a voluntary early retirement package was offered to senior staff so as to achieve a better balance of staff at the different professional grades, as well as to align core staffing levels with core financial resources and organization functional needs.

73. The above measures and the wider organizational reforms recently undertaken by UN-Habitat are expected to lead to a reduction in the core deficit during the biennium 2014-2015.

# V. Sustainable urbanization and United Nations system-wide processes

74. By paragraph 2 of its resolution 68/239, the General Assembly encouraged giving appropriate consideration to sustainable urbanization in the elaboration of the post 2015 development agenda. During the reporting period, UN-Habitat continued contributing to the post-2015 development agenda consultations, linking closely its contribution to the Habitat III preparatory process.

# A. Post-2015 United Nations development agenda

75. Building on its earlier contribution to the work of the United Nations System Task Team on the Post-2015 United Nations Development Agenda, during the reporting period UN-Habitat participated in the technical support team of the Open Working Group on Sustainable Development Goals. In particular, it contributed significantly to the seventh session of the Open Working Group, held from 6 to 10 January 2014, including by co-drafting the related issues brief on sustainable cities and human settlements. That effort was led jointly by UN-Habitat and the United Nations Environment Programme, with the participation of 12 other United Nations programmes, funds, agencies and regional commissions.

76. UN-Habitat also continued to participate in the activities of the Sustainable Cities Thematic Group of the Sustainable Development Solutions Network, and to work with the Global Task Force of Local and Regional Governments, as well as with the Communitas Coalition for Sustainable Cities and Regions.

77. As Vice-Chair of UN-Water, UN-Habitat also contributed to the sustainable development goals consultation process and to the discussions on the post-2015 development agenda with regard to water and sanitation.

78. There is now increasing recognition of the contribution of urbanization to sustainable development. In his report entitled "A life of dignity for all: accelerating progress towards the Millennium Development Goals and advancing the United Nations development agenda beyond 2015" (A/68/202), the Secretary-General recognized meeting the challenges of urbanization as one of 14 key transformative and mutually reinforcing actions that applied to all countries that would be required to bring to life the vision of the development agenda beyond 2015.

79. At the seventh session of the Open Working Group, which focused on sustainable cities and human settlements and sustainable transport, among other topics, there was significant support by member States for the inclusion of urbanization in the sustainable development goals, as indicated by the co-chairs in their summary of the session. In late February 2014, the issue of sustainable cities and human settlements was included among the 19 focus areas identified by the co-chairs as a basis for discussions on the formulation of the sustainable development goals.

80. At the integration segment of the Economic and Social Council held at the end of May 2014, there was full support for a stand-alone sustainable development goal on sustainable cities and human settlements, as more fully described in the section below.

81. The final proposal of the Open Working Group on Sustainable Development Goals was issued on 19 July 2014. Its proposed goal 11 is entitled "Make cities and human settlements inclusive, safe, resilient and sustainable". This final proposal also contained three other goals that are, to varying extents, directly relevant to the UN-Habitat strategic plan for 2014-2019, namely, proposed goal 6: "Ensure availability and sustainable management of water and sanitation for all"; proposed goal 7: "Ensure access to affordable, reliable, sustainable and modern energy for all"; and proposed goal 9: "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation".

# B. Integration segment of the Economic and Social Council

82. The first-ever integration segment of the Economic and Social Council was held from 27 to 29 May 2014 in New York. The segment focused on the theme of "Sustainable urbanization", and was aimed at exploring how urbanization can be an effective tool for the integration of economic, social and environmental dimensions of sustainable development. It was organized by the Department of Economic and Social Affairs of the Secretariat, in collaboration with UN-Habitat and the Office of the Special Adviser on Africa, and with the support of United Cities and Local Governments. Habitat III featured prominently in the discussions at the integration segment.

83. The segment was chaired by the Vice-President of the Economic and Social Council, Ambassador Vladimir Drobnjak, and brought together a number of highlevel leaders, including: Paul Kagame, President of Rwanda; Angelino Garzon, Vice-President of Colombia; Isabelle Picco, Vice-President of the General Assembly; and Ban Ki-moon, Secretary-General.

84. The event featured various interactive panel discussions and dialogues, as well as side events organized by Member States, the United Nations system and other stakeholders, all of which offered opportunities for invited keynote speakers and panellists, as well as ministers, mayors and other stakeholders to engage with each other on the future of urbanization and cities.

85. The segment concluded that urbanization can serve as a transformational force for achieving and advancing sustainable development. To this end, an integrated approach that engages all key stakeholders in order to produce innovative solutions to foster economic, environmental and social sustainability, will be required.

86. As stated in its report, the outcome of the integration segment would not only feed into the high-level segment of the Economic and Social Council, including the high-level political forum on sustainable development, but would also serve as the Council's contribution to Habitat III in 2016.

# C. United Nations Framework Convention on Climate Change processes

87. During the reporting period, UN-Habitat participated in the processes of the United Nations Framework Convention on Climate Change, including at the nineteenth Conference of the Parties and the Climate Change Conference, held in Bonn, Germany, in June 2014. At the nineteenth Conference of the Parties, UN-Habitat contributed to the first "Cities Day" ever held at such a conference, which was attended by the Deputy Executive Director.

88. Related to the above-mentioned activities, UN-Habitat has also been involved in preparations for the Secretary-General's Climate Summit, to be held in September 2014. The Secretary-General has requested the Executive Director of UN-Habitat to lead the "cities" work stream leading up to the Summit. The recently appointed Special Envoy of the Secretary-General on Cities and Climate Change, Michael Bloomberg, is now co-leading this work stream.

89. This role involves helping to shape a set of multi-party initiatives to support action on climate change in urban areas. Among the deliverables are a "Compact of

Mayors", a "City Climate Finance Leadership Alliance", and (in the "transportation" action platform) "Urban Electric Mobility".

# VI. Significant global and regional programme activities

90. In addition to organizing the seventh session of the World Urban Forum and participating in regional ministerial conferences on housing and urban development, both already described above, UN-Habitat successfully carried out two other significant global and regional activities, namely, the. publication of the *Global Report on Human Settlements 2013*, and World Habitat Day and preparations for World Cities Day 2014.

## A. Global Report on Human Settlements 2013

91. The main launch of the *Global Report on Human Settlements 2013: Planning and Design for Sustainable Urban Mobility*, was held on 7 October 2013, during the World Habitat Day 2013 celebrations in Medellin, Colombia. Launches were also held in numerous other locations. The report was prepared on the basis of inputs from regional, thematic and case studies (most of which have been published electronically) written by more than 150 experts from all regions, many of whom also reviewed early drafts of the report.

92. Based on extensive evidence, it is argued in the report that the traditional approach to addressing the transport problems of cities, that is, building more infrastructure for cars, is at best only a temporary solution. In fact, many of the transport challenges faced by urban transport systems — such as greenhouse gas emissions, noise and air pollution and road traffic accidents — are not necessarily addressed by the construction of new infrastructure.

93. Thus the report argues that the development of sustainable urban transport systems requires a conceptual leap. The purpose of "transportation" and "mobility" is to gain access to destinations, activities, services and goods; thus, "access" is the ultimate objective of transportation.

94. Consequently, urban planning and design should centre on how to bring people and places together by creating cities that give priority attention to accessibility, rather than simply increasing the length of urban transport infrastructure or increasing the movement of people or goods. Urban form and the functionality of the city are therefore a major focus of the report, in which the importance of integrated land-use and transport planning is highlighted. The report also provides a series of policy recommendations on how to plan and design sustainable urban mobility systems.

## B. World Habitat Day 2013 and the first World Cities Day

95. The main celebrations on World Habitat Day 2013 were held on 7 October 2013 in Medellin. The theme was "Urban mobility", because mobility and access to goods and services are essential to the efficient functioning of cities and towns as they expand. Accessible cities encourage a shift towards more sustainable modes of

transportation and draw more and more travellers out of cars and onto trains, buses, bike paths and sidewalks.

96. The Medellin celebrations were held as part of the city's Week of Mobility, organized by the Municipality and the Fifth International Forum of Mobility, in which UN-Habitat is participating.

97. There was also a wide range of events and activities on the theme in London, New York, Singapore, Nairobi and many other cities, towns and assorted venues across the globe.

98. By its resolution 68/239, the General Assembly decided to designate 31 October of every year, beginning in 2014, as World Cities Day, and invited Member States, the United Nations system, in particular UN-Habitat, relevant international organizations, civil society and all other relevant stakeholders to observe and raise awareness of the Day.

99. Further to this resolution, the Shanghai City Council and the Government of China have offered to organize the global celebration of the first World Cities Day. World Cities Day is expected to greatly promote the international community's interest in global urbanization and increase cooperation among countries in meeting opportunities and challenges in urbanization and contribute to urban sustainable development around the world.

# VII. Conclusions and recommendations

100. In view of the activities related to preparations for Habitat III outlined above, Member States are called upon:

(a) To decide on the venue, final dates, format and organizational aspects of the conference, in line with paragraph 10 of General Assembly resolution 67/216;

(b) To also decide on the venue and duration of the third and final Preparatory Committee meeting, in line with paragraph 9 (d) of General Assembly resolution 67/216;

(c) To ensure the effective participation of local governments and all other stakeholders in the preparatory process and the conference itself;

(d) To expedite the preparation of Habitat III national reports and their submission to the Habitat III secretariat;

(e) To continue to include in their planned regional meetings, such as the regular sessions of regional ministerial conferences on housing and urban development, as well as of other relevant regional intergovernmental meetings, dialogue on Habitat III, so as to facilitate the provision of regional inputs to the conference's preparatory process;

(f) To ensure that the outcome document of Habitat III will build on the post-2015 development agenda;

(g) To support the national, regional and global preparations for the conference through voluntary contributions to the Habitat III trust fund.

101. With respect to urbanization and human settlements policies, Member States are called upon:

(a) To continue to give appropriate consideration to sustainable urbanization and human settlements in the elaboration of the post 2015 United Nations development agenda;

(b) To ensure that urbanization serves as a transformational force for achieving and advancing sustainable national development, as recommended in the outcome document of the first integration segment of the Economic and Social Council;

(c) To adopt an integrated approach to sustainable urbanization and human settlements that engages all key stakeholders in order to produce innovative solutions to foster economic, environmental and social sustainability;

(d) To take into account the interlinkages between the social, economic and environmental dimensions of sustainable urbanization and human settlements in the formulation of policies, plans and programmes at the local, national and international levels;

(e) To implement, through appropriate urban planning and design policies, sustainable transport systems that focus on accessibility and on how to bring people and places together, rather than simply increasing the length of urban transport infrastructure or increasing the movement of people and goods;

(f) To integrate equity in sustainable urbanization policies in order to address adequately structural problems and challenges of poverty and inequality facing many cities;

(g) To continue supporting UN-Habitat through predictable multiyear funding and increased non-earmarked contributions to support the implementation of the strategic plan for the period 2014-2019.