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UN-Habitat Assembly Highlights: Thursday, 8 June 2023

Delegates spent the fourth day of the Second Session of the UN-Habitat Assembly (UNHA2) focused on finishing and approving the many draft decisions and resolutions. Despite best efforts, procedural snags resulted in only five decisions being adopted in plenary. Nine resolutions await translation into all official UN languages before their proposed adoption on Friday, while the Drafting Committee agreed to resume work in the evening on the draft Ministerial Declaration and a resolution on urbanization and climate change resilience.

High-level Session on SDG Localization and Financing

Moderated by Shipra Narang Suri, UN-Habitat, the last of the special thematic high-level sessions discussed mechanisms for closing financing gaps, and the importance of localization for effective change.

Threza Mtenga, Ministry of Planning and Finance, Tanzania, emphasized the role of local governments in addressing cityspecific issues, noting active ownership and involvement drive meaningful impact. To attract funding for local projects, she stressed an enabling environment for investment and improving trade conditions.

Natália Dias, Brazilian Development Bank, discussed difficulties in mobilizing resources for investment, citing political instability, associated risk, limited networks, local currencies, and constrained value chains among key issues. She shared the Bank's experience in supporting entrepreneurship and innovation as a pathway for solving urban problems.

David Jackson, United Nations Capital Development Fund, noted the absence of local and sub-national governments in the Addis Ababa Action Agenda's financing framework as a barrier to channeling and procuring funding towards SDG localization. In discussing energy and climate financing, he suggested that markets would respond if adequate policy incentives were in place.

Mathew Owili, Kisumu County, Kenya, emphasized integrating SDG localization within the context of planning frameworks and stressed the importance of adequate and disseminated data for local decision making, stating impact measurement wouldn't be possible without performance measures.

Peter Ellis, World Bank, noted municipalities need to have a sound financial foundation before financing can be directed to SDG localization. Discussing the demand for financing in the context of African and South Asian urbanization, he suggested the lack of infrastructure as a potential opportunity for building greener and more inclusive and sustainable infrastructure.

Liane Freire, CEO, BlendGroup, focused on blended finance as an approach to financing SDG localization. Noting that private capital is available, she provided examples of the return potential of affordable housing bonds and blue bonds, which are traded on local stock exchanges, but stressed that a perspective shift away from cities as "risky investments" was needed. UN-Habitat Executive Director Maimunah Mohd Sharif concluded the high-level session emphasizing we "can't waste our limited resources on low-impact, high-cost projects" and called for strengthened collaboration to achieve SDG localization.

Committee of the Whole

The COW considered five draft decisions referred to it by the drafting committee on:

- extension of the Strategic Plan until 2025;
- dates for the resumed UNHA2;
- term of office of the members of the Executive Board and the Assembly Bureau;
- · stakeholder engagement policy; and
- report of the Joint Inspection Unit (JIU) on the review of UN-Habitat management and administration.

These were forwarded to the plenary without amendment. The COW also considered nine draft resolutions referred to it by the drafting committee on:

- international guidelines on people-centered smart cities;
- accelerating the transformation of informal settlements and slums by 2030;
- World Cleanup Day;
- · biodiverse and resilient cities;
- enhancing the interlinkage between urbanization and climate change resilience;
- localization of SDGs;
- adequate housing for all;
- urban planning and sustainable infrastructure;
- · creation of a human settlements resilience framework; and
- equitable financing and effective monitoring of the implementation of UNHA resolutions.

These also were forwarded to the plenary without amendment.

Plenary

Adoption of Decisions: The plenary adopted a set of five decisions forwarded by the COW (<u>HSP/HA.2/L.3</u>). The decision on extending UN-Habitat's Strategic Plan for the period 2020-2023 extends it until 2025 to align UN-Habitat's planning cycle with the UN's quadrennial comprehensive policy review of operational activities. It also requests the Executive Director, in consultation with the Executive Board, to begin preparations on the strategic plan for the period 2026-2029.

The decision on the date of the resumed UNHA2 sets the date for 29-30 May 2025, and approves a provisional agenda whose main operational element is approval of the strategic plan for the period 2026-2029.

The decision on term of office confirms that the current members of the Executive Board and the Assembly Bureau have their terms extended until the closure of the resumed UNHA2.

The decision on stakeholder engagement policy entrusts the Executive Board, "on an exceptional basis," to continue work on this policy mandated by UNHA1 for possible approval at the resumed UNHA2 in 2025.

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The decision on the report of the JIU takes note of:

- the JIU report;
- consideration that the current UN-Habitat governance structure was only established in 2019 "and that adequate additional time is required for the structure to function in order for any effective assessment of potential structural reforms to be conducted"; and
- a Multilateral Organization Performance Assessment Network assessment is planned for 2024.

National Statements: The GROUP OF 77 AND CHINA urged UNHA2 to recognize the distinctive circumstances of developing countries and called for more financial resources, capacity building and technology transfer to support sustainable urban development.

GHANA pledged to adopt a new housing policy and welcomed UN-Habitat support in reviewing the draft policy and slum upgrade strategy. SENEGAL said African countries need to accelerate and coordinate their urban policies to facilitate the achievement of the New Urban Agenda (NUA) and noted its commitment to zero waste. LIBERIA highlighted his country's fourth national urban forum recently validated the elements of the national urban policy for follow-up action.

Noting the youth of his country's population and the high level of displaced persons living in its cities, SOMALIA emphasized the priority of sustainable urbanization for rebuilding Somalia. Observing that his country has one of the highest urban densities in the world, ISRAEL highlighted its work with other countries to undertake a comparative analysis of urban densification. ANGOLA emphasized the transformative role cities play in providing prosperity, safety, and environmental sustainability.

BURKINO FASO underscored their proactive and inclusive approach to housing and work with displaced populations. SWEDEN reiterated the need for predictable, flexible, multiyear, and softly earmarked funding to advance sustainable urbanization. SIERRA LEONE shared how the introduction of building codes aided uniform development of critical infrastructure and services.

CUBA noted that despite economic barriers, local policies have reduced slum populations, but called for fair distribution of wealth to drive development. NIGERIA called for multilateral efforts, noting "no one country can respond to the challenges alone." MADAGASCAR highlighted the importance of economic and social infrastructure in modernization efforts and called for additional financial instruments.

GEORGIA highlighted that it was working on a national spatial development plan, aligned with the three pillars of sustainable development. TOGO endorsed the G77 and China statement and highlighted commitment to implement the NUA guidelines.

ARAB TOWNS ORGANIZATION underscored their work facilitating the exchange of ideas in the region to provide adequate housing. The LEAGUE OF ARAB STATES noted urbanization requires technical and financial assistance, the mainstreaming of benchmarks, and resource mobilization.

STAKEHOLDER ADVISORY GROUP ENTERPRISE called for a strengthened role for stakeholders by providing policies and adequate resources for meaningful engagement. HABITAT PROFESSIONALS FORUM underscored that planners can provide the first and immediate form of multilateralism in cities. CHILDREN AND YOUTH called for cities moving away from a profit-centered to a people- and planet-centered model.

HABITAT INTERNATIONAL COALITION suggested fulfilling the NUA, including to stop and prevent forced evictions, and mainstream social and solidarity economy. UNITED CITIES AND LOCAL GOVERNMENTS suggested completing a stakeholder engagement policy and mechanism. POLIS INSTITUTE encouraged Member States to agree to NUA commitments, such as participatory principles of social and solidarity economy. HABITAT FOR HUMANITY called for, *inter alia*, prioritizing knowledge and data by and about informal settlements. GENEVA CITIES HUB suggested a new status to allow cities to speak in their own capacity, referring to the UN Secretary-General's Advisory Board on Multilateralism.

Executive Board

Chair Silvio Albuquerque (Brazil) opened the second session of UN-Habitat's Executive Board for 2023. The Board adopted its agenda (<u>HSP/EB.2023/8</u>) without amendment.

Election of Officers: Chair Albuquerque noted the suggestion to extend the term of Bureau officers by two years until 2025 to align with UN-Habitat's other governing bodies. EGYPT highlighted the need for equitable geographic representation and inquired about election procedures. The US clarified that normally an election would be required, but that this exceptional circumstance was clarified by the prior Board session. Delegates agreed to extend the mandate of the current Board officers.

Date of Next Session: Chair Albuquerque proposed that the Board officers decide an appropriate date and duration for its third meeting of 2023 as soon as possible, considering relevant international meetings and national holidays, and set an appropriate agenda, in view of UNHA2 outcomes, to which the Board agreed.

Due Diligence Assessment of the Human Settlements Foundation: Chair Albuquerque reminded the Board of its prior recommendation to conduct a due diligence assessment of the Foundation. The Secretariat presented the assessment (<u>HSP/</u> <u>EB.2023/CRP1/Rev.1</u>) noting among other items: the scope and definitions; integrity, transparency and accountability; and shared values and complementarity. He mentioned the analysis reviewed, *inter alia*, the Foundation's human rights record, and suggested proceeding on a one-year basis, with the Foundation providing its investment portfolio.

Voicing support, PORTUGAL suggested to ensure accountability and transparency, more time was needed to consult on the assessment, pointing out that documentation was shared the night prior. NIGERIA, supported by the US, PORTUGAL, GERMANY and URUGUAY, suggested discussing intersessionally to address any remaining concerns.

Taking this into account, Chair Albuquerque suggested "taking note" of the document and discussing intersessionally to come to agreement at the Board's third meeting.

In the Breezeways

Thursday's morning plenary saw continued national statements, albeit in a decreasingly populated room, as delegates seemed to gravitate to the more intimate conversations occurring in sideevents, or perhaps caught in other bilaterals, as the agenda's initial rigidity gave way to delays and hold-ups. Despite being a new day, national statements echoed many of the previous sentiments, with calls for 'multilateralism to share knowledge' a clear frontrunner for Assembly buzzword. With so many expressing a desire to learn how others are overcoming urban challenges, it begs the questions "who should be sharing the solutions and how should they be translated?" Ironically, the scarcity of concrete solutions was in direct contrast to constant reminders on procedural process, including: ensuring drafting committee reports consensus before COW acts; projecting decision/resolution texts onscreen for review; and the requirement that documents are translated into all official UN languages before adoption. In a similarly fitting fashion, the day concluded with a meeting of the Executive Board that ended early as Member States pushed back on discussing a due diligence assessment for funding from the Sustainable Human Settlements Foundation that was distributed just the day before.

The *Earth Negotiations Bulletin* summary and analysis of the UN-Habitat Assembly will be available on Monday, 12 June 2023 at <u>enb.iisd.org/united-nations-habitat-assembly-2</u>