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**Executive Board of the United Nations
Human Settlements Programme**

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Item 4 of the provisional agenda

**Financial, budgetary and administrative matters,
including the implementation of the resource
mobilization strategy in accordance with the strategic
plan and actions by the United Nations Human
Settlements Programme to address geographical and
gender imbalances in the composition of its staff**

Financial status of the United Nations Human Settlements Programme as at 31 December 2023

Report of the Executive Director

I. Introduction

1. The present report provides an overview of the interim financial position of the United Nations Human Settlements Programme (UN-Habitat) as at 31 December 2023 and describes the performance of the main funding segments of UN-Habitat, namely the United Nations regular budget appropriations provided to UN-Habitat and the Foundation non-earmarked, programme support, Foundation earmarked and technical cooperation funds, for the period ended 31 December 2023.

2. Table 1 provides an overview of funding as at 31 December 2023 for all the major funding segments alongside the budget figures from the approved work programme for 2023. A statement of financial performance showing the revenue, expenses, fund balances and reserves for each funding segment is set out in annex I. The status of Foundation non-earmarked contributions for the years 2020 to 2023 is set out in annex II, while annex III shows the status of earmarked voluntary contributions as at 31 December 2023.

Table 1

Overview of the revenue, budget and expenses of the main funds as at 31 December 2023^a

(Thousands of United States dollars)

<i>Component</i>	<i>Regular budget (Section 15)</i>	<i>Foundation non-earmarked</i>	<i>Foundation earmarked</i>	<i>Technical cooperation</i>	<i>Programme support</i>	<i>Total</i>
Revenue	12,358.5	4,729.4	71,794.9	121,127.7	12,986.2	222,996.7
Budget	13,275.7	3,152.2	39,076.6	96,709.7	10,050.4	162,264.6
Expenses	12,358.4	3,000.0	44,810.2	114,877.7	8,109.1	183,155.4

^a Revenue includes contributions and other sources of revenue net of adjustments.

3. Total revenue for the Foundation non-earmarked fund, including voluntary contributions, amounted to \$4.7 million, which is more than the total expenses of \$3.0 million, resulting in a surplus of \$1.7 million.

4. Table 2 shows the composition of all voluntary contributions received during the period by contributor type, while table 3 shows voluntary contributions received by region. As shown in Annex I, voluntary contributions comprise the majority of revenue.

Table 2

Voluntary contributions, by type of contributor*(Thousands of United States dollars)*

<i>Component</i>	<i>Civil society</i>	<i>Foundation</i>	<i>Government</i>	<i>Inter-governmental</i>	<i>Local authority</i>	<i>Private sector</i>	<i>United Nations entities</i>	<i>Other</i>	<i>Total</i>
Foundation non-earmarked	-	-	4,383.6	-	-	-	-	-	4,383.6
Foundation earmarked	705.9	2,607.0	55,341.5	8,166.9	800.0	238.6	2,126.3	19.2	70,005.4
Technical cooperation	986.5	70.3	31,114.8	51,949.1	247.3	6,217.3	33,756.3	-	124,341.6
Total	1,692.4	2,677.3	90,839.9	60,116.0	1,047.3	6,455.9	35,882.6	19.2	198,730.6

Table 3

Voluntary contributions, by region*(Thousands of United States dollars)*

<i>Component</i>	<i>African States</i>	<i>Asia-Pacific States</i>	<i>Eastern European States</i>	<i>Latin American and Caribbean States</i>	<i>Western European and other States</i>	<i>Global</i>	<i>Total</i>
Foundation non-earmarked	657.8	892.2	560.3	5.0	2,268.3	-	4,383.6
Foundation earmarked	13,277.9	7,877.9	791.7	1,068.9	44,624.0	2,365.0	70,005.4
Technical cooperation	940.3	22,503.0	500.0	6,890.8	59,751.2	33,756.3	124,341.6
Total	14,876.0	31,273.1	1,852.0	7,964.7	106,643.5	36,121.3	198,730.6

II. Performance of core funds

5. Foundation non-earmarked contributions and United Nations regular-budget appropriations are the core resources of UN-Habitat.

A. Foundation non-earmarked fund

6. The resources of the Foundation non-earmarked fund, also known as the Foundation general-purpose fund, are allocated against budget priorities approved by the Executive Board of UN-Habitat.

7. Traditionally the main source of Foundation non-earmarked fund revenue has been non-earmarked contributions from Member States. The Foundation non-earmarked fund constitutes the main source of funding for the implementation of the UN-Habitat strategic plan for mandated normative work, executive direction and management and a baseline level of programme support.

8. In relation to the year 2023, the approved budget was \$3.1 million, total revenue amounted to \$4.7 million and expenses totalled \$3.0 million. The expenses consisted of \$1.6 million in post costs and \$1.4 million in operating expenses. This resulted in a net operational surplus of \$1.7 million. A statutory operational reserve of \$3.0 million is provided for in line with paragraph 11 of Executive Board decision 2022/5. Revenue, expenses and closing net assets for the years 2014–2023 are shown in table 4 and the following figure.

Table 4

Revenue, expenses and closing net assets*(Thousands of United States dollars)*

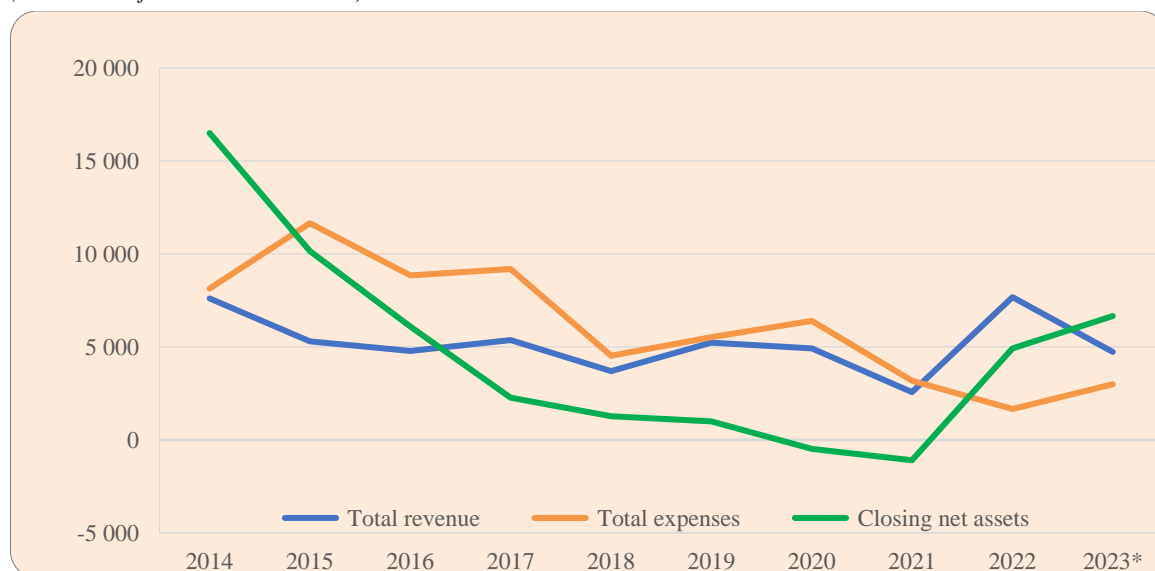
<i>Description</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023^a</i>
Total revenue	7 610.0	5 307.0	4 785.0	5 373.0	3 699.0	5 239.0	4 916.0	2 570.0	7 677.0	4,729.4
Total expenses	8 134.0	11 651.0	8 851.0	9 182.0	4 519.0	5 518.0	6 396.0	3 185.0	1 662.0	3,000.0
Closing net assets	16 498.0	10 154.0	6 088.0	2 279.0	1 280.0	1 001.0	(479.0)	(1 094.0)	4 922.0	6,651.4

^a Projected data.

9. The figure below shows the gradual decline, on average, in revenue in the years prior to 2022 alongside an average decline in expenses. Despite the implementation of the financial austerity plans, expenses exceeded revenue in the years prior to 2022, which resulted in unsustainable deficit spending and an ensuing steady decline in net assets. In 2022 contributions reached their highest level since 2014, and with reinvigorated expense controls in place, UN-Habitat reported its first surplus in more than a decade. In addition, the Foundation non-earmarked fund returned to solvency.

Trends in the Foundation non-earmarked fund

(Thousands of United States dollars)



*Projected data.

10. In 2017 the secretariat approved a loan of \$3.0 million from the programme support account to the Foundation non-earmarked fund. In 2023, a second repayment of \$0.5 million was made resulting in a total repayment of \$1.0 million.

B. Regular-budget fund

1. Section 15

11. An appropriation approved by the General Assembly is provided to UN-Habitat under section 15 (Human settlements) of the United Nations regular budget. In 2023 the appropriation amounted to \$13.3 million. Post costs accounted for 91.4 per cent of the 12.4 million expenses recorded by 31 December 2023.

2. Sections 23 and 35

12. UN-Habitat also receives regular budget resources under section 23 (Regular programme of technical cooperation) and section 35 (Development account). The 2023 appropriations under section 23 were \$1.4 million, of which \$1.2 million was spent. Appropriations under section 35 were \$1.6 million, of which \$1.2 million was also spent.

C. Programme support fund

13. The 2023 programme support budget approved by the Executive Director totalled \$10.0 million. Total revenue as at 31 December 2023 amounted to \$13.0 million while total expenses amounted to \$8.1 million. This resulted in a surplus of \$4.9 million. Post costs represented 43.2 per cent of total expenses.

14. Programme support resources are generated through the charge levied as a percentage of direct earmarked expenses in accordance with administrative instruction ST/AI/286. This charge is for recovery of incremental indirect costs to ensure that additional costs of supporting earmarked activities is not paid from core funds intended for implementation of the approved work programme. Revenue, expenses and closing net assets for this fund for the years 2014–2023 are shown in table 5.

Table 5
Revenue, expenses and closing net assets for the programme support fund
(Thousands of United States dollars)

<i>Description</i>	<i>2014</i>	<i>2015</i>	<i>2016</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023^a</i>
Total revenue	11 942.0	11 341.0	11 000.0	9 975.0	11 543.0	10 400.0	12 709.0	12 189.0	12 876.0	12,986.2
Total expenses	12 241.0	10 536.0	8 966.0	10 277.0	12 514.0	12 700.0	13 304.0	12 270.0	10 363.0	8,109.1
Closing net assets	12 843.0	13 648.0	15 981.0	15 679.0	14 887.0	12 587.0	11 992.0	11 911.0	14 762.0	17,762.0

^aProjected data.

III. Performance of earmarked funds

A. Foundation earmarked fund

15. Voluntary contributions to this fund are intended for the implementation of specific activities in the work programme that are consistent with the mandate and work programme of UN-Habitat. Such activities generally comprise global thematic and multi-country projects.

16. Regarding 2023, the approved budget was \$39.1 million while total revenue before refunds to donors was \$75.5 million, which includes voluntary contributions of \$70.0 million. Net revenue after refunds to donors amounted to \$71.8 million. Total expenses incurred were \$44.8 million. Gross project balances at the end of the year amounted to \$120.5 million, including a reserve of \$4.0 million. The reported surplus is notional, as it results from the utilization of part of the project resources carried over from 2022.

B. Technical cooperation fund

17. Voluntary contributions to the technical cooperation fund are for the implementation of specific technical activities at the country and regional levels consistent with the mandate and work programme of UN-Habitat.

18. The approved budget for 2023 was \$96.7 million while total revenue before refunds to donors was \$135.6 million which includes voluntary contributions of \$92.5 million. Net revenue after refunds to donors amounted to \$121.1 million, while expenses were \$114.9 million. The gross project balances at the end of 2023 amounted to \$288.1 million, including a reserve of \$11.4 million.

Annex I

Statement of financial performance for the period ended 31 December 2023, by segment

(Thousands of United States dollars)

Category	Sources of funding									Intersegment elimination	Grand total	
	REGB	FNDN	FNDE	TECH	PRGS	Subtotal	RPTC	DEVT	Subtotal			Total
R01. Assessed contributions	12,358.4	-	-	-	-	12,358.4	1,186.0	1,218.8	2,404.8	14,763.2	-	14,763.2
R02. Voluntary contributions	-	4,383.6	68,093.5	92,476.8	-	164,953.9	-	-	-	164,953.9	-	164,953.9
R03. Other transfers and allocations	-	-	1,911.9	31,864.8	-	33,776.7	-	-	-	33,776.7	-	33,776.7
R04. Refunds to donors	-	-	(3,680.6)	(14,438.5)	-	(18,119.1)	-	-	-	(18,119.1)	-	(18,119.1)
R05. Programme support revenue	-	-	8.0	-	12,164.2	12,172.2	-	-	-	12,172.2	12,172.2	-
R06. Investment revenue	-	325.1	5,435.7	9,903.6	822.0	16,486.4	-	-	-	16,486.4	-	16,486.4
R07. Other revenue	-	20.7	26.4	1,321.0	-	1,368.1	-	-	-	1,368.1	-	1,368.1
Total revenue	12,358.4	4,729.4	71,794.9	121,127.7	12,986.2	222,996.6	1,186.0	1,218.8	2,404.8	225,401.4	12,172.2	213,229.2
E01. Post costs	11,292.7	1,610.6	-	-	3,453.0	16,356.3	18.0	-	18.0	16,374.3	-	16,374.3
E02. Other staff costs	102.8	-	21,379.3	31,308.1	682.9	53,473.1	867.8	(3.3)	864.5	54,337.6	-	54,337.6
E03. Hospitality	-	-	-	-	-	-	-	-	-	-	-	-
E04. Consultants and experts	168.0	-	-	-	14.9	182.9	125.7	709.3	835.0	1,017.9	-	1,017.9
E05. Travel of representatives	-	-	-	-	-	-	-	4.0	4.0	4.0	-	4.0
E06. Travel of staff	130.3	321.6	3,180.5	3,737.4	125.5	7,495.3	84.9	52.2	137.1	7,632.4	-	7,632.4
E07. Contractual services	107.9	566.6	2,031.5	31,726.8	2,289.9	36,722.7	43.5	219.3	262.8	36,985.5	-	36,985.5
E08. General operating expenses	496.0	477.2	2,730.4	311.2	1,517.5	5,532.3	32.1	88.2	120.3	5,652.6	-	5,652.6
E09. Supplies and materials	4.8	0.8	15.7	2,575.8	2.6	2,599.7	53.1	1.1	54.2	2,653.9	-	2,653.9
E10. Furniture and equipment	55.9	24.1	301.5	3,321.5	3.6	3,706.6	6.8	1.2	8.0	3,714.6	-	3,714.6
E11. Grants and contributions	-	(0.9)	15,103.5	41,633.7	19.2	56,755.5	(45.9)	146.8	100.9	56,856.4	12,172.2	44,684.2
E12. Other expenses	-	-	67.8	263.2	-	331.0	-	-	-	331.0	-	331.0
Total expenses	12,358.4	3,000.0	44,810.2	114,877.7	8,109.1	183,155.4	1,186.0	1,218.8	2,404.8	185,560.2	12,172.2	173,388.0
Surplus/(deficit)	-	1,729.4	26,984.7	6,250.0	4,877.1	39,841.2	-	-	-	39,841.2	-	39,841.2
Gross fund balances (1 Jan 2023)	-	4,922.0	93,493.0	281,823.0	14,050.9	394,288.9	-	-	-	394,288.9	-	394,288.9
Gross fund balances (31 Dec 2023)	-	6,651.4	120,477.7	288,073.0	18,928.1	434,130.2	-	-	(16,881.8)	417,248.4	-	417,248.4
Statutory operating reserves	-	3,000.0	4,023.0	11,360.0	2,932.0	21,315.0	-	-	-	21,315.0	-	21,315.0
Net fund balances (31 Dec 2023)	-	3,651.4	116,454.7	276,713.0	15,996.1	412,815.2	-	-	-	412,815.2	-	412,815.2

Abbreviations: DEVT – development account (S.35); FNDE – Foundation earmarked; FNDN – Foundation non-earmarked; PRGS – programme support; REGB – regular budget; RPTC – regular programme of technical cooperation (S.23); TECH – technical cooperation.

Note: “R02. Voluntary contributions” and “R03. Other transfers and allocations” are both voluntary contributions.

Annex II

Status of annual voluntary contributions to the Foundation non-earmarked fund

(United States dollars)

<i>Contributor</i>	<i>2020</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>	<i>Total</i>
Algeria	10,000	10,000	-	-	20,000
Angola	-	-	400,000	-	400,000
Azerbaijan	-	-	3,000,000	500,000	3,500,000
Barbados	14,706	15,000	14,814	-	44,520
Benin	-	-	-	47,993	47,993
Botswana	40,000	20,000	20,000	-	80,000
Burkina Faso	-	17,590	-	48,702	66,292
Burundi	-	-	-	10,000	10,000
China	350,000	350,000	350,000	350,000	1,400,000
Czechia	6,731	6,820	6,022	6,585	26,158
Dominican Republic	4,975	-	6,000	5,000	15,975
Egypt	-	50,000	-	-	50,000
France	227,740	-	528,346	252,193	1,008,279
Germany	184,049	174,419	1,028,807	1,093,502	2,480,777
Guinea	-	-	41,030	-	41,030
India	145,455	100,000	-	100,000	345,455
Indonesia	-	-	-	50,000	50,000
Israel	-	-	3,000	3,426	6,426
Italy	-	118,906	-	-	118,906
Japan*	31,455	31,458	28,312	30,011	121,236
Kenya	99,975	100,000	100,000	100,000	399,975
Kiribati	-	50,000	-	-	50,000
Malawi	20,000	10,000	-	-	30,000
Malaysia	-	-	1,000,000	200,000	1,200,000
Mali	-	10,012	-	-	10,012
Mauritius	-	25,000	-	75,000	100,000
Mexico	500,000	500,000	50,000	-	1,050,000
Myanmar	9,980	-	-	-	9,980
Namibia	-	-	-	150,000	150,000
Nigeria	75,000	-	-	-	75,000
Norway	2,180,130	-	-	-	2,180,130
Pakistan	5,941	5,992	5,843	5,824	23,600
Philippines	50,000	50,000	50,000	50,000	200,000
Portugal	-	-	-	125,000	125,000
Korea, Republic of	84,365	84,066	70,033	76,405	314,869
Rwanda	-	10,000	-	-	10,000
Senegal	44,868	-	-	-	44,868
Singapore	-	-	30,000	30,000	60,000
Slovak Republic	-	-	-	53,706	53,706
Somalia	-	-	-	2,500	2,500
South Africa	150,000	160,000	160,000	160,000	630,000
Spain	-	-	52,975	194,229	247,204
Sri Lanka	25,000	25,000	-	-	50,000
Tunisia	-	-	-	55,494	55,494
Turkey	-	200,000	-	-	200,000
United States of America	650,000	812,997	700,000	600,000	2,762,997
Zimbabwe	-	-	-	8,002	8,002
Total	4,910,370	2,937,260	7,645,182	4,383,572	19,876,384

* Contributions from Japan have been adjusted as per donor specifications.

Annex III

Status of earmarked voluntary contributions as at 31 December 2023

(Thousands of United States dollars)

<i>Contributor</i>	<i>United Nations regional groups</i>	<i>Foundation earmarked</i>	<i>Technical cooperation</i>	<i>Total</i>
Adaptation Fund Board	Western Europe and other	-	32,012.0	32,012.0
Aga Khan Agency For Habitat	Africa	648.5	-	648.5
Ahmed Farid Mustapha Consultants	Asia and Pacific	-	99.8	99.8
Al-Mestakbel Al-Raqmi For Communications and Information Technology	Africa	-	231.7	231.7
Alwaleed Philanthropies	Asia and Pacific	-	850.0	850.0
Argentina	Latin America and Caribbean	-	1,339.4	1,339.4
Association of Southeast Asian Nations	Asia and Pacific	-	3,321.8	3,321.8
Azerbaijan	Eastern Europe	400.0	500.0	900.0
Bill & Melinda Gates Foundation	Western Europe and other	2,074.1	-	2,074.1
Block By Block	Western Europe and other	200.5	-	200.5
Brazil	Latin America and Caribbean	-	5,132.0	5,132.0
C40 Cities Climate Leadership Group Inc.	Global	219.5	-	219.5
Cameroon	Africa	48.7	229.8	278.5
China	Asia and Pacific	4,624.8	1,450.0	6,074.8
Democratic Republic Of Congo	Africa	383.1	-	383.1
Dubai Municipality - Dxb-Mun-G-Exp	Asia and Pacific	-	150.3	150.3
Egypt	Africa	10,034.6	234.6	10,269.2
European Commission	Western Europe and other	7,549.4	16,401.3	23,950.7
Finland	Western Europe and other	54.3	-	54.3
Fondation Botnar	Western Europe and other	44.5	-	44.5
France	Western Europe and other	1,972.9	-	1,972.9
Fukuoka International Exchange Foundation - FIEF	Asia and Pacific	-	70.3	70.3
Germany	Western Europe and other	15,438.9	486.5	15,925.4
Global Utmaning	Western Europe and other	9.4	-	9.4
Here Be Dragons Investment Group	Western Europe and other	-	136.5	136.5
HSBC Bank Middle East Limited	Asia and Pacific	-	920.0	920.0
Ideella Foreningen Teknikforetagen I Sverige Med Firma Foreningen	Western Europe and other	48.0	-	48.0
India	Asia and Pacific	-	64.4	64.4
Islamic Development Bank - Idb	Asia and Pacific	-	75.0	75.0
Isoftstone Smart Technology Company Limited	Western Europe and other	-	150.0	150.0
Israel	Western Europe and other	37.0	-	37.0
Italy	Western Europe and other	1,906.5	-	1,906.5
Japan	Asia and Pacific	951.2	10,737.0	11,688.2
Jordan	Asia and Pacific	8.9	-	8.9
Ke Stp Company Bv Shell Stp	Latin America and Caribbean	-	169.5	169.5
Kuwait	Asia and Pacific	-	250.0	250.0
Kuwait Fund For Arab Economic Development	Asia and Pacific	-	139.0	139.0
Malawi	Africa	-	210.5	210.5
Monaco	Western Europe and other	-	246.9	246.9
Morocco	Africa	1,515.0	-	1,515.0
Mozambique	Africa	-	33.7	33.7
Municipio De Juiz De Fora	Latin America and Caribbean	-	152.9	152.9
Municipio De Queretaro Mexico	Latin America and Caribbean	800.0	-	800.0
Municipio De Sao Paulo	Latin America and Caribbean	-	28.9	28.9
Netherlands	Western Europe and other	487.6	1,919.7	2,407.3
Norway	Western Europe and other	106.8	687.9	794.7
Poland	Western Europe and other	-	178.2	178.2
Republic Of Korea	Asia and Pacific	1,645.5	3,627.2	5,272.7

Royal Institute Of Technology Kungliga Tekniska Hogskolan	Western Europe and other	438.1	-	438.1
Russian Federation	Eastern Europe	177.1	-	177.1
Rx France	Western Europe and other	10.7	-	10.7
Sandals Foundation Limited	Latin America and Caribbean	268.9	-	268.9
Senegal	Africa	128.0	-	128.0
Slovak Republic	Eastern Europe	214.6	-	214.6
Spain	Western Europe and other	11,326.3	310.5	11,636.8
Strategy and Saudi Arabia	Asia and Pacific	-	748.2	748.2
Sweden	Western Europe and other	2,704.1	119.9	2,824.0
Switzerland	Western Europe and other	8.1	36.3	44.4
Technische Universitat - Tu Berlin	Western Europe and other	27.4	-	27.4
Tunisia	Africa	500.0	-	500.0
Turkiye	Asia and Pacific	647.5	-	647.5
United Nations Entities	Global	2,126.3	33,756.3	35,882.6
United States of America	Western Europe and other	-	3,167.4	3,167.4
Other contributors	Global	19.2	-	19.2
World Bank-HQ	Western Europe and other	179.4	-	179.4
Wuppertal Institut fur Klima, Umwelt Energie Gmbh	Western Europe and other	-	3,898.1	3,898.1
Zambia	Africa	20.0	-	20.0
Total		70,005.4	124,341.6	194,347.0