



The Strategic Priorities Hub

Article

The Decentralization of Global Governance: Implications of the United Nations Relocation to Nairobi for Development Cooperation

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Executive Summary

With its 80th anniversary on the horizon, the United Nations (UN) is preparing a move that would have been unthinkable a generation ago. According to Gichuki (2025), the organization intends to shift several key agency headquarters from Manhattan to Nairobi by 2026. This decision will elevate Kenya's capital into an exclusive club of UN hub cities, joining New York, Geneva, and Vienna, and reflects an ambitious UN@80 agenda to pull operations out of high-cost Western centres and anchor them in regions that are more affordable and strategically placed.

Why Nairobi? Geography is only part of the answer. By basing decision-making closer to the Global South, the UN hopes to “decolonize” its governance and give African and other developing nations a stronger voice in shaping the 2030 Agenda (Chang, 2025). Kenya and its neighbours expect hundreds of new UN jobs and fresh investment, while UN managers anticipate lower costs and greater operational efficiency. Symbolically, planting multiple headquarters on African soil signals a long-overdue rebalancing of global development leadership toward the South (Legal Africa Editorial Board, 2025).

Such a dramatic shift will not be frictionless. Nairobi's infrastructure will require significant upgrades, staff relocations must be handled with care, and donor confidence has to be preserved if programmes are to remain effective. The paper examines the reasons behind Nairobi's selection, the broader consequences for development cooperation and global governance, and the policy steps required to capture the benefits of decentralization while minimizing its risks.



Introduction

In 2025, as the 80th anniversary of the United Nations is being celebrated, member states and the Secretariat have launched a reform agenda ("UN@80") to reshape the institution under financial pressure and geopolitical rebalancing (United Nations, 2025). One highlight of the reforms is the choice to situate several UN agency global headquarters in the Global South for the first time on this scale (IISD, 2025). Under this program, the UN Children's Fund (UNICEF), the UN Population Fund (UNFPA), and UN Women will establish global offices in Nairobi, Kenya by the end of 2026.

Nairobi is already the location of the UN Environment Programme (UNEP) and UN-Habitat, making it a long-standing UN hub in Africa (Development Aid, 2025). Since UNEP's establishment in 1973 in Nairobi, the UN presence there has expanded from 300 personnel to over 6,500 personnel (plus 11,000 dependents) today, mirroring Nairobi's status now as the "UN Headquarters in Africa." The UN@80 reform agenda expressly calls for transferring staff from high-cost centers such as New York and Geneva to "more affordable hubs like Nairobi" as a cost-reduction and efficiency move. Yet, beyond budget concerns, the move is driven by a vision of localizing global development governance – moving the UN decision hubs nearer to the populations it serves.

This paper addresses three key questions: (1) Why was Nairobi selected as the new UN hub? (2) What are the expected benefits and risks for global governance and development cooperation? (3) What measures can ensure that the relocation achieves its intended outcomes? It examines the justification for choosing Nairobi, how the move supports South-South cooperation and the localization of Agenda 2030 goals, and its potential effects on regional diplomacy, aid effectiveness, and Kenya's global profile. Drawing lessons from other UN hubs, the research also offers policy recommendations to ensure that this decentralization promotes sustainable and equitable advances in global governance.

Why Nairobi?

- 1. Cost Efficiency:** Nairobi offers significantly lower operating costs compared to major UN centers such as Geneva and New York. The city provides approximately 25% savings on local hires and 13% on international staff compared to Geneva (Deen, 2025). The cost advantage is even more pronounced when measured against New York. Overall, the cost of living in Nairobi is about 20% lower, meaning that expenses amounting to USD 1,000 in New York would cost approximately USD 800 in Nairobi. Housing costs reflect an even greater disparity: the average monthly rent for a single person in Nairobi is 16% of New York's (USD 855 versus USD 5,000), while rent for a family of four is about 21% (USD 4,029 versus USD 19,000) (UN Talent, 2025). In terms of affordability relative to income, Nairobi offers nearly five times better rent affordability for a single person and almost four times better for a family of four. These substantial savings reinforce the UN's objective of financial sustainability, enabling the reallocation of resources toward development programs and field operations.
- 2. Current UN Presence:** Nairobi is the UN's fastest-growing duty station, comprising 86 UN offices (most in the Gigiri complex) and more than 6,500 personnel (Chang 2025). The current ecosystem facilitates humanitarian operations in East and Central Africa, enabling new agencies to be part of a collaborative system that builds on Nairobi's tradition as a center for multilateral engagement.
- 3. Proximity to Operations:** Africa accommodates about 60 percent of the UN humanitarian operations, yet most of the agency headquarters have been situated outside the continent (United Nations, 2024). The relocation of key agencies to Nairobi brings the decision-makers closer to the regions they represent. This proximity enables swifter, more localised, and more knowledgeable crisis response. It also falls under the idea of making global governance closer to the people who are affected.

4. **Regional and Global Role:** Nairobi is the economic and diplomatic capital of East Africa, and home to numerous international organizations and diplomatic missions. Making it a UN headquarters hub raises the geopolitical profile of Africa and makes the city an important platform for global development discourse (Chang 2025). Nairobi's choice represents a symbol of Africa's increasing leadership role in global affairs.

Implications for Development Cooperation

1. **Enhanced responsiveness and regional coordination:** The presence of the major UN agencies in Africa will make it possible to undertake development activities with greater speed, relevance, and local sensitivity. The proximity to where policies are implemented enhances coordination with regional organizations and increases the capacity of the UN to develop proper, responsive programs that correspond to the realities of crisis areas and development issues. For example, UNHCR's Decentralization & Regionalization (2018–2024) delegated planning and decision-making to regional bureaux, which increased operational flexibility and allowed issues to be addressed more quickly at the regional level (UNHCR Evaluation Office, 2024).

2. **More Legitimacy and Inclusion:** The move to have the UN headquarters in Africa is viewed as a major step towards a more inclusive and representative system of global development governance. Africa, which has always been marginalized in the number of UN headquarters despite its large population in the world, will have more say in the global agenda-setting. Decision-making in Nairobi is more likely to be in tune with local realities, bridging the gap between international decision-making and local requirements. This mirrors the UN Women Regional Architecture reform (2012), which decentralized authority to the field through regional and multi-country offices, strengthening accountability and making the organization more representative of local constituencies (UN Women, 2015).

3. South-South Cooperation and Knowledge Exchange: The promotion of Nairobi as a UN hub can help to enhance South-South cooperation, acting as a vibrant centre for the exchange of development knowledge and technologies, attracting regional organizations and NGOs. This mirrors how UNDP facilitated cooperation between Armenia and Kyrgyzstan in developing disaster risk reduction strategies and related legislation, between Uganda and Rwanda in sharing experiences on local government decentralization that led to a review of Lesotho's Local Government Act, and between Jamaica and Cuba in transferring the Cuban Risk Reduction Management Centre model to establish a similar centre in St. Catherine Parish. Under a triangular cooperation scheme, UNDP also supported energy-related projects in Ghana and Zambia with the involvement of partners from China and Denmark. These cases demonstrate how decentralized regional hubs and cooperation platforms can strengthen institutional capacity, enable knowledge transfer, and replicate successful models across countries of the Global South (UNDP, 2017).

4. Reallocation of Resources to Development Programs: By working in Nairobi, it is possible to save significant costs and allocate a greater percentage of funds to fieldwork rather than headquarters expenses. Such savings can be redirected into increased operations and sustainable programs. FAO's Decentralized Offices Network (2018–2020) achieved similar outcomes by delegating authority and giving country offices greater flexibility, enabling larger allocations to the most vulnerable countries and more agile, results-oriented delivery (FAO, 2020).

Potential Risks and Challenges

1. **Unfulfilled Reform Risks:** There is fear that the move may not achieve its desired reforms. Without the continued international impetus or funding, the new UN hub in Nairobi may not have enough authority and resources, which has been the case with under-resourced decentralization initiatives in the past. The relocation will not be effective unless the member states are fully committed to it, and thus it may turn out to be a mere symbolic relocation, which has little chance of bringing significant change and is not a fully empowered global headquarters.

2. Strategic Integration and National Alignment

A key consideration for any host nation is to strategically manage its partnership with the United Nations to ensure the international presence aligns with and enhances national priorities. The goal is to create a symbiotic relationship where the UN's presence acts as a catalyst for sustainable development rather than a source of economic distortion. While lessons can be drawn from large-scale UN missions in post-conflict settings, it is important to distinguish these from stable host-country arrangements. For instance, past transitional administrations like those in Kosovo and Cambodia underscore the universal importance of fostering local ownership and ensuring international support strengthens, rather than replaces, national capacity. A more common consideration for a stable host nation involves managing localized economic effects. The UN mission in Liberia, for example, demonstrated how a large international footprint can inflate specific sectors like housing, highlighting the need for proactive urban planning and economic strategies to absorb this demand sustainably. Ultimately, by focusing on ***strong host country agreements and collaborative long-term planning***, a nation can ensure that hosting the UN magnifies its own development trajectory.

3. Managing Local Economic Impacts

A significant international presence naturally increases demand for local housing and services, presenting a key planning consideration for the host city. Proactively managing this growth is essential to ensure the benefits are shared broadly and the cost of living remains stable. An influx of international staff can lead to rising rents, particularly in areas like diplomatic zones, which can impact affordability for local residents. To address this, the government can implement forward-thinking strategies such as investing in urban planning, expanding housing development, and developing infrastructure to meet the needs of both local and international communities. By taking a strategic approach to managing these economic forces, a host city can leverage the increased demand to spur sustainable development and foster an inclusive environment where all residents can thrive.

4. **Staff Relocation and Retention:** Moving UN headquarters is a personnel problem. The employees might be reluctant to leave the traditional hubs such as New York or Geneva because of safety issues, social environment, and education. Lack of proper support such as cultural orientation and local incentives may impact negatively on staff morale and result in increased turnover which may compromise institutional effectiveness.

5. Strategic Urban Development and Security Collaboration

Nairobi's dynamic growth provides an opportunity to strategically enhance its urban infrastructure and security frameworks in partnership with the international community. Current assessments offer a clear roadmap for targeted improvements. The city's ranking in the Economist Intelligence Unit's 2025 Global Liveability Index, with scores of 45/100 for stability and 50/100 for infrastructure, pinpoints key areas for investment (Njoroge, 2024). Similarly, security metrics, including a crime index of 59.7 (Adekunle, 2025) and local data on perceived crime (National Crime Research Centre, 2024), establish benchmarks for strengthening public safety. An expanded global presence can serve as a catalyst for these necessary upgrades, fostering close collaboration between local authorities and the UN to



accelerate investment in modern transportation, public services, and enhanced safety systems for the benefit of all residents.

Suggested Way Forward

For Kenya (Host Country)

- **Enhance Infrastructure and Services:** Accelerate the development of transport, housing, and utilities in the vicinity of the Gigiri UN hub to house incoming staff and foster sustainable urban growth. Prioritize high-quality facilities, planned guidance, and access to services for maximum long-term citywide benefits. Complement this with streamlined visa processes, expedited work permit approvals, and special entry arrangements for delegates attending international summits and meetings, ensuring Nairobi remains an attractive and accessible hub for global engagement.
- **Enhance Security and Emergency Preparedness:** Augment diplomatic security protocols, modernize surveillance systems, and expand emergency health capabilities. Coordination of public safety will promote Nairobi's reputation as a secure and reliable United Nations headquarters.
- **Develop Local Talent Pipelines and Capacity:** Establish scholarships, career fellowships, and training initiatives that position Kenyan professionals for UN careers. Simplify procurement procedures to introduce local enterprises into the UN supply chain and enhance inclusive economic gains.
- **Increase Diplomatic Engagement:** Leverage Nairobi's heightened profile to convene global conversations and set international agendas. Foster regional cooperation on African goals and engage the citizenry to build national pride in Kenya's position in multilateral leadership.



For the United Nations

- **Adopt a Phased, Inclusive Transition:** Relocate agencies gradually while involving staff through clear communication, logistical support, and incentives. A transparent, mission-driven approach will foster staff retention and operational continuity.
- **Establish Robust Global Coordination and Donor Confidence:** Enhance governance arrangements among hubs and establish donor liaison offices. Communicate success stories from Nairobi, establish open reporting mechanisms, and broaden the funding base by engaging emerging economies and private sector players.
- **Empower Nairobi as an Equal Hub:** Grant significant resources, lead Global South hiring, and offer Nairobi operational autonomy. Build local Centers of Excellence and offer the same decision-making ability as legacy HQs.
- **Promote Innovation and Regional Integration:** Use Nairobi as a platform for pilot projects, inter-agency coordination, and South-South cooperation. Utilize its geographic proximity to African institutions and regional technological ecosystems to pilot scalable models of development, thereby creating replicable best practices that can be adopted across the Global South.



Conclusion

The move of the headquarters of major United Nations agencies to Nairobi is a game-changer in the management of global development. By locating the decision-making process closer to the Global South, the UN can not only enhance its efficiency of operation, but also strengthen its ideals of inclusiveness, regional self-determination, and locally-based development solutions. The fact that Nairobi has been turned into a UN hub gives Kenya and the rest of the African continent a strategic platform to have a more direct influence on world agendas.

However, the full potential of this initiative can only be realized if certain critical conditions are in place. These include adequate and sustained funding, strong and enduring political support from both the UN and the host country, inclusive and carefully managed transition planning, and a demonstrated commitment to adapt institutional practices to regional contexts. Meeting these conditions will be essential to ensuring that the relocation achieves its intended objectives and delivers lasting benefits for both the UN system and its partners in the Global South. Such decentralization can mark the beginning of a more representative and responsive multilateral system, one that reflects the realities of the people it serves, if strategically designed and implemented. Moreover, measuring the success of this relocation will require clear benchmarks over the next decade. Indicators such as the percentage of operational cost savings redirected into field programmes, increased African representation in senior leadership, faster response times to regional crises, growth in South–South cooperation initiatives, and tangible local economic benefits for Nairobi should be tracked to ensure the move delivers on its promises.



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