Distinguished Representatives,

I would like to refer you to the document prepared by the Secretariat distributed to you last month entitled, “Advanced Information on Briefing to the CPR on Activities of the SP4-Human Settlements Financing Division.” It provides a comprehensive update on the current activities of the Slum Upgrading Facility and the Programme Development Branch, the two main units of the Division. My comments will therefore be brief and serve primarily to highlight key developments described in the document.

Honorable Chairperson,

I would like to begin first by thanking the CPR for its stewardship in the period leading up to the adoption by the Governing Council of resolution 20/11 on “Strengthening the Slum Upgrading Facility of the United Nations Habitat and Human Settlements Foundation.” Through its deliberations the CPR working group succeeded in crafting a draft resolution that the Governing Council adopted swiftly with only minor modifications. Your efforts prior to the Governing Council are noted and valued.

The Secretariat is particularly pleased with the resolution. It demonstrates the commitment of Member States to revitalize the United Nations Habitat and Human Settlements Foundation. We now have a vehicle for assisting governments and Habitat partners to mobilize resources at country level for their slum upgrading, housing and urban infrastructure initiatives. The Secretariat is now well positioned to augment its work in advocacy, monitoring, capacity building and project execution with financial packaging assistance that will secure investment follow-through. And we have mechanisms for engaging the international financial institutions globally and at country level. These are the original objectives of the Foundation set out by founding architects back in 1974, and it is encouraging to see at long last strategic institutional developments of this kind.
Distinguished Representatives,

The Secretariat plans in the coming two years to implement the resolution through the two units of the Human Settlements Financing Division. Many activities are already well underway. Consider first the Slum Upgrading Facility project development and institutional arrangements.

The 5-person Design Team of the Slum Upgrading Facility has succeeded over the past 8 months in working with Members States and Habitat partners to identify upgrading projects that could benefit from the financial packaging services offered by SUF. The Design Team considered in each country the strength of community organization, the capacity of local governments, and the quality of the domestic capital markets. The Secretariat based on these considerations anticipates concentrating its work in the first two years in Ghana, Tanzania, Kenya, Sri Lanka and Indonesia, and also providing additional advisory services to Senegal, Uganda, Bangladesh and Cambodia. The first five countries will offer an opportunity for the Secretariat, governments, community organizations, local authorities and commercial banks to test innovative approaches to financing human settlements development.

The Design Team has also made significant progress in establishing institutional arrangements with donors, the World Bank, associations of slum dwellers, UCLG, commercial banks, and the Members of the Cities Alliance. The Slum Upgrading Facility Consultative Board, comprised of representatives of the above organizations, has met two times to approve SUF implementation plans and give direction to the Facility. It has also reviewed technical proposals submitted to the United Nations Offices in Nairobi (UNON) by consortia for an international service contract for the SUF Pilot Team. The Pilot Team will provide the Secretariat with expertise in financial packaging to test innovative approaches to mobilizing domestic capital for slum upgrading in the above mentioned countries. The Secretariat plans to award the contract for the SUF-Pilot Team next month.

The Programme Development Branch of the Human Settlements Financing Division has been established to strengthen the work of the Slum Upgrading Facility. The Branch has been successful in deepening relations with the international financial institutions exploring opportunities for collaboration in SUF pilot activities. Representatives of the Branch will be participating in international forums over the coming months to accelerate such cooperation. These include the meetings of the Private Infrastructure Development Group, meetings of the Municipal Finance Task Force, and a meeting in Bellagio, Italy sponsored by the Rockefeller Foundation on Housing Finance, among other
forums. The Branch in the coming months will also be responsible for various fund raising activities and for integrating its work with other Divisions of the Secretariat.

Honorable Chairperson,

In conclusion, the Secretariat stands ready to work with the CPR to monitor the implementation of the resolution and engage in consultations on ways of further strengthening the United Nations Habitat and Human Settlements Foundation. Once again, thank you for your ongoing support.