

**Governing Council
of the United Nations
Human Settlements Programme**

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Nairobi, 30 March–3 April 2009

Agenda item 6

Dialogue on the special theme for the twenty-second session of the Governing Council

Draft resolution on affordable housing finance

Submission by the drafting committee

The Governing Council,

Recalling General Assembly resolution 63/221 of 19 December 2008 on the implementation of the outcome of the United Nations Conference on Human Settlements (Habitat II) and strengthening of the United Nations Human Settlements Programme, which requested the United Nations Human Settlements Programme, within the framework of its experimental reimbursable seeding operations for housing finance, and in close collaboration with international and regional financial institutions, to document and disseminate lessons learned, bearing in mind the provisions of resolution 21/10 of the Governing Council and fully taking into account the recent housing finance crisis, as well as other relevant factors,

Recalling also that, by resolution 63/221, the General Assembly invited the Governing Council to keep under review developments in the housing finance systems in view of the current financial crisis, and decided to explore the possibility of convening a high-level event of the General Assembly on that subject,

Recalling further the theme of the twenty-second session of the Governing Council – “Promoting affordable housing finance systems in an urbanizing world in the face of the global financial crisis and climate change” – and the theme paper of that title,¹

Noting the possible detrimental effects of the global economic crisis on the progress being made in the implementation of the Millennium Development Goals in general, and on affordable housing finance in particular, especially in developing countries, with new pressure being brought to bear on national and international financial systems,

Recalling the medium-term strategic and institutional plan for the period 2008–2013,² which in its focus area 5 calls for improved access to sustainable financing for affordable housing and infrastructure,

1 HSP/GC/22/4.

2 HSP/GC21/5/Add.1.

Recognizing that a comprehensive approach is required to tackle the issues surrounding pro-poor affordable housing finance systems, which range, among other things, from community savings, microfinance, appropriate financial intermediation, commercial banking and more conventional mortgage finance to local government development plans,

Welcoming the wide-ranging debate at the Governing Council at its twenty-second session, in which representatives called for greater attention to be paid to workable methodologies that supported pro-poor financing mechanisms;

Recognizing all countries and partners that have made financial contributions to facilitate the delivery of pro-poor affordable housing finance systems,

1. *Invites* all member States to consider undertaking a comprehensive assessment of the state of adequate shelter, affordable housing and related infrastructure, and data on gender and age, together with their national housing finance systems and existing regulatory frameworks, with a view to assessing their adequacy to meet the needs of their respective populations, particularly those of the poor, the economically weak and other vulnerable groups, from a gender and age perspective;

2. *Encourages* all member States, including the regional ministerial conferences on housing and urban development, to establish sound and conducive frameworks and mechanisms to enable extended public and private investment in slum upgrading and prevention, affordable housing and urban development including infrastructure and basic services;

3. *Requests* the Executive Director to continue existing efforts by the United Nations Human Settlements Programme in close consultation with international and regional financial institutions to demonstrate and disseminate models and knowledge about the importance of community-based pre-investment activities and to undertake appropriate monitoring and capacity-building in this regard, particularly at the municipal level, within its work programme and budget;

4. *Invites* all member States to contribute to the support and the replenishment of United Nations Human Settlements Programme trust funds and other associated funds, including the experimental reimbursable seeding operations and Slum Upgrading Facility, and programmes designed to extend assistance in the delivery of pro-poor affordable housing finance systems;

5. *Requests* the Executive Director to work with international and regional financial institutions to promote appropriately scaled housing and infrastructure investments as a contributor to economic growth and as an important means of poverty reduction from which sustainable economic growth and recovery may follow;

6. *Also requests* the Executive Director to continue dialogue with key stakeholders, including member States, on the role of housing in economic development and the impact of the financial crisis on affordable housing finance to inform better and make experiences and lessons learned available for member States in this regard;

7. *Supports* the efforts made in exploring the possibility of convening a high-level special event at the General Assembly on the issue of housing finance systems in the face of the global financial crisis;

8. *Recommends* that such a special event should take into account, among other things, the recommendations emanating from the dialogue on affordable housing finance and climate change held at the twenty-second session of the Governing Council;

9. *Requests* the Executive Director to report on the implementation of the present resolution to the Governing Council to its twenty-third session.