


SUF pilot

EMERGING MARKETS GROUP

happold consulting

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SUF Sri Lanka — Presentation by Ayanthi Gurusinghe
August 2008

SUF Slum Upgrading Facility of UN Habitat

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Seeks to develop bankable projects that promote affordable housing for low-income households, the upgrading of slums, and the provision of urban infrastructure in cities of the developing world. The central objective of SUF is to assist developing countries to attract domestic capital for their slum upgrading and related infrastructure activities.

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- Conceptualized as a demand driven process
- A community driven, Local Authority facilitated and domestic capital market supported process
- A Public Private partnership technically supported by UN-Habitat

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SUF Lanka Finical Services for Underserved Settlements - LFSUS

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- **Incorporated** as a Not for Profit Company under section 07 of 2007 companies Act
- **Public Private Partnership:** Banks committed, GoSL has agreed to make matching grant
- **Mobilization of resources** for country wide slum upgrading activities.
- Support implementation of **Settlement upgrading** Strategy at national and local government level
- Promote the **Viability of Lending** to low income groups
- **Provide Guarantees to Banks** to encourage lending for settlement upgrading

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SUF Role of LFSUS in the Urban Sector Policy Framework

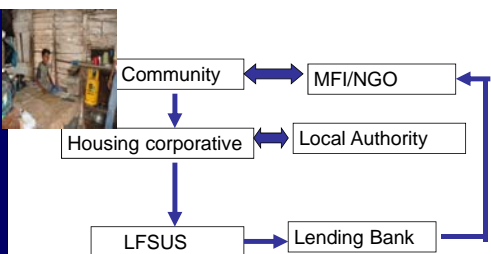
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- Introduce Housing Finance Products for the urban poor within the country's banking system
- Develop national level project implementation framework
- Create a demand for guarantees for microfinance institutions and other intermediaries
- Introduce bridging finance through global partners

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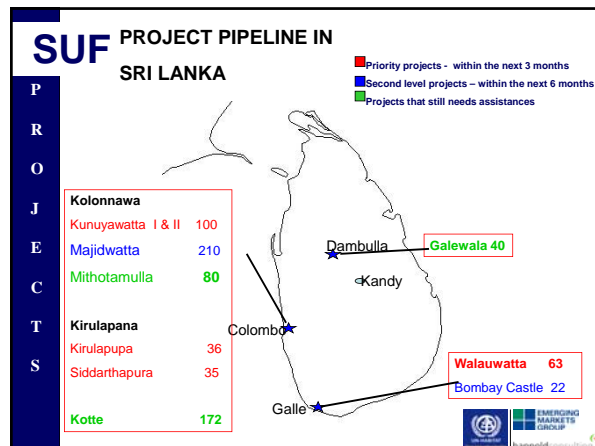
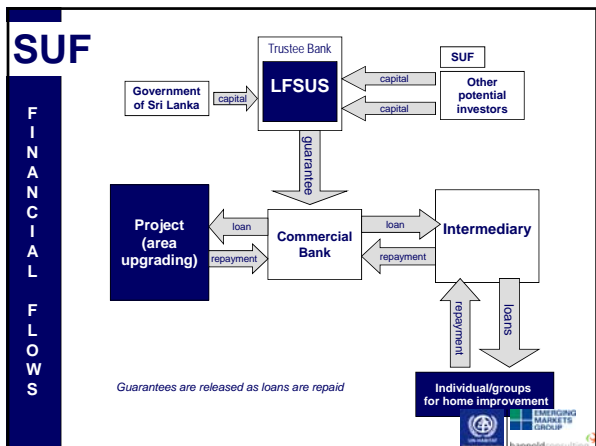
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    graph TD
      Community <--> MFI_NGO[MFI/NGO]
      Community --> Housing_corporative[Housing corporative]
      Housing_corporative <--> Local_Authority[Local Authority]
      Housing_corporative --> LFSUS
      LFSUS --> Lending_Bank[Lending Bank]
      Lending_Bank --> MFI_NGO
  
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- ### SUF LFSUS - Providing Credit Enhancement but alsoBuilding Capacity and Providing Technical Assistance - Finance Plus!
- LFSUS 2008**
- Designing and detailing projects
 - Technical design and construction options
 - Establishing costs & working out affordability
 - Negotiating re. planning & building regulations
 - Developing budgets and financial planning
 - Negotiating bank loan agreements and guarantee terms & conditions
 - Providing architectural & engineering assistance

