



THE AFRICAN UNION FOR HOUSING FINANCE

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STATEMENT BY THE MEMBERS OF THE AFRICAN UNION FOR HOUSING FINANCE AT THEIR ANNUAL GENERAL MEETING IN JOHANNESBURG, SOUTH AFRICA, ON 8 SEPTEMBER 2011.

We, the members of the African Union for Housing Finance, having met over three days in Johannesburg, South Africa, confirm our commitment to the development of sustainable housing finance markets that address the broad spectrum of needs in each of our countries and regions throughout Africa. As individual housing sector practitioners, and collectively as members of the African Union for Housing Finance, we are committed to:

- The development of appropriate housing and housing finance products, which are affordable to our populations, and contribute effectively towards adequate housing across our nations.
- The establishment, and consolidation of existing, institutions throughout the housing supply chain that are sustainable and robust
- Promoting consumer education and financial literacy so that households can participate effectively in their housing processes.
- An integrated delivery approach in which the development of housing occurs within a sound planning framework that includes the delivery of infrastructure services, and social and economic amenities.
- Professional development and training across the spectrum of the housing value chain.
- Working in collaboration with each other, and other stakeholders, whether in the public or private sectors, to promote the realization of sustainable human settlements across Africa.

We note that our sector faces a number of serious challenges, among them:

- The availability of serviced land for housing. In many of our countries, cadastral systems are only just developing. The backlog in land titling undermines the development of mortgage markets, which rely on the underlying security of land tenure to facilitate affordable finance. Further, infrastructure backlogs in all of our cities and towns mean either that housing developments are accessible only to high income earners who can afford the costs of settlement-by-settlement infrastructure financing that currently prevails; or that housing is developed without the necessary infrastructure, undermining the sustainability of our settlements and contributing to the growth of slums.
- Municipal capacity constraints undermine development processes in many of our cities. Whether expressed through insufficient infrastructure investment and maintenance, or inefficient building approval processes, or poor land administration processes, municipal capacity constraints undermine housing development at all affordability levels. This issue requires not only local, but also national and continental attention. Subsidy support within the municipal finance framework is critical if infrastructure backlogs are to be overcome and city governments are able to keep pace with population growth.
- Housing affordability. In each of our countries, the percentage of the population below the poverty line is significant. While there is a substantial population with the capacity to engage in financial transactions, this middle class (defined by the AfDB as people earning between \$2 - \$20 per day) still cannot afford the finance necessary for the purchase of the least expensive, developer-built house. In part, land and infrastructure costs contribute to the affordability challenges that such households face. The promotion of incremental housing processes, financed with housing micro finance and savings, would address some of this challenge. Rental housing solutions must also be considered. It is critical that, in partnership with government, we develop mechanisms that enhance housing affordability so that adequate housing is not just the preserve of the wealthy.

We affirm our commitment to addressing these challenges in cooperation and partnership with government and other stakeholders, in each of our countries and across the continent.

Reginald Motswaiso, Chairman of the African Union for Housing Finance
Gijima Johannes Dladla, 1st Vice Chairman of the African Union for Housing Finance
Cas Coovadia, 2nd Vice Chairman of the African Union for Housing Finance

MEMBERS IN THE FOLLOWING COUNTRIES:
BOTSWANA, GHANA, KENYA, MALAWI, MAURITIUS, MOZAMBIQUE, NAMIBIA, NIGERIA, RWANDA
SOUTH AFRICA, SWAZILAND, TANZANIA, THE GAMBIA, UGANDA, UNITED STATES, AND ZIMBABWE

Members of the African Union for Housing Finance (September 2011)

Company	Representative	Country
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Banque Rwandaise de Developpement)	Mr Jack Nkusi Kayonga	Rwanda
Botswana Building Society	Mr Pius Molefe	Botswana
Botswana Housing Corporation	Mr Reginald M Motswaiso	Botswana
CBZ Bank (formerly CBZ/Building Society)	Mr Colin Chimutsa	Zimbabwe
Centage Savings and Loans Limited	Mr Johnson N Gabriel	Nigeria
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Fund for Housing Promotion	Mr Rui Costa	Mozambique
Gauteng Partnership Fund	Mr Ismail Karr	South Africa
HFC Bank (Ghana) Limited	Mr Asare Akuffo	Ghana
HFC Kenya Limited	Mr Frank Ileri	Kenya
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Homeloan Guarantee Company	Mrs Ethel Matenge-Sebesho	South Africa
Homemakers Malawi Limited	Barnett Chirwa & Dick Chagwamnjira	Malawi
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Malawi Housing Corporation	Mr Mark Ndaferankhande	Malawi
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Mpumalanga Housing Finance Company	Mr G J Dladla	South Africa
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Tanzania Mortgage Refinance Company Ltd	Rished Bade	Tanzania
The Banking Association, South Africa	Mr Cas Coovadia	South Africa
Union Homes Savings and Loans PLCI	Mr E A Aikhorin	Nigeria
ZB Building Society	Mr Sifiso Mahlangu	Zimbabwe

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