



2020 Housing Finance in Africa Yearbook

DRAFT TERMS OF REFERENCE for Country Profiles

1. Introduction

The Centre for Affordable Housing Finance in Africa (CAHF) is a not-for-profit company with a **vision** for an enabled affordable housing finance system in countries throughout Africa, where governments, business, and advocates work together to provide a wide range of housing options accessible to all. CAHF's **mission** is to make Africa's housing finance markets work, with special attention on access to housing finance for the poor. We pursue this mission through the dissemination of research and market intelligence, supporting cross-sector collaborations and a market-based approach. The overall **goal** of our work is to see an increase of investment in affordable housing and housing finance throughout Africa: more players and better products, with a specific focus on the poor.

In undertaking our work, we seek to deliver on four objectives (1) building the market infrastructure and data environment for investment; (2) broadening and deepening the availability of cutting edge research; (3) supporting specific local investment opportunities; and (4) promoting the development of housing finance professionals in Africa.

Since its formation, the CAHF has come to be known as the most comprehensive and up-to-date source of information on housing finance in Africa. Its research and other material is regularly used by investors, lenders, pension funds, and other financiers; legal practitioners, researchers and academics; policy-makers and other housing finance practitioners to scope and pursue the opportunities for extending access to housing finance across Africa. As a thought leader in the sector, CAHF is a respected advocate for financial inclusion in housing finance in Africa. Our work is available on our website: www.housingfinanceafrica.org.

For the past ten years, CAHF has produced a Yearbook on housing finance in Africa which provides a review of housing finance markets in Africa. In the first edition CAHF profiled fifteen countries with the Yearbook being 78 pages long. The 2020 Yearbook will contain profiles of all 55 countries in Africa as well as 5 regional articles and will be approximately 300 pages long. The 2019 Yearbook can be viewed at: <http://housingfinanceafrica.org/resources/yearbook/>. The 11th edition of the Yearbook will be launched at the annual African Union for Housing Finance (AUHF) Conference in early November 2020.

CAHF wishes to appoint consultants to research and write country profiles and collect specific country data sources for the 2020 Yearbook.

2. Skills and expertise required

We are seeking consultants and/or researchers who are highly knowledgeable in the housing and housing finance sectors linked to specific countries. They must have knowledge of housing policies and the legislative context, investment climate, recent trends and developments in housing and housing finance, and the map of government departments and entities, private sector companies, financial institutions, international and local NGOs and other players in the housing finance sector in their country.

- Country profile authors are required to complete a data survey for their country, in addition to writing the profile—see section 5 below. Therefore experience and knowledge of data collection in the areas of housing and housing finance and development is necessary.
- Local expertise is preferred. Ideally, profile authors are researchers or practitioners based in that country, who are therefore able to collect data on the ground and are more aware and tuned in to recent trends and developments in the housing sector and understand affordable housing processes in the country. In the selection of authors, preference will be given to applicants based in-country.
- French and Portuguese speakers are welcomed: country profiles for Francophone and Lusophone areas can be written and submitted in French or Portuguese respectively. These profiles will be edited in French or Portuguese and CAHF would be responsible for translating the final profiles into English.
- The Yearbook places a high premium on data accuracy, quality, analysis and replicability. Authors will be expected to comply with rigorous guidelines regarding citations and references for all facts and data included in the profiles.

Country profile authors will be responsible for the following:

- Originally authored **profile** (approximately 3 600 words) containing the following sections: overview; access to finance; affordability; housing supply; property markets; policy and legislation; opportunities; data challenges. Previous years country profiles are therefore not to be merely updated. See section 3 below on the information to be provided in each section and for the focus of this year's Yearbook.
- Completion of a **Yearbook data survey** containing approximately 30 data points. It is expected that the YB author would collect data on these indicators, which would require local knowledge of data sources and on-the-ground data collection. It should be noted that **this will require emails, telephone calls and in-person visits to organisations and government departments to obtain data. We acknowledge that this year, given restrictions in response to the COVID-19 pandemic, collecting some of this data from in-person visits / government departments may be difficult. In support of the process, CAHF will provide a general cover letter explaining the research project which can be e-mailed to specific organisations for information requests.** See section 5 below for further information on the data survey.

3. Content and structure requirements for country profiles

The Covid-19 pandemic has highlighted the need for adequate, affordable housing across the continent. At the most basic level this has to do with households' access to basic services such as clean water and proper sanitation and households being able to protect themselves from infection through isolation in their homes and being able to maintain adequate social distancing protocols. At the same time, the pandemic is having a profound effect on the entire housing construction value chain as well as changing the demand for affordable housing in order to

meet more immediate housing needs. The focus of the 2020 Yearbook will therefore be through a COVID-19 lens assessing the impact of the pandemic from three angles:

- **Risk:** Country profiles are to include demand side considerations in terms of the impact of COVID-19 on household affordability and how this impacts on the housing / housing finance products currently available in the country;
- **Recovery:** Country profiles are to assess supply side considerations, including the impact of COVID-19 on the housing / housing finance sector;
- **Resilience:** Country profiles are to consider how the provision of affordable housing can be used to grow the economy and how housing supports household and economic resilience in the face of this and other emergencies.

For further guidance on what is expected, applicants are encouraged to review the [2019 Yearbook profiles](#) on the CAHF website and the CAHF presentation on COVID-19 and Housing included in this call for proposals

The profile must follow the structure as set out below:

- **Overview.** For this year, the overview should:
 - Comment very briefly (1-2 sentences) on the key housing issues facing the country.
 - Provide an overview of the state of the country's economy, affordable housing and the housing finance sector. This should include economic growth, inflation, changes in the lending rates (repo and prime interest rates), changes in exchange rates (to US\$) and any other measures that Central Banks have put in place in response to COVID-19 which impact on housing finance.
 - Speak briefly to key housing-related responses by government and the private sector to the pandemic.
 - Speak to shifts in government spending related to government responses to COVID-19.
 - Speak to government responses to informal settlements in response to COVID-19.
- **Access to finance** – An overview of the country's banking and non-bank finance system, and specifically the housing finance (mortgage and non-mortgage including microfinance) system, and how this has been impacted by COVID-19.

In addition specific information should be provided on the following:

- Mortgages:
 - The number of mortgages and growth of number of mortgages; the average loan size and terms; and loan-to-value ratios.
 - Interest rates charged on mortgages and non-mortgage housing finance.
 - Percentage of non-performing loans.
 - How many banks and which banks offer mortgages.
- How many non-banking institutions and which institutions offer forms of housing finance; etc.
- Measures taken by the housing finance sector to counter the impact of COVID-19 on their loan books.
- Microfinance and non-mortgage housing finance: the extent to which it is available, average loan sizes and loan purposes, as well as case studies if appropriate.

- Credit options that exist in terms of bank and non-bank lending.
 - Level of credit indebtedness and its impact on affordability levels, as well as the existence of credit bureaus and whether these bureaus are used by financial institutions.
 - How underwriting is practiced both for mortgages and non-mortgage housing microfinance, and whether there are any underwriting practices that accommodate households with informal incomes.
 - On the supply side, the availability of construction finance and how this is structured.
 - What financing and refinancing is available for banks and housing finance providers. Is there an existing bond market, are government bonds offered, is there any securitisation in the market, any efforts to develop refinancing facilities, any credit lines for banks to draw for liquidity, at what interest rate is wholesale funding available, etc.
 - This section should also speak briefly to key issues relating to financial risks posed by the pandemic, financial measures taken for recovery for the financial sector, linked to the long term resilience of the housing sector.
- **Affordability** – In this section, the profile should consider the extent to which the housing available (what exists and what is being produced, whether formally or informally, for ownership or rent) is affordable to the population including:
 - Market segmentation to explore household income and expenditure patterns and affordability for housing, in comparison to the housing that is available. Is there a gap in housing supply such that a segment of the population is unable to access adequate housing and as a result lives in inadequate housing circumstances.
 - The affordability of housing finance, including average mortgage size and minimum income required to access mortgages, as well as monthly mortgage repayments relative to household income.
 - How the pandemic has impacted on affordability and therefore what impact is this likely to have on housing demand.
 - Any housing-related subsidies / government assistance in respect to access to land or services offered by government should also be highlighted in this section.
- **Housing supply** - In this section, the focus is both on formal and non-formal housing – stock and supply. This section should consider:
 - The number of rural and urban houses and average household size for rural and urban areas.
 - Estimated housing backlogs e.g. demand vs. supply.
 - Various housing delivery systems in practice (e.g. ownership and rental), and the key issues facilitating or undermining this aspect of the housing market, including the availability of construction finance, etc.
 - Available data on housing supply, if it exists, and the standard specifications of housing per housing type, if these exist.
 - Plans for new housing developments.
 - The main measures that national or local government have put in place to provide housing relief during the pandemic.
 - Moratoriums on evictions;
 - Guarantee funds;
 - Unemployment Insurance;

- Income supplements;
 - Special programmes or interventions targeted at the housing sector.
- Various emergency housing supply measures undertaken / needed in the immediate future in the different urban and rural contexts.
- **Property markets** - This section looks at the residential real estate sector and how it functions, key issues, etc. This section should cover the following topics:
 - What are the land market dynamics, in terms of cost, ownership patterns and tenure security?
 - Is there a digitised land tenure and title system? Is there a central deeds registry?
 - Is there a residential resale market, and where is it focused?
 - Rental and house prices should be defined here and the change in prices year on year should be included. What type of housing is in demand etc.?
 - Percentage of households owning and percentage renting.
 - Are there formal and informal estate agents?
 - The cost and time for registering property can be found in the [World Bank Doing Business Indicators](#) and should be included – whilst this is for commercial, it would be beneficial to obtain this information for residential real estate in the respective country.
 - How property markets have been, or likely will be, impacted by COVID-19, including the impact on activity the market (transactions and new registrations).
- **Policy and legislation** - This section considers the legal, policy and regulatory framework for housing and housing finance in the country, including key recent and upcoming developments. This includes:
 - The role of the state in housing delivery: Does the state build houses through public-private partnership and sell them at subsidised rates? Does government intervene in the market on the supply or demand side or both? Or does government limit itself to creating an enabling environment for private sector provision of housing?
 - Government housing policy and programmes.
 - Finance sector legislation as well as all government regulation and policies that have an impact on housing and housing finance.
 - The legal framework governing land.
 - Any key changes in legislation, policy etc. and any possible upcoming developments (including those in response to COVID-19).

For certain countries, the USAID Land Tenure and Property Rights Portal—[Land Links](#)—will be of use. The survey has a section to enter policy/legislation details. Also the [CAHF Housing Finance Laws and Policies in Africa Dashboard](#) can be a useful starting point.

- **Opportunities** - This section is intended to summarise the housing situation in the country *from the perspective of the investor*. The section should:
 - Pinpoint specific market opportunities that investors should consider, with particular attention given to the affordable housing sector.
 - Consider technological advancements which could support the housing sector.
 - Consider the role of the private sector in formal and informal housing delivery.
 - Consider how lender attention can be shifted down market
 - Consider how incremental housing development could be supported.

- Identify key trends to watch in the year ahead, or unresolved challenges.
- Speak to strengths and weaknesses of the country as a target for potential investors.
- **Data challenges** - In the 2019 Yearbook we introduced a separate text box listing the main sources of housing data. The text box should be limited to a maximum of 200 words and should be titled ***Availability of Data on Housing Finance*** including the following bullet points: :
 - The main organisations that collect and share data on housing finance in country e.g. Central Bank, Bureau of Statistics.
 - What data is available from these organisations (e.g. Census, mortgage lending statistics)? How often is this data collected, and is it available publicly and/or online?
 - What the main data gaps for housing finance are in the country? In some case these will be data that is not collected, and in some cases the data may be collected but not made publicly available.
- **Affordable Housing Images** – Given that the annual African Union for Housing Conference (AUHF) Conference where the Yearbook is to be officially launched will likely be a virtual event this year due to travel restrictions and other COVID-19 implications, we require at least ten images of different affordable housing typologies from the country being profiled. This should be spread across rural and urban housing typologies. These images will be used by CAHF for the launch presentation as well as on the CAHF website. Photo sources will be acknowledged.
- **COVID-19 responses** – In the 2020 Yearbook we are asking for a short additional text box titled *COVID-19 responses*.
 - Was a lockdown period imposed? If so for how long?
 - Did the Central Bank reduce the interest rate? If so by how much?
 - Was a moratorium on evictions put in place? If so for how long?
 - What was the governments' response to informal settlements?

4. Technical requirements country profiles

CAHF will host a webinar for all YB authors on 17 July 2020. Participation in the webinar **is compulsory** for YB authors. At the webinar, we will:

- Explain the TOR and expectations around the profiles
- Answer any questions

The following are the technical requirements for the country profiles:

- **Total word count:**
 - Country profiles must not exceed 3600 words excluding footnotes and list of references but including the text box on data challenges and COVID-19 responses.
- **Style Sheet:**
 - All profiles must adhere to the **CAHF Style Sheet** which provides guidance on punctuation, capitalisation, spelling, etc. This ensures uniformity and professionalism in the publication. Profiles will not be accepted unless they follow these guidelines.

- **Referencing:**
 - **Footnotes:** As per the CAHF Style Sheet, use footnotes instead of in-text referencing in parenthesis. **Footnotes must be formatted as per the CAHF Style Sheet.**
 - **List of Sources:** The profile must contain a full list of sources at the end. This must include: (a) all sources referred to in the footnotes, (b) all sources which are quoted directly (i.e. in quotation marks), and (c) any additional sources which were used as background information but are not referenced in footnotes and/or quoted directly.
 - Please note that the purpose of the referencing is to enable readers to locate the figure or fact themselves in the source document. **Therefore referencing must be specific and *include page numbers*. CAHF will also be utilising the footnotes to verify all information contained in the profiles.**
 - If the source was accessed *online*, the following information must be included in the *List of Sources*: (a) URL address, and (b) date the document was accessed online. See the CAHF Style Sheet for guidance on referencing online reports or documents, blogs, website pages, and online databases.
 - **Note that plagiarism is strictly prohibited and will not be tolerated.** CAHF will be checking that sentences and/or paragraphs contained in profiles are not copied directly from other sources, including the 2019 CAHF Yearbook (unless fully referenced and identified in quotation marks—see CAHF Style Sheet for important guidelines on direct quotations.)
- **Currency:**
 - All prices should be provided in **local currency and the US\$ equivalent**. The exchange rate to be used in the country profile will be provided by CAHF in the YB data survey.

5. Country Yearbook Data Surveys

CAHF has developed a standard set of *core indicators* to understand and monitor the housing finance sector in each country. Part of the Yearbook process is to collect data on these core indicators for every country in Africa, every year.

CAHF will collect information on a number of core indicators for each country from international datasets and provide this information to the respective country profile authors. This ensures uniformity and standardisation across the multi-country YB dataset.

Each YB country author will then be expected to collect the data for 2020 for a select number of approximately 30 additional indicators, by accessing local sources on the ground. This will require primary data collection: emails, telephone calls and in-person visits to organisations and government departments to obtain data.¹

¹ Payment of YB country authors is upon submission of the deliverables (YB profile and completed data survey). Compensation for the submission of the data survey is dependent upon the number of indicators populated, not the number of hours spent in data collection.

In order to undertake this work, YB country authors will be provided with:

- The Excel *YB Data Survey* for their country
- A *Yearbook Data Manual*, which contains:
 - Detailed metadata providing complete definitions of the various indicators
 - Data gathering guidelines which provide advice on where to begin looking for the information
 - Clear instructions on how to populate the data survey in Excel
- Support from CAHF Research Managers via email and phone, should any questions arise

CAHF will host a second webinar for the data survey only all YB authors on 28 July 2020. Participation in this webinar is **compulsory** for YB authors. At the webinar, we will:

- Go over the YB surveys, and the information in the Data Manual
- Answer any questions

YB country authors will have five weeks to undertake the data collection. The YB survey will be submitted prior to the country profiles, thus allowing YB country authors time to source the critical data which will then be utilised in the profile—see section 6 below.

6. Timeframes

It must be noted that the Yearbook is different than an academic publication whose deadlines can be pushed out until the work is completed. The Yearbook will be launched at the annual conference of the African Union for Housing Finance, 3-5 November 2020. Therefore the deadlines related to the production of this publication are not move-able, and must be strictly adhered to in order to ensure the books are printed by this date.

YB authors must therefore submit deliverables by the set deadlines. In the event that deadlines are missed, CAHF will be forced to cancel the contract with the author and immediately make an alternative plan to ensure the profile is produced for inclusion in the final publication.

3 July	YB authors selected
17 July	Contracts with YB authors signed
15 July	YB data surveys distributed to all country YB authors
17 July	Profile Webinar with all YB authors – Participation is compulsory
21 July	Data survey Webinar with all YB authors – Participation is compulsory
21 August	YB data survey due from country YB authors
21-28 August	YB data surveys reviewed by CAHF and comments/queries sent to YB country authors if required
31 August	All country profiles due from YB authors Comments from CAHF to be returned to YB authors within 14 working days of submission
28 September	Final draft of country and regional profiles due from YB authors
23 October	Final approval of YB and approval of payment of invoices
3-5 November	2020 Yearbook launched at AUHF Conference