



OPENING ADDRESS BY AUHF CHAIRPERSON, OSCAR MGAYA, AT THE AFRICAN UNION FOR HOUSING FINANCE CONFERENCE AND AGM 2015

Dear friends and colleagues, the President of the International Union for Housing Finance, Mr Andreas Zehnder, the MD of the Banking Association South Africa, Mr Cas Coovadia, delegates from the African Development Bank, the World Bank, KfW, Affordable Housing Institute, UN Habitat, fellow members of the African Union for Housing Finance, my fellow AUHF Board members, and delegates to the AUHF's 31st annual conference:

Welcome.

My name is Oscar Mgaya, and I am the Chairperson of the AUHF. We are so happy to meet with you all here, in warm, sunny Durban, to spend the next 2 and a half days discussing an issue that is so very close to all of our hearts.

How do we make housing finance markets work in Africa? This is a key question with which we all grapple.

When we first contemplated the theme of this conference, we were invited to participate in a consultation session hosted by the African Development Bank together with UN Habitat, on making housing markets work in Africa. We will hear about the findings of that study soon and we are honoured to have both organisations join us here today. Our approach in this conference is to explore in more detail, what we need in housing finance markets in Africa. We've split up the agenda into four sessions.

In the first session, "Financing the housing value chain" we will have presentations policy makers, lenders, DFIs,

guarantors, investors, and other housing sector practitioners all offering insights into how the housing finance market, along the housing delivery chain, might work better. We have examples from Nigeria, Germany, Ghana and other markets. The challenges the speakers raise are of course, very local, but they are also common across the region, and this is something the AUHF can address as it seeks to do its part to making housing finance markets work.

An important, and often neglected area of focus is addressed in the second session of our conference, “growing the capacity of housing microfinance”. In this session, we note that non-mortgage housing finance is a critical component of an overall housing market because it can, arguably, serve the majority. How do we attract investment into this niche, and reach the levels of scale we all hope for?

In growing the capacity of housing microfinance, an important consideration is how we respond to demand. This is the subject of our third session, which explores the needs of particular sub-markets including the youth, very low income earners, the informally employed, and others.

The fourth session of the conference then seeks to draw on all of you – the delegates. We will split into four groups – defined by the specific sub-sector of our industry in which you are most involved: mortgage lenders, housing micro financiers, delivery agents, and investors – and invite you, the practitioners, to have your say on what sorts of interventions might assist you in growing your own businesses, thereby making housing finance markets work for real, across the continent. We will compile these comments into a “Durban Declaration” which we will then review and adopt at our Annual General Meeting on Wednesday.

Of course, we understand the problems are not simple, and will not be solved in two days of deliberations, no matter how stimulating our presenters or how well targeted their presentations are. But this is an important step – an opportunity for practitioners in housing finance to deliberate on the issues and contexts that make their work difficult and undermine their ability to meet the rising demand. This is the business of the African Union for Housing Finance, and why we were founded, now 31 years ago, to promote our members in mobilising funds for

shelter across the continent. We trust therefore, that the inputs made at this conference are just the start of a much longer and detailed conversation, involving far many more players. In bringing the ideas and insights from these conversations to the fore, we hope that as AUHF, we can play our part in making housing finance markets work in Africa.

I wish to thank my Board colleague, Cas Coovadia, the MD of the Banking Association South Africa, for hosting all of us over these two and a half days. Thank you as well, to the Centre for Affordable Housing Finance, which acts as our Secretariat and which put together this agenda, for all of your hard work and innovation in bringing together such an interesting array of presentations, and important opportunities for engagement on a regional and international stage. The CAHF team also put together the Housing Finance Yearbook, which is our gift to speakers, and which will be formally launched at the AUHF's AGM on Wednesday.

We are very grateful to our sponsors – this evening, TUHF Limited will host us all at the cocktail party; then tomorrow, the Banking Association South Africa, Home Finance Africa Guarantors Reinsurance Limited, and the AUHF itself have joined forces to welcome you to our gala dinner. Making Finance Work 4 Africa has worked hard to support you all in meeting with investors – we will hear more about that this afternoon, and then the one-on-one meetings happen tomorrow. Tongaat Huelett is hosting us for our site visit to Cornubia on Wednesday.

And lastly, thank you to all of you for making the time to come to Durban and to participate in these deliberations. At last count, we had over 100 delegates registered from 20 countries. That is phenomenal! I hope you will all use the opportunity to make the connections that will help you grow your businesses, playing your part in making housing finance markets work in Africa. I also hope that those of you who are not yet members of the AUHF will consider joining us. We have included a brochure in your conference pack, but if you wish for any further information, please do not hesitate to stop me or any one of my board colleagues in the course of the next couple days. We'll be very happy to respond to your questions.

Colleagues, on behalf of my Board and the members of the African Union for Housing Finance, I wish you all an

excellent, productive and stimulating few days. Thank you for your participation. With your help I am sure we can make housing finance markets work in Africa.