

**CHAIRMAN'S REPORT TO THE EXECUTIVE COMMITTEE AND ANNUAL GENERAL MEETING OF THE
AFRICAN UNION OF HOUSING FINANCE (AUHF) GABORONE, BOTSWANA SEPTEMBER 2010**

INTRODUCTION

I wish to warmly welcome you all to the Executive Committee meeting and Annual General Meeting of the AUHF here in Gaborone, Botswana. I am especially delighted since this is the first time ever that AUHF business has been collectively conducted in this country. Your member host, the Botswana Housing Corporation, appreciates the confidence you had on them to organize this gathering within such a short notice. I am saying within a short notice since you all know this EXCO meeting and AGM was to be hosted by Mauritius Housing Company as per the AGM resolution at the EXCO and AGM hosted by Fund for Housing Forment (FFH) in Mozambique. It only became clear that MHC would not be in position to host at the EXCO meeting held at Parktown, Johannesburg in March 2010.

At this point I wish to thank the BHC Board for having been amenable to the Corporation undertaking this task. I would also like to express appreciation to BHC staff members who worked around the clock to make this gathering a success. In setswana we say "**Le kamoso Bagaetsho**". I further wish to express gratitude to those of you who have traveled far to reach us today – some having to deal with arduous challenges with regard to VISA processing and others having to contend with more than one flight connection. Your collective efforts, Ladies and Gentlemen, are indeed encouraging and give hope to the continuity of our ideals under AUHF. For this, we should all feel challenged to contemplate our individual contribution to the noble course of AUHF. Invariably, it is only through individual and collective sacrifice that voluntary organizations such as our AUHF could have a chance to survive.

It is with deep regret that two EXCO members you elected at the last AGM in Maputo have been recalled by their respective principals; Mr. Tumbul Danso, a long standing AUHF EXCO member and a stalwart to our common cause, was not only an SSHFC representative of Gambia but also a regional representative for West Africa; Maria Ribeiro of FFH, Mozambique has also been recalled. I would, at this juncture, like to express my gratitude to their sterling service to the AUHF and EXCO during their term of office.

PROGRESS REPORT

The EXCO Business

The Executive Committee met in Parktown, Johannesburg on the 15th March, 2010. A number of resolutions were made at the meeting amongst them that;

- 1) AUHF, through its secretariat, should request for a report on the outcome of Cities Alliance Project in Zambia.
- 2) AUHF secures Shelter Afrique's lending criteria documents for its members
- 3) The Chairman and his Deputies should take a week off and go out to promote AUHF to targeted African countries.
- 4) AUHF should strengthen its secretariat by forging a working relationship with Finmark Trust.
- 5) That issues pertaining to the deregistration of AUHF in Kenya be pursued no further.
- 6) That this AGM be held here in Gaborone, Botswana after MHC expressed that it will not be in a position to host the 2010 event.

Cities Alliance

It came to light during the EXCO discussions in March that the extension of the Cities and Alliance project to Zambia did not fall under AUHF but was rather an independent project/arrangement being handled directly with Zambia hence the EXCO resolution number (1) above.

On the other hand, following the presentation of AUHF research at the AGM in Ghana, FinMark Trust approached Richard Martin independently to undertake similar research in Zambia. With Richard Martin as the lead consultant, a similar methodology to the AUHF research was employed, with the aim of complementing the AUHF library. Tradeways cc, a Zambian social survey company was employed to conduct a household survey in three informal settlements within the boundaries of Lusaka. The research was completed and presented to a meeting of housing finance practitioners in Lusaka. Both the Tradeways reports, and the minutes from the meeting in Lusaka, are freely available on FinMark Trust's website.

The initiative has not proceeded further, largely because of capacity constraints. However, attendance at the workshop in which the work was presented suggests considerable interest for further research and discussion in the housing finance sector in Zambia.

Partnership with Regional Bodies

Partnership initiatives by AUHF with regional Bodies are proving a challenge. Earlier contacts with African Development Bank, Shelter Afrique, FMO and IFC have not borne fruit. IFC gave indications that they would rather collaborate with the mother body, IUHF; FMO and Shelter Afrique have not furnished a response to our invitations while ADB has expressed that, at the moment, they do not have projects on their offering through which we could meaningfully participate.

The EXCO will endeavour to establish contacts with these bodies to forge a working relationship in one form or another.

The participation by UN Habitat in this year's AGM is a first step towards a productive working relationship with that body. UN Habitat have generously agreed to design and drive the training programme, and have sent three senior staff members to respond to a key need expressed by our membership. We hope that this relationship will evolve over time and that the AUHF and UN Habitat can support one another in their mutual efforts to promote housing finance in Africa.

We are also delighted with the participation of the World Bank in our conference. The World Bank's interest in participating in our event, and generosity in sending a key member of staff, suggests an important partnership opportunity that will be pursued in the coming months.

Government Engagement

Members may wish to use the connections established with UN Habitat and the World Bank at this meeting, to further their engagements with the governments of their countries.

28th World Congress of the IUHF

The 28th Congress of the International Union of Housing Finance was to be held in Thailand this coming October. The social upheavals in that country necessitated a rethink with the result that the congress was cancelled hence Mr. Cas Coovadia will continue to chair the IUHF until next elections at the subsequently congress.

The AUHF is urged to continue to give our own Mr. Coovadia support in his assignments at the IUHF.

MEMBERSHIP

The membership of the Union stands at 30, made up of 29 institutions from 14 countries and one honorary member. We are hoping for a positive report from FFH of Mozambique with regard to the recruitment of Angola as well as another report for Mr. Chimutsa of CBZ Building Society of Zimbabwe with regard to contacting Mrs. Mpfu for the recruitment of Zambia. The membership of HFC Mortgage Savings (Sierra Leone) Limited is still outstanding.

SUBSCRIPTIONS

Subscriptions were received from nineteen members at an average of R 15, 051.00. Two bad debts were recovered at R28, 923.00. A pre-payment of R16, 612.60 was made in the reporting period. All in all, a collection of R 332, 810.00 was made as at 30th June 2010.

Fees were still outstanding from the following;

1)	Barclays Bank Ghana	08/09 + 09/10	USD	3,500
2)	Botswana Building society	08/09 + 09/10	USD	3,500
3)	Centage S&L Nigeria	09/10	USD	2,000
4)	MHC Malawi	09/10	USD	2,000
5)	MHF Co SA	09/10	USD	2,000
6)	NBS Bank Ltd Malawi	08/09 + 09/10	USD	3,500
7)	Rwanda Housing Bank	09/10	USD	2,000

8) Savings and Loans Kenya

08/09 + 09/10

USD

3,500

For the year 2009/10 total outstanding is R 120, 408.00.

I am reliably informed that MHFco SA paid their outstanding subscriptions post June 2010.

It must be noted that some members owe subscriptions from much earlier years and the secretariat will provide details of follow ups made.

I must express that it is most disheartening that some members just do not pay their dues without expressing or bothering to advance any financial distress on their part. We can only implore those members in good standing to encourage their compatriots to make good the debts.

At the EXCO meeting held in March 2010 it was resolved that AUHF should waive subscription arrears of Zimbabwe members for the year 2007/08.

STRATEGIC PLAN IMPLEMENTATION REVIEW

Capacity Building

In the past AUHF members were requested to provide national mortgage data to the secretariat. However, information has not been forthcoming but we remain hopeful that with the strengthening of the secretariat this information void will be plugged.

Regional Representatives, on the other hand, should actively be assisting the secretariat in securing the requisite data.

Government Engagement

There is need for active engagement with Governments along topical issues around land and land servicing, building and financial regulations, Informal Settlements and housing policy in general. The sensitive nature of these topics provide valuable opportunities for meaningful dialogue with relative political authorities.

THE SECRETARIAT

The secretariat of AUHF has been generously hosted by the Banking Association of South Africa in Parktown, Johannesburg. The Union has one employee in the form of Mrs. Felicity Cawley who has been domiciled in Johannesburg for some time until the last few months of calendar year 2009 when she relocated to Cape Town. For some time EXCO has been toying with the idea of strengthening the secretariat by recruiting a professional with a good knowledge of Housing Finance.

We are at a stage where we have had tentative discussions with Mrs. Kecia Rust of Centre for Affordable Housing Finance (CAHF). CAHF is a subsidiary of *Finmark*, and has requisite resources to give effective support and facilitation of AUHF programs and processes.

We have invited Kecia Rust to present a proposal in this regard. An agenda slot has been provided for in-depth discussion on the same.

CONCLUSION

May I take this opportunity to thank you all for making an effort to attend this EXCO and AGM here in Gaborone and hope you will enjoy your stay.

I also wish to thank all of our presenters, panelists and facilitators at our training and conference.

Last but not least, I would like to thank my colleagues at BHC who worked tirelessly to make this conference and AGM a reality.

That concludes my report and I move for its adoption.

Reginald Motswaiso (Chairman 2009/2010)