



**DECLARATION OF THE MEMBERS OF THE AFRICAN UNION FOR HOUSING FINANCE (AUHF)  
FOLLOWING THEIR ANNUAL GENERAL MEETING HELD IN CAIRO, EGYPT ON 30<sup>th</sup> NOVEMBER 2022.**

**We, the members of the African Union for Housing Finance, having met with colleagues from the public, private and NGO sectors from 26 countries over two days, and having held our 38<sup>th</sup> Annual General Meeting in Cairo, Egypt on 30<sup>th</sup> November 2022, express our commitment to work together towards ensuring a green urban future for affordable housing in Africa.<sup>1</sup>**

**We note:**

1. As the world pursues strategies to combat climate change and promote greater environmental sustainability and resilience, this has particular relevance for affordable housing. Low-income communities are very clearly impacted upon by climate change and the environment, often finding themselves in disaster-prone areas, and in accommodation that is poorly suited to withstand climate events. At the same time, the commitment to deliver affordable housing at scale necessarily impacts on the environment – carbon emissions are significant in the building process, as well in the ongoing life of buildings once erected.
2. African countries are the most affected by climate shocks. According to African Economic Outlook (2022), five of the ten countries most affected by climate shocks in 2019 were in Africa. In 2020 and 2021, there were 131 extreme-weather, climate change-related disasters recorded in Africa. The majority of these (99) were floods, followed by 16 storms, 14 droughts and two wildfires. As households struggle to protect themselves in the face of these shocks, their retreat from disaster-affected or prone areas contributes to increasing urbanisation, putting further pressure on our cities to accommodate vulnerable, climate migrants.
3. The five Sharm el-Sheikh Adaptation Outcomes for Human Settlements: building safe homes, investing in nature-based solutions, hardening social infrastructure, increasing the use of waste as a secondary resource, and deploying early warning systems. These are a subset of a wider array of localised adaptation and resilience projects that many cities need to implement to protect their people, economies, and ecosystems. We accept the principle that “any portfolio should be made up of projects that a) create resilient infrastructure, b) create resilient services and communities, and c) improve risk management and crisis response”.<sup>2</sup>

**We appreciate that:**

1. In recognition of the very significant interaction of housing and the environment, regulators as well as investors are increasingly demanding a climate-responsive approach, setting standards for “green construction” and “green buildings”. This gets reinforced through the development of “green finance”, which has become central to the focus and capacity of the residential construction industry.
2. While “green” impacts favourably on the long-term operating costs of housing, with reduced services costs, it is often expensive, adding to the capital costs associated with delivery. This can have an effect of placing “green” outside the reach of low-income consumers; or placing affordable housing delivery outside the scope of “green” investors and the capital they offer.

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<sup>1</sup> The 38<sup>th</sup> Conference and AGM of the African Union for Housing Finance was made possible with the support of Ora Developers, Egyptian Federation for Construction & Building Contractors (EFCBC), NewGiza, TAF Africa Global Limited, Altair, New City Developments, IFC Edge, KMRC, Reall, ZNBS, Family Homes Fund Limited, Estate Intel, Faisal Islamic Bank of Egypt. The conference attracted 219 in-person delegates and 56 speakers from 26 countries, and representing 66 companies and 23 DFIs. A further 296 delegates and 14 speakers joined on the virtual platform.

<sup>2</sup> Sharm El-Sheikh Adaptation Agenda, Technical Report: 2030 Adaptation Outcomes for Human Settlements. See <https://climatechampions.unfccc.int/wp-content/uploads/2022/11/Human-Settlements-1.pdf>

**MEMBERS IN THE FOLLOWING COUNTRIES:**

BOTSWANA, BURKINA FASO, CAMEROON, CÔTE D'IVOIRE, EGYPT, eSWATINI, FINLAND, GHANA, GUINEA, KENYA, MALAWI, MOZAMBIQUE, NETHERLANDS, NAMIBIA, NIGERIA, RWANDA, SEYCHELLES, SOUTH AFRICA, TANZANIA, THE GAMBIA, TOGO, UGANDA, UNITED STATES, ZAMBIA, AND ZIMBABWE

3. The challenges relate both to the delivery of new housing and the ongoing maintenance and refurbishment of existing housing. Extreme effects of climate change, including adverse weather conditions and climate-related emergencies, reduce and degrade the affordable housing stock across our continent. Resilient, safe and adequate housing contributes to the quality of life of households and reduces the home's environmental impact. The need for stronger, more disaster-resilient and more energy-efficient housing is clear.
4. The lack of adequate information, accessible and accurate data and market intelligence to support investment decision making and prioritisation by actors across the housing value chain, continues to hamper the progress of affordable housing across the continent. This lack is particularly severe in the field of affordable and green housing.

**We call on governments at the regional, national, state or provincial, and local levels to actively create an enabling environment that encourages the development of resilient and environmentally friendly cities, neighbourhoods and homes. We urge our governments to:**

1. Enforce the shift towards adopting more sustainable and environmentally friendly housing construction, servicing, and maintenance practices, leading by example in finding affordable ways to commit to net zero targets in the housing and human settlements sectors, as well as in their own impact on the built environment through government buildings and other infrastructure.
2. Incorporate appropriate and affordable standards for socially and environmentally sustainable housing in policy, regulatory and financial frameworks at national and local level, paying special attention to sustainable infrastructure and land management frameworks.
3. Demonstrate political will for green, with the provision of both financial and non-financial incentives to spur the adoption of sustainable building and infrastructure servicing solutions, as well building a new architecture for our African cities and towns so that they incorporate green design principles that are at once affordable in the short and long term, in terms of capital investment up front and long-term operations.
4. Support the adoption of building technologies and innovation that reduce the impact of housing and services on the environment, while providing resilience to weather events and supporting affordable housing delivery at scale.
5. Incorporate both disaster response and disaster mitigation strategies in affordable housing policies and programmes, while also ensuring that affordable housing interventions are included in broader disaster planning, response and mitigation initiatives.

**We also encourage/invite/urge international development finance institutions, other development agencies and international NGOs to support the development of environmentally friendly and affordable housing, recognising the potential systemic impact of their interventions and investments. Specifically, we encourage the DFI community to:**

1. Provide affordable green finance to downstream financial institutions to enable them to pass on the affordability to low-income earners, dedicating a larger percentage of their green finance interventions to resilience rather than mitigation for cities/urban areas response to climate change.
2. Support the development of appropriate rating systems to ensure the green certification process is cost effective, relevant, and affordable, particularly for affordable housing. Towards this, we see a need for the creation and implementation of tools to measure and verify green building and servicing practices and performance, that are particularly relevant for alternative delivery methods. This includes non-developer led, incremental housing delivery, as well as building refurbishments and conversions, and incorporating both mortgage and non-mortgage financing processes.
3. Support and implement programmes that train affordable housing stakeholders on environmentally resilient construction & financing practices with the aim of strengthening their technical expertise in existing and emergent approaches, tools and processes that allow climate change adaptation and mitigation strategies.

4. Support market studies that interrogate and quantify the key issues that relate to sustainable, affordable housing, both for ownership and rental, at all affordability levels, from incremental household-led through to developer-driven projects and including both new build and refurbishments and conversions.
5. Use their voice and platforms to raise awareness of the link between housing and the environment, the important role that housing can play in mitigating the impacts of climate change, and the significance of the non-developer driven housing sector which dominates housing delivery in Africa.

**We commit ourselves, as the African Union for Housing Finance, to:**

1. Encourage/emphasise the link between green housing and green financing, with a particular reference to affordable housing in all of its diversity and facilitate discussion in this regard.
2. Develop interactive platforms and mechanisms to support our members through the creation of opportunities to network, share experiences, and learn from one another, on adopting models that support green building, green financing and green living. Within this, we will recognise and award members who explore and implement concepts and/or develop products that support environmental sustainability.
3. Building the capacity of our members through focused capacity building and training initiatives aimed at demystifying green building & financing and the net zero targets and supporting the development and implementation of affordable green strategies.
4. Leading a discussion among our membership on appropriate standards, definitions and targets that encourage our members to incorporate sustainable green principles in their businesses, and to track these annually.
5. Engage and lobby African governments to adopt and implement the recommendations included in this Declaration.
6. Tracking these commitments with clearly defined key performance indicators, to which we will each contribute, and will report back on these at our next AGM.

**As individual organisations involved in the financing and delivery of housing across Africa, we recognise that climate change is a key challenge facing us as we seek to deliver better housing environments. We are committed to actively play our role in ensuring mitigation, adaptation and building resilience within the housing sector as well as in ensuring the development of environmentally sustainable and affordable housing. Specifically, we will:**

1. Commit to Net Zero principles in our businesses, while taking a human-centred approach in driving sustainable, green housing and human settlements.
2. Adopt the use of innovative green building materials and technologies, services, and systems with low carbon impact, increase recycling and promote energy saving, ensuring all affordable and green buildings are human centred taking into consideration community engagement, inclusivity and accessibility by all.
3. Leverage emerging green and energy efficient systems to enhance housing affordability by the population at the base of the income pyramid.
4. Intentionally structure our projects and portfolios to quantify social impact and environmental performance and sustainability returns as central key performance metrics.
5. Work collaboratively towards achieving and attaining the SDGs, particularly SDG11, actively seeking and designing relief and response measures that address the impact of climate change to support households in their realisation of quality, affordable housing outcomes.
6. Collaborate in enhancing data availability for market development through participation in the Open Access Initiative. We will promote market transparency, by actively sharing our experiences and progress – both successes and challenges – contributing to the increased availability of data and market intelligence that supports the housing finance sector.

7. Uphold ethical business practices, championing the Principles for Responsible Investing and tracking our performance with respect to environmental, social, and corporate governance metrics. In the delivery of products and services to our clients we are committed to sound and effective consumer education to support their sustainable entry into the property market.
8. Track these commitments with clearly defined key performance indicators, to which we will each contribute, and will report back on these at our next AGM.

### Conclusion

The AUHF and its members look forward to working with governments and other stakeholders, in our respective cities, countries, and across the continent, in driving investments that support a green and affordable housing future for Africa.

### Signed on 30 November 2022

#### **AUHF Board of Directors:**

Mr Kehinde Ogundimu, CEO Nigeria Mortgage Finance Company (Chairperson)  
Ms Mildred Mutesa, CEO Zambia National Building Society (Vice Chairperson)  
Mr Johnston Oltetia, CEO Kenya Mortgage Refinance Company (Treasurer)  
Mr Mfundo Mabaso, Growth Head, Affordable Housing, FNB South Africa (Secretary)  
Ms May Abdel Hamid, CEO Social Mortgage and Housing Finance Fund, Egypt  
Ms Pascaline Sefawe, Deputy CEO – Corporate Services, Botswana Housing Corporation  
Mr Paul Jackson, CEO TUHF Pty Ltd, South Africa  
Mr Samuel Akinin, CEO Atenu Developments, Namibia

#### **On behalf of the following active members of the AUHF:**

1. 14Trees Ltd, Malawi
2. Access to Finance Rwanda, Rwanda
3. ADHI- Rwanda Ltd, Rwanda
4. Affordable Housing Institute, International
5. Altair Limited, United Kingdom
6. Atenu Developments, Namibia
7. Botswana Housing Corporation, Botswana
8. Caisse Regional de Refinancement Hipothecaire de l'UEMOA (CRRH-UEMOA), Togo
9. Casa Real, Mozambique
10. CBZ Bank Limited, Zimbabwe
11. Central Africa Building Society (CABS), Zimbabwe
12. Easy Housing Concepts BV, Pan-African
13. Empowa, Pan-African
14. eSwatini Housing Board, eSwatini
15. Family Homes Funds Limited, Nigeria
16. Federal Mortgage Bank of Nigeria
17. First National Bank - Home Finance, South Africa
18. FSD Kenya
19. Habitat for Humanity International
20. Haggai Mortgage Bank, Nigeria
21. Home Finance Guarantors Africa Reinsurance, South Africa
22. Homelink (Private) Limited, Zimbabwe
23. Housing Finance Bank Ltd, Uganda
24. IBuild Global Inc, International
25. iLima Digital Foundary, International
26. INTERBAT, Cote d'Ivoire
27. International Finance Corporation, International
28. Jobomax Global, International
29. Jofame Integrated Ltd, Nigeria
30. Kado Partners LLC, Cameroon
31. Kenya Mortgage Refinance Company
32. MDW Inc, South Africa
33. Miyamoto International
34. Nigeria Mortgage Refinance Company
35. Property KRO, Côte d'Ivoire
36. Reall, International
37. Reits Association of Kenya (RAK)
38. Select Advisors Limited, South Africa
39. Shelter Afrique, Pan African
40. SIV Africa, Pan- African
41. Social Housing and Mortgage Finance Fund, Egypt
42. Swaziland Building Society
43. TAF Global, Pan-African
44. Tanzania Mortgage Refinance Company Ltd
45. TUHF Limited, South Africa
46. UrbaMonde, International
47. Watumishi Housing Investments, Tanzania
48. Zambia National Building Society
49. ZB Building Society, Zimbabwe
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