

HOUSING FINANCE INTERNATIONAL

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Africa insights: AUHF 39th Annual Conference and the AUHF Windhoek Statement

↳ By Thandiwe Dhlamini

The African Union for Housing Finance (AUHF) held its 39th Conference and Annual General Meeting at Mercure Hotel (formerly Safari Court) in Windhoek, Namibia from 31 October – 2 November 2023.

A day before the conference (30 October 2023), the AUHF; its member Shelter Afrique Development Bank¹; the AUHF Secretariat, the Centre for Affordable Housing Finance (CAHF)²; and the African Development Bank³ convened a roundtable to discuss the impact of housing on the economy. The roundtable was a closed session with government officials, AUHF members and DFI's. We were honoured to hear insights from the Deputy Ministers from Namibia, South Africa, Tanzania and Zimbabwe, the Permanent Secretary from Zambia, and a government delegation from Egypt, Namibia, South Africa, Zimbabwe, Tanzania, and Zambia. The notes for the discussion can be accessed at this link: <https://www.auhf.co.za/wp-content/uploads/2023/11/Roundtable-Notes.-The-Role-of-Housing-in-African-Economies-Nov-2023-v4-FINAL.pdf>

The conference, held as a hybrid event, brought together diverse stakeholders, including government officials, non-governmental organisations, development finance institutions, financiers, developers, prop-tech companies, researchers, and other industry leaders. With over 60 speakers and 231 in-person attendees, supplemented by a global online audience, the event showcased a vibrant exchange of ideas and experiences.

Under the conference theme, “Affordable Housing on the Frontline: Cases from the Continent”, presentations and panel discussions focusing on Affordable Housing in Namibia; The Role of the State; Innovation in Affordable Housing Finance and Investment and Housing Construction. Various Case Studies of Understanding were also shared. Special highlights included the Mock Shark Room, where

7 organisations pitched creative proposals to a panel of judges and financiers, and the inaugural AUHF Affordable Housing Awards, recognising outstanding contributions in the sector. The conference report and presentations are available on the AUHF website: <https://www.auhf.co.za/auhf-conference/>

The conference culminated in a masterclass on “Mobilising Resources for the National Housing Policy in Namibia” delivered by Namibia’s Ministry of Urban and Rural Development (MURD) and the National University of Science and Technology (NUST). The Masterclass was delivered on the third day, in parallel to the 39th AUHF Annual General Meeting where members of the AUHF agreed on the 2023 Windhoek Statement. Setting out their intentions for the coming year. The Windhoek Statement is a formal commitment by the AUHF members to work towards the delivery of affordable housing across the African continent and the countries in which they operate. This declaration also sets out the various problems and key responses required from other players to address various concerns. The AUHF and its members acknowledge that a multi-stakeholder response is critical to affordable housing in Africa, and call upon all stakeholders – governments, DFIs and other development agencies and international NGOs, AUHF members and wider sector players involved in the financing and delivery of housing across Africa – to work together in realising this goal.

STATEMENT FROM THE 39TH ANNUAL CONFERENCE OF THE AFRICAN UNION FOR HOUSING FINANCE (AUHF) FOLLOWING THEIR ANNUAL GENERAL MEETING HELD IN WINDHOEK, NAMIBIA ON 2 NOVEMBER 2023.

We, the members of the African Union for Housing Finance, having met with colleagues from the public, private and NGO sectors from

21 countries over two days, and having held our 39th Annual General Meeting in Windhoek, Namibia, 31 October – 2 November 2023, express our renewed commitment to working together to address the crisis of affordable housing on the continent.

Over the last two days, we have focused our attention on the realities of affordable housing on the ground, and the numerous examples across Africa of projects and initiatives that are creatively and diligently being pursued to bring access to affordable housing to low-income households. We shared real-world experiences of efforts to address the multiple hurdles facing this sector, such as constrained land markets, poor infrastructure, rapid urbanization, pervasive informality, limited affordability, persistent building material price inflation, and problematic tenure security.

The innovation present in the sector today takes many forms: alternative building materials, end-user financing, building refurbishment and design, public-private partnerships, product development for niche markets, community-focused project design, and leveraging technology to reach and serve target markets, amongst others.

Despite a highly complex market, limited resources, and insufficient enabling policy frameworks, there are clear opportunities in finance, investment, development, construction, and management of affordable housing. On the basis of our consultation and peer-learning, we renewed our commitment as practitioners in this field with regard to these important points:

- **Climate change and green building.** Given the impact of climate change, green building is not a nice-to-have, but a requirement in affordable housing projects, to ensure energy savings and sustainability over the life of the unit.

¹ <https://www.auhf.co.za/shelter-afrique/>

² <https://housingfinanceafrica.org/>

³ <https://www.afdb.org/en>

- **Data infrastructure.** All our planning, exploration, project design, targeting, investment decisions and policy development, depend upon a solid evidence base in order to be effective and efficient. Currently, available data in this sector is insufficient – often inaccessible, outdated, or not credible. Significant investment into research (on the part of governments in particular), data collection, analysis and maintenance are critical to the success of prospective projects and the sector’s future.
- **Community involvement on the ground.** Partnerships which include the communities themselves – in addition to government and the private sector – are the gold standard. Active, substantive community involvement in project design and implementation boosts the sustainability, impact, and success of projects. The AUHF, in partnership with its members CAHF, Shelter Afrique and African Development Bank, will embark on efforts geared towards creating a data platform that allows for housing data consolidation, analysis and dissemination. Part of these efforts will include development of standard templates to allow for easy data collection and comparison among states and institutions.
- **Sustainable Development Goals.** We appreciate that housing is an essential driver for achieving many of the Sustainable Development Goals. Housing projects and interventions will need to be structured to support the achievement of SDGs and form part of KPIs, especially the social components. While action in one area will affect outcomes in other areas as well, we must endeavor to identify and pursue specific SDGs and track progress.
- **Role of the state.** Across Africa, governments shape and pursue different roles in the affordable housing sector, ranging from construction and development of top structures, provision of an enabling policy and legal environment for private investment, capacity-building, and various tax incentives. The macroeconomic framework – for example, rates of government securities – is a significant determinant in the functionality of the housing market and its downward reach. Thus, the role of the state extends beyond ministries of housing and urban development, to the activities and

policies of local government, central banks, and ministries of finance amongst others. Further work and dialogue is needed on the factors which impact on the effectiveness of government in its role in the affordable housing sector. Additionally, there is need for a clear understanding, on how policies, and other aspects such as the repo rate impact on the cost of borrowing, and overall housing affordability – this can be facilitated through a research study.

- **Non-mortgage finance.** Given the reality that mortgage markets across Africa are generally small and thin, achieving access to affordable housing is highly dependent on our ability to develop innovative finance products that respond to the practical constraints and needs of low-income households (urban and rural), recognize households’ risk appetite, and support household commitment and ingenuity – for example, credit mechanisms to enable incremental self-building. By segmenting the market, we can better understand the needs, limitations, and opportunities of borrowers.
- **Young African Professionals Platform.** Having involved students from the Namibia University of Science and Technology at this year’s AUHF Conference, it is evident that there are areas to create synergy with academia not only in the conference-hosting country but also through a year-round program. The proposal was put forward to develop a Young African Professionals Platform that would aim to build capacity through knowledge-sharing, training, and research.
- **Case studies.** Following on this year’s conference focus on case studies on the ground, the AUHF and CAHF will continue shining light on best practices from the content and beyond, picking up on some of the excellent projects presented at the sessions. We continue to call upon stakeholders in the housing space to collaborate on this in the spirit of Open Access to enhance learning through sharing of experiences, success stories and challenges faced.
- **Leveraging technology.** There are several aspects where the use of technology will promote the housing sector, including the actual building of homes, the provision of

digital finance products, and data capturing. To encourage the leverage of these tools in the development of affordable housing finance, the AUHF will provide platforms for members to share and learn on these developments and opportunities.

In recognition of the innovation and excellence in the sector, pioneering organizations were honored at the 1st Annual AUHF Housing Awards held on 31st October. We congratulate them on their excellent work and impactful projects:

- Green and Sustainable Affordable Housing Development – **Easy Housing Concepts**⁴
- Affordable Housing Investor of the Year – **TAF Africa Global**⁵
- Best Administrative Region in Which to Deliver Affordable Housing – **City of Kigali**⁶
- Innovative Housing Public Private Partnership (PPP) – **Kenya Mortgage Refinance Company**⁷
- Innovative Property Technology of the Year – **Citra- Live Different**⁸
- Promising Emerging Affordable Housing Developer – **GulfCap Real Estate**⁹

As decided at the AGM held 2 November, the 2024 AUHF Conference will be co-hosted with the International Secondary Mortgage Market Association (ISSMA)¹⁰ in October 2024 in Zanzibar, Tanzania. In the next year, the AUHF will focus on strengthening the data infrastructure for housing and housing finance across the continent, in partnership with CAHF. Furthering the conference engagement on the role of the state, the AUHF will explore the factors that impact on the determination of the most effective role of the state in the affordable housing sector, given local circumstances, the fiscal framework, and the nature of supply and demand in particular country housing markets. A roundtable session – similar to that held 30 October 2023 on the role of housing in the economy in Windhoek – will be held in Francophone Africa early in 2024. Finally, as part of its deepening partnership with the African Union Commission (AUC), the AUHF will also participate in the AUC’s upcoming Africa Urban Forum in 2024.

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Mr Kehinde Ogundimu, CEO Nigeria Mortgage Finance Company (Chairperson)

⁴ <https://www.auhf.co.za/easy-housing-concepts/>

⁵ <https://www.auhf.co.za/taf-africa-global-company-limited/>

⁶ <https://www.kigalicity.gov.rw/>

⁷ <https://www.auhf.co.za/kenya-mortgage-refinance-company/>

⁸ <https://www.auhf.co.za/citra/>

⁹ <https://gulfcapre.com/>

¹⁰ <https://hypo.org/ecbc/market-initiative/international-secondary-mortgage-market-association/#:~:text=ISSMA%20currently%20has%2031%20member,Russia%2C%20Saudi%20Arabia%2C%20Tanzania%2C>

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27. Haggai Mortgage Bank, Nigeria
28. Homelink (Private) Limited, Zimbabwe
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32. INTERBAT, Cote d'Ivoire
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41. National Housing Finance Corporation, South Africa
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46. Reall, International
47. Reits Association of Kenya (RAK)
48. Select Advisors Limited, South Africa
49. Shelter Afrique, Pan African
50. SIV Africa, Pan- African
51. Social Housing and Mortgage Finance Fund, Egypt
52. Swaziland Building Society
53. TAF Africa Global, Pan-African
54. Tanzania Mortgage Refinance Company Ltd



INTERNATIONAL UNION FOR HOUSING FINANCE



Established in 1914, the International Union for Housing Finance (IUHF) is a worldwide networking organisation that enables its members to keep up-to-date with the latest developments in housing finance from around the world and to learn from each other's experiences.

How does the Union do this? **By communicating!**

The Union does this in five different ways

- The Union runs a website - www.housingfinance.org. Please pay a visit!
- The Union publishes a quarterly journal, *Housing Finance International* (HFI)
- The Union organises a World Congress every two years
- The Union actively participates in events related to key housing finance issues around the world
- The Union facilitates the exchange of information and networking opportunities between its members

→ For more information, please see www.housingfinance.org
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