

**Remarks by the Managing Director during the Loan Signing
Agreement with Agence Francaise de Developpment, Shelter
Afrique Centre, Nairobi 25th March 2014”**

His Excellency, Amb. Remi Marechaux, the French Ambassador to Kenya,
The Regional Director of the AFD, Yves Terracol and staff of the AFD here present,
The Regional Director, African Development Bank, Mr. Negatu
The Senior Management Council and the staff of Shelter Afrique,
Members of the Press Corps
Distinguished Guests,

1. Today marks another milestone in our long and fruitful cooperation with AFD. I recall it was just like yesterday in 2009 when I was standing in front of my colleagues to sign the first line of credit with AFD. At the time we were talking about 20million dollars at a concessional rate; which was the beginning of a good innovation to have a critical component to support capacity building of Shelter Afrique. On that matter, today, I am proud to stand here to report that our capacity program went well. In fact, all aspects of our institution have become more effective and we recording better financial ratios.
2. Today we are here to develop another such programme for *Social Housing*; a most critical objective of Shelter Afrique; we know that *Social Housing* provision is generally a domain of the public sector. That being said I am happy to see AFD and Shelter Afrique have ventured into that space and are part of initiatives that make sure every low income house can access housing finance. Indeed going

access to finance is a big challenge here In Africa, especially Kenya. Therefore, we have a great responsibility and again I am happy to see that AFD has taken the leads and together we will continue to work harder to make housing possible for a large number of people.

3. We recently created a TRUST fund to support affordable housing in order to help Shelter Afrique to fulfill its corporate social responsibility; in other words, we want to do more for the people in the bottom of the pyramid; slum upgrading and to support vocational training in the housing industry that will make them eligible for work.

4. Speaks in French

En français quand on parle de tout ce qui concerne le financement du logement ; il y a 4 composantes essentielles ; la règle des 4 f : le premier : LE FONCIER (on doit renforcer la politique foncière) ; FISCALITE, FINANCEMENT, FORMATION. Il faut toujours garder en esprit ces 4 éléments quand on pale de logement.

Translation [In French, when we talk about everything related to housing finance, there are four key components; The Four F's Rule: First: LAND [we must strengthen land policy) TAXATION, FINANCE, EDUCATION. Always keep in mind these four elements when discussing housing].

5. Indeed, these aspects strengthen the need to reinforce the importance of a public policy in the housing sector. I believe that although policy has been

progressing quite well over the last two years in Africa, we need to see better public policy on the continentI know on that matter AFDB is very committed; on matter likes urban planning, and has the expertise on urban issues which will be one of the most important development component of the coming years because in Africa we are progressively moving into the second urbanization revolution. We can see it here in Kenya or Dakar, Senegal. The main feature of this movement will be the development of the housing finance sector; making sure that everyone can have access to the financing especially the working class. One of the good example is here in Kenya is Kwanza City that will be an elite city. However an elite city itself can't work without the working class, if we don't provide them affordable housing, they will be living in slums and this one is a big issue that every government in Africa should tackle and provide solutions to.

6. I know one of the experts in AFD who wrote a book called: *COMMENT FINANCER LES VILLES AFRICAINES* a fantastic book; I encourage people to read the book because it gives very innovative ways to finances housing in African cities. I will stop here , I would like to thank you for your time, your support and all kinds of cooperation ; Shelter Afrique will continue its work- along with partners like AFD- to change the situation of housing affordability which is a big challenge across Africa.

Thank you"