



REMARKS BY THE MANAGING DIRECTOR, SHELTER AFRIQUE DURING THE JOINT

PRESS BREAKFAST BRIEFING, THE HILTON HOTEL, NAIROBI ON 17TH JANUARY 2014

The CEO, Rafiki DTM, Mr. Daniel Mavindu,

The GM, Rafiki DTM, Mr. George Mbira

The Director, Habitat for Humanity, Mr. Robert Karanga,

The Chairman, Housing Finance, Mr. Steve Mainda

The Senior Management of, Shelter Afrique and Rafiki DTM,

Ladies and Gentlemen of the Press

Distinguished Guests,

1. I once again welcome you all; today sees us recommit ourselves to Social Housing and the provision of financial solutions that promote the provision of affordable housing. We are happy that we have found a willing and able partner in Rafiki DTM, who is equally as committed to providing financial solutions that will promote affordable housing.
2. I am very impressed by what George [Mr. George Mbira] has said, it shows that Rafiki understands the *economics of housing, the engineering of housing, and the social impact of housing.*

3. I am especially impressed that Rafiki has been disciplined in keeping its loan size below KSH 5 Million, this speaks to one of our core objectives which is to provide affordable housing to those at the bottom of the pyramid,
4. In recent years *Social Housing* has become one of our strategic objectives, this was based on our long held belief that housing is critical to the development of Africa and for the prosperity of Africans and it was also based on the truth that affordable financial solutions were not being made available to the those at the bottom of the pyramid.
5. It is to this end that we launched our pilot social housing programme with the approval of a line of credit to Makao Mashinani in 2012. That line of credit is fully disbursed and is now being well serviced and has benefited more than 2000 households
6. We also further strengthened our social housing credentials by launching a MFI lending programme, which is sponsored on concessionary basis by the French Development Agency (AFD) for up to US\$5 million
7. In 2013 we continued to fulfil our commitment to social housing with our sophomore project; which was the approval of a KSH 100 Million line of credit to Rafiki DTM and is the reason we are all here today.
8. It is envisaged that the facility will be used for on-lending to small incremental loans for home ownership and other related activities. More specifically, funds will be used for the following activities, buying already completed units [mortgage loans]; incremental housing development; housing infrastructure improvements [solar, electricity, water & sanitation]; group housing schemes [Registered Groups/Chamas]

9. We envisage that the target population for on-lending for this facility will be households with income levels below KSH 70, 000.00 per month; we anticipate that the average loan size will be between KSH 150, 000.00 and KSH 250, 000.00 per individual, impacting about 450- 600 end users.
10. Shelter Afrique sees the relationship and partnership with Rafiki as a long-term one; we have also included a *Technical Assistance* provision to ensure quality of the management of the facility and to ensure future business and partnerships.
11. I must reiterate that I am particularly happy to be in partnership with Rafiki; when we began drafting this agreement you spoke to our heads, you spoke to our business senses, but after listening to you today, you have spoken to our heart.
12. Housing has always remained a priority for human development and by extension for a nation's development and growth; so we strongly believe that we need to begin to develop at the bottom of the pyramid to ensure stability and sustainability. This will require high involvement from the government to provide infrastructure. Infrastructure is particularly important for Africa, in modern cities people live 50 to 60 kilometres away from the Central Business District, they are able to commute.
13. Our governments should concentrate on delivering quality and durable road networks, this will allow people commute and it will free access to land. Stakeholders must always look for ways to play an advisory role to the government, because part of our job is to advise..
14. We are restless when it comes to providing affordable financial solution, supporting new building technologies that will lead to more opportunities for the bottom of the pyramid.

15. I am reassured after listening to the speakers that we have found the right partner in Rafiki DTM and I commit ourselves to a long term relationship with Rafiki.
16. It gives me great pleasure today to note that housing and shelter of all kinds are starting to receive the attention they deserve. We at Shelter Afrique have always believed that housing and home ownership will lead to development and the consolidation of established democratic values. Home owners are less likely to want to destroy property with wanton abandon.
17. *Social Housing* has become a hot-button developmental topic recently. We at Shelter Afrique endorse it and encourage the government in Kenya, and indeed everywhere, to continue to pass laws and make policies that make it easier for people to own homes.
18. Ladies and Gentlemen, Distinguished members of the press corps, I thank you all for being here and look forward to a year where we will make many inroads to providing housing for all.
19. Thank You/Merci

ALASSANE BÂ
Managing Director
Shelter Afrique