



Shelter Afrique Signs a \$20M Trade Finance Deal with African Development Bank

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Shelter Afrique, the Pan-African Housing Financier signed a 20 Million USD [KSH 1.73 Billion] agreement with the African Development Bank [AfDB] one of its primary shareholders; the signing follows the agreement of the Board of Directors of the AfDB to approve the line of credit for Shelter Afrique in December 2013.

The agreement which was signed by the Regional Director for the AfDB, Mr. Gabriel Negatu and the Managing Director for Shelter Afrique, Mr. Alassane Ba, and witnessed by the senior staff of both institutions is intended to boost the trade finance instruments to small and medium enterprises involved in real estate and construction related activities in Africa.

The agreement sees Shelter Afrique begin a strong second quarter of the year having already signed a 3.7EURO line with *Agence Francaise de Developpment* [AFD] for its social housing programme and floating a bond in the FCFA region that was oversubscribed by 163 percent.

The agreement also signals the realisation in the industry that the demand for housing is increasing on the continent and there is a need for find better and more efficient ways to bridge the gap.

AfDB is hopeful that through this agreement which will last for four years, Shelter Afrique will leverage its network and industry knowledge to provide critical funding to SMEs operating in the Real Estate and Construction industry and expand its Trade Finance Product.

The Managing Director reiterated this in his comments, "Everyday we continue to find ways to make housing a little more accessible, a little more affordable, every day we are asking questions and every day we are finding the answers and with strong partnerships with organisations like AfDB, we know we are not too far from finding lasting solutions.

SHAF is also expected to create partnerships with other organisations that have trade finance products and who can bridge the financing gap in the industry, and those involved in trading/leasing of building materials and equipment.

Mr, Gabriel Negatu, the Regional Director commented on the strong relationship with Shelter Afrique, and AfDB's quest to always find partnership with organisations charged with bringing development to the continent.

He continued by stating that the Housing Industry is experiencing exponential growth and urbanization and the bulge of a growing middle class which all hamper the provision of adequate housing in Africa. Mr. Negatu called on government, the private sector and all interested parties to rise to occasion and address housing as it was a key requirement for development.

About Shelter Afrique

Shelter Afrique is the only Pan-African development finance institution that exclusively promotes the development of the housing and real estate sector in Africa. It is backed by 44 member countries, the African Development Bank (AfDB) and the African Reinsurance Company (Africa RE).

It currently has an active portfolio of projects in more than 30 African countries and it offers a wide range of financial products and advisory services to support the efficient delivery of affordable housing.

www.shelterafrique.org

About African Development Bank

The African Development Bank is the Group's parent organization. The Agreement establishing the African Development Bank was adopted and opened for signature at the Khartoum, Sudan conference on August 4, 1963.

This agreement entered into force on September 10, 1964. The Bank began effective operations on July 1, 1966. Its major role is to contribute to the economic and social progress of its regional member countries - individually and collectively.

As of 31 December 2011, the African Development Bank's authorized capital is subscribed to by 78 **member countries** made up of 53 independent African countries (regional members) and 25 non-African countries (non-regional members).

For further Information or to arrange for interviews with Shelter Afrique or AfDB please contact:

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