

Shelter Afrique meets with Shareholders at UN-Habitat General Assembly

- *The Organisation has set a target of \$350 million, the total amount of arrears of subscription for the next five years*
- *Shelter Afrique views the renewed interest in its activities and shareholder engagement as a positive sign*

Nairobi: May 30, 2019- Shelter Afrique, the Pan African Organisation exclusively dealing with affordable housing in Africa has rallied members of the African caucus at the UN-Habitat General Assembly in Nairobi on affordable housing.

In an address to the Ministers of Housing from Member states on the sideline the 2019 UN Habitat General Assembly held in Nairobi, Kenya, Shelter Afrique's Chief Executive Officer Andrew Chimphondah stressed the importance of affordable housing to the 44-member countries. Shelter Afrique has placed large-scale development at the center of its 2019-2023 strategy. One of the key pillars of the strategy is recapitalization for the organization.

"The matter of affordable housing is personal to us all; decent and affordable housing is a human right and we must see it as that. We are happy to announce some member countries have responded to our capital call, however, it is important to note that we have capital subscription arrears on the 2013 Call of USD 98 million and also look into the fresh Call to raise additional USD 252 made in 2017. The cumulative USD 350 million arrears on 2013 & 2017 Capitals is the main challenge for Shelter Afrique to effectively engage financial markets for further funding," Mr. Chimphondah said.

He said Shelter Afrique was keen on engaging member countries in arrears with agreed annual payment plans and also inviting active existing member countries to increase their shareholding in the organisation.

"We are also keen on inviting new member countries to join as shareholders and our current target countries include Egypt, Angola, Ethiopia, and Mozambique. We are also targeting Non-African countries and institutions such as China, CDC, housing corporations under Class "C" Shares category," Mr. Chimphondah said.

Funding options

Mr. Chimphondah said the company was considering both equity and debt options to fund its operations in the next five years of its strategic plan, through direct funding (line of credit), co-financing and bridge finance for working capital lines.

"We are also in the process of identifying active member countries for local currency bonds backed by appropriate starting 2021. Upon restoration of equivalent of Moody's Ba1 credit rating, we will also consider tapping into Eurobond market for modest ticket issues of US\$300 million on committed project lines," Mr. Chimphondah explained.



He implored shareholders to support company fund raising strategy through commitment to capital allocations through signing of pledge agreements, inclusion of capital arrears in their respective national budget, and stronger liaison between housing ministries and finance ministries to ensure timely payment of capital arrears and any additional subscription. This meeting with the Africa caucus comes a few weeks ahead of the Annual General Meeting in Morocco where shareholders will be reviewing the progress of the company and focusing on social housing as a matter of policy.

Shelter Afrique is the only pan-African finance institution that exclusively supports the development of the housing and real estate sector in Africa. The company is owned by 44 African Governments, the African Development Bank (AfDB) and the Africa Reinsurance Company.

Notes to editor

About Shelter Afrique

Shelter-Afrique is a pan African housing finance and development institution established by African governments to address the need for sustainable housing delivery system and related infrastructure projects in Africa. Shareholders include 44 African countries, the African Development Bank, and the African Re-Insurance Corporation.

The company's mandate is to provide financing by way of debt, quasi-equity and equity to both public and private institutions for housing and urban infrastructure projects in its member countries.

Shelter Afrique builds strategic partnerships and offers a host of products and related services to support the efficient delivery of affordable housing and commercial real estate. These include project finance, institutional lending, equity investments & joint ventures, trade finance, and social housing. We also offer practical advice and technical assistance to a wide range of industry stakeholders.

For more information please visit <http://www.shelterafrique.org/>

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For further enquiries please contact:

Babatunde Oyateru | Communications Manager | Shelter Afrique | Shelter Afrique Centre | Longonot Road – Upper Hill | Tel: +254 20 4978000 | Email: boyateru@shelterafrique.org |

Or

Mike Omuodo | Media Fast | Tel: +254 736 014 596 | Email: mike.omuodo@mediafast.c.ke |