



SPEECH BY THE MANAGING DIRECTOR, SHELTER AFRIQUE ON THE
OCCASION OF THE SIGNING OF A FCFA 2,200,000,000 PROJECT
FINANCE DEAL WITH PIEMME, IVORY COAST

Abidjan, 27TH April 2015

The Managing Director, Piemme Construction, Mr. Siaka Coulibaly,
The Board of Directors and Senior Management, Piemme Construction,
My Colleagues from Shelter Afrique
Ladies and Gentlemen of the Press,

Good Evening

It is my pleasure to be here with you today as we mark another milestone in our relationship with Ivory Coast, and we open the first chapter of our relationship with Piemme Construction.

We are especially happy to be here because this loan signing agreement for us is also the fulfilment of a promise made; when the Government of Ivory Coast committed itself to Shelter Afrique in the 2012 as the 44th member, we made bold to tell them that Shelter Afrique would play an important role in the real estate and construction sector. Every time we sign an agreement in Ivory Coast we fulfil that promise and today is no different.

This agreement also represents to us the validation of the confidence we have in the Ivorian Housing Market; we were confident that the real estate market would be resurgent and we note the ambitious mass social housing programme targeting

about 60,000 housing units to be delivered between 2013 and 2015 launched through the Housing Ministry. We are happy to have been proven right.

Beyond this we also note with pleasure the steady strides the Ivorian economy has been making; It is the biggest economy in the WAEMU zone (West African Economic and Monetary Union} and is steady on its way to optimum recovery with many forecasts projecting stronger than expected results for the 2015 GDP.

The performance of the economy is due to the improvement noted in the political, social and institutional environment and efforts to rebuild and rehabilitate basic infrastructure; this will no doubt continue to improve the economic and social indicators for the country which will in turn drive investment in the country.

Shelter Afrique continues to view Ivory Coast as one of our key markets and since joining we have approved the amount of USD11.5M and we currently also have a commitment of USD12M for the development of real estate in the country in 2015.

We also successfully hosted the 33rd Annual General Meeting and Symposium here in Abidjan last year. That conference saw attendance from all 44 member countries and private developers, academics and media from all over the world. We also successfully floated a bond for the FCFA region in the first quarter of last year here in Ivory Coast; the bond was oversubscribed by 163 percent and we expect that Ivory Coast will unlock even more opportunities this year.

We are here today to celebrate one of those opportunities; Shelter Afrique was established by the AfDB and Africa-Reinsurance with a clear mandate of mobilizing resources for affordable housing development in Africa, and with our many years of experience we can comfortably say that the key to affordable housing is scalability, the more units we build, the more we chip away at the housing deficit and the more

the cost of construction will be reviewed down. So we are especially happy today to be announcing the signing of an agreement of FCFA 2.2Bn for the development of social and economic residential houses comprising of 189 units, composed of 9 Villas; 180 apartments and related infrastructures for outright sale to public.

We would like to commend Piemme Construction for staying committed to the development of quality and accessible affordable housing for all Ivoirians' and indeed we use this platform to encourage more developers to concentrate on social and affordable housing.

Our social housing product was launched in 2011 and in that time we have entered into agreements with several micro-finance institutions and development organisations; the reality of the housing situation in Africa is that demand for housing is most acute at the lower-middle income segments. We must all do more to make sure housing is more accessible and more affordable and we once again commend Piemme Construction for this achievement.

On our part, you can expect that we will continue to challenge the status-quo, we will continue to find better, more efficient ways to make housing more accessible, more affordable. We will continue to call for government to play a bigger role in moving the industry forward and we will continue to look for alternative ways to bridge the housing divide like Modern Methods of Construction and Affordable Rental Housing which will serve as the theme for our Symposium holding in Accra, Ghana in June.

We will continue to ask the questions and we will continue to have relevant conversations. This is our mandate as we have accepted it and it is also our promise

I thank you for your time and your patience.

James Mugerwa