

Shelter Afrique and Government of Cameroon to Establish a Housing Company

- *The company estimated cost of USD15 million will produce low-cost construction materials to promote large scale social housing programs in Cameroon.*

Yaoundé, Cameroon: July 26, 2021 – Shelter Afrique Board has approved the establishment of a construction company in Cameroon at an estimated cost of USD15 million.

The Industrial Housing Corporation (IHC) is a joint venture initiative which will be managed under a Special Purpose Vehicle (SPV), with Shelter Afrique owning 51% of the Company and Government of Cameroon owning 49% (through the Housing Ministry and Urban Development).

"The Company will be established based on Public and Private Partnership through which the Government of Cameroon will designate a location and provide the relevant land where the factory will be situated close to the main towns – either in Yaoundé or Duala. The Cameroonian Government will also provide other incentive and off-site infrastructure. Shelter Afrique will provide both financial and consultancy support," Shelter Afrique Group Managing Director and Chief Executive Officer Andrew Chimphondah explained.

Mr. Chimphondah noted that the facility was in line with the Shelter Afrique Board's approved product lines and business strategy, adding that the equity investment was part of Shelter Afrique's product lines and catalytic investments in establishment of vehicles for development of alternative building technologies for accelerated and mass development of affordable housing in member countries.

High construction cost

Cameroon has a huge deficit of contractors with adequate capacity and logistics, thus resulting in high construction cost, low quality of construction and occasion delays in delivering large housing.

the Company that will produce construction materials such as polystyrene block production plant, panel production plan and other associated equipment in a bid to promote large scale decent social housing programs across Cameroon.

"We strongly believe that the establishment of Industrial Housing Corporation is the appropriate contribution by Shelter Afrique to address the problems facing provision of affordable housing in Cameroon through capacity building. We also believe that this concept will be easily replicable in other member countries as we address the problem of housing shortage across the continent," Mr. Chimphondah said.

He said the Company, with the supervisory role played by Shelter Afrique, will ensure that the final products are priced at levels which are considered affordable to enable mass acquisitions and development of affordable housing in the country.

When established factory is expected to reach minimum annual production capacity of 1,500 affordable houses through enhancement of innovation and capacity building on the use of alternative building technologies. It is also expected to improve the living condition of more than new 1,500 households and create direct and indirect employment opportunities to over 2000 citizens.

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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