

“Leveling up Green Growth – Global Trends”

Mrs. May Abdel Hamid

CEO

Social Housing and Mortgage Finance Fund

KGID
CAIRO



**KOREA
GREEN GROWTH
TRUST FUND**



KGID

CAIRO

KOREA GREEN INNOVATION DAYS
OCTOBER 17-19, 2023
**LEVELING UP
GREEN GROWTH IMPACTS**

Global Trends

About Social Housing and Mortgage Finance Fund (SHMFF)

In 2014, President Abdel Fatah Al-Sisi announced the launching of the Social Housing Program, named lately “Housing for All Egyptians” program, to be implemented by the newly established Social Housing Fund (SHF).

In 2018, the Social Housing Fund (SHF) was merged with Mortgage Finance Fund (MFF), into one entity named Social Housing and Mortgage Finance Fund (SHMFF) to supervise and manage the initiated housing program, that aims to build 1,000,000 housing units for low and middle income households.

SHMFF was mandated to propose plan, release social housing projects, supervise building adequate and suitable homes, ensure sustainable mortgage finance, set housing policies, regulations and program guidelines.

SHMFF provides (85%) of housing units in newly constructed cites and (15%) in existing cites at their cost.



What we do?

SHMFF main philosophy is to construct sustainable, adequate, safe and healthy fully serviced communities across the country in locations with a maximum 60 minutes away from working center to suit the demands of citizens, using smart subsidy strategy; through allocating (direct demand side subsidy) according to beneficiaries income level to improve transparency, purchasing power and access to finance. In addition, a mortgage interest subsidy is provided to encourage lenders to participate, reduce interest rate risk, and improve affordability for beneficiaries.

Mortgage Interest Subsidy:

- In 2014 The Central Bank of Egypt issued an EGP 20 billion (US\$647 Million), to provide subsidized Interest rates (5% & 7%) over 20 years, in November 2020, the President Abdel Fatah Al-Sisi announced (Housing for All Egyptians initiative) with Interest rates 3%.
- Ministry of Finance: Subsidize interest rate after the first CBE initiative had been entirely utilized in early 2019.
- Cooperating with 31 Banks and Mortgage Finance Companies.

Residential Unit Price Subsidy:

- 0% Profit margin and 5% maintenance cost.
- 0% Infrastructure and services / unit charges.

Cash Subsidy:

- Direct cash subsidy (ranges from US\$162 to US\$1,942 per beneficiary).



SHMFF Achievements Since 2014 till 2023



No. of Beneficiaries
530,000

No. of Fully Finished units
640,000

Female beneficiaries
23%

Under Construction units
220,000

Self-Employed
21%

Total Amount . of financing
US\$1.9 Billion

No. of applicants
1,592,763 citizens

Total Amount of subsidy
US\$272 Million



Shifting Towards Green Egypt's Vision (2030)

“Sustainable Development Strategy”

The main core of this vision is creating sustainable urban communities, increasing energy and water efficiency, and reducing negative impacts of buildings on the environment.

On 2020 SHMFF, shifted to construct 25,000 new green social housing units in response to the need for an Egyptian green building assessment system, and with the benefit of the experiences of early-adopters, to be the **First Social Green Housing Project** in Egypt and in the region, taking into consideration the environmental, social and economic considerations.



Challenges Facing Green Social Housing

Lack of Finance

- Limited green financing tools available at subsidized rate to support building units construction methods environmentally friendly green projects.
- Lack of finance and non finance incentives such as tax exemption to encourage developers to shift towards implementing green buildings projects.
- High construction cost compared to conventional buildings (Average cost of green housing units around the world ranges between US\$15,000 to US\$20,000)

Lack of Awareness

- Lack of awareness of citizens and real estate developers with benefits of green buildings projects and its positive impacts on community & individuals (socially, economically and environmentally).
- Wrong Develop assumption that construction cost of green housing units are expensive and wont be recovered overtime.

Lack of Capacity

- Lack of trained workforce for green buildings construction.
- Lack of factories specialized in producing green buildings materials.



The Green Pyramid Rating System (GPRS)

SHMFF in cooperation with the Housing and Building National Research Center (HBRC) have developed the (GPRS) system for social housing.

GPRS is a national environmental rating system for buildings, developed new criteria related to urban planning and design quality of the social housing and related to health and wellbeing in the indoor environment. It provides definitive criteria by which the environmental credentials of buildings can be evaluated, and the buildings themselves can be rated.

(GPRS)



GPRS Categories & Weightings

1-Sustainable Sites, Urban Planning and Design Quality

max points: 30

category weighting:15%

2-Energy Efficiency

Max Points: 35

Category weightings: 30%

4-Building Material & Resources

Max points: 15

Category weightings: 10%

6-Management

Max points: 10

Category weightings: 10%

3-Water Efficiency

Max Points: 35

Category weightings: 25%

5-Health & Wellbeing in Indoor Environment

Max points: 15

Category weightings: 10%

7-Innovation (BONUS)

Max points: 10

Category weightings: Bonus 5%

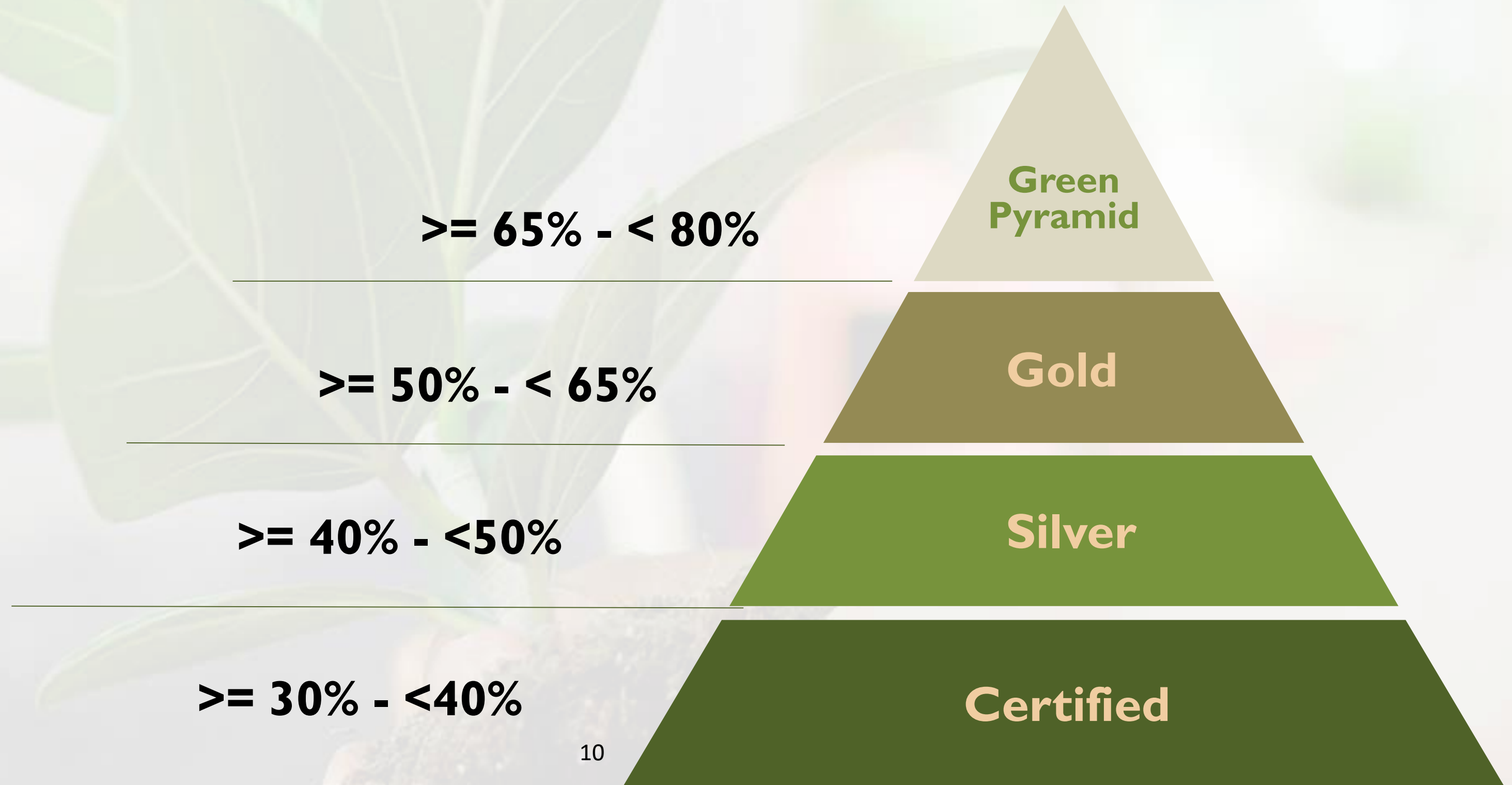
Total points: 150

Total Weightings: 100%+5%



Certification & Rating levels

- To be eligible for assessment, a building should meet all of the minimum national statutory provisions and Egyptian National Codes for the design and construction of buildings.
- The Projects rating, will be based on Credit Points accumulated, according to the following ratings:





SHMFF Innovative Design

SHMFF Green Initiative has developed new building design for green Social Housing Units, including two designs for buildings, classified as three units per floor and four units per floor aiming to maximize space efficiency



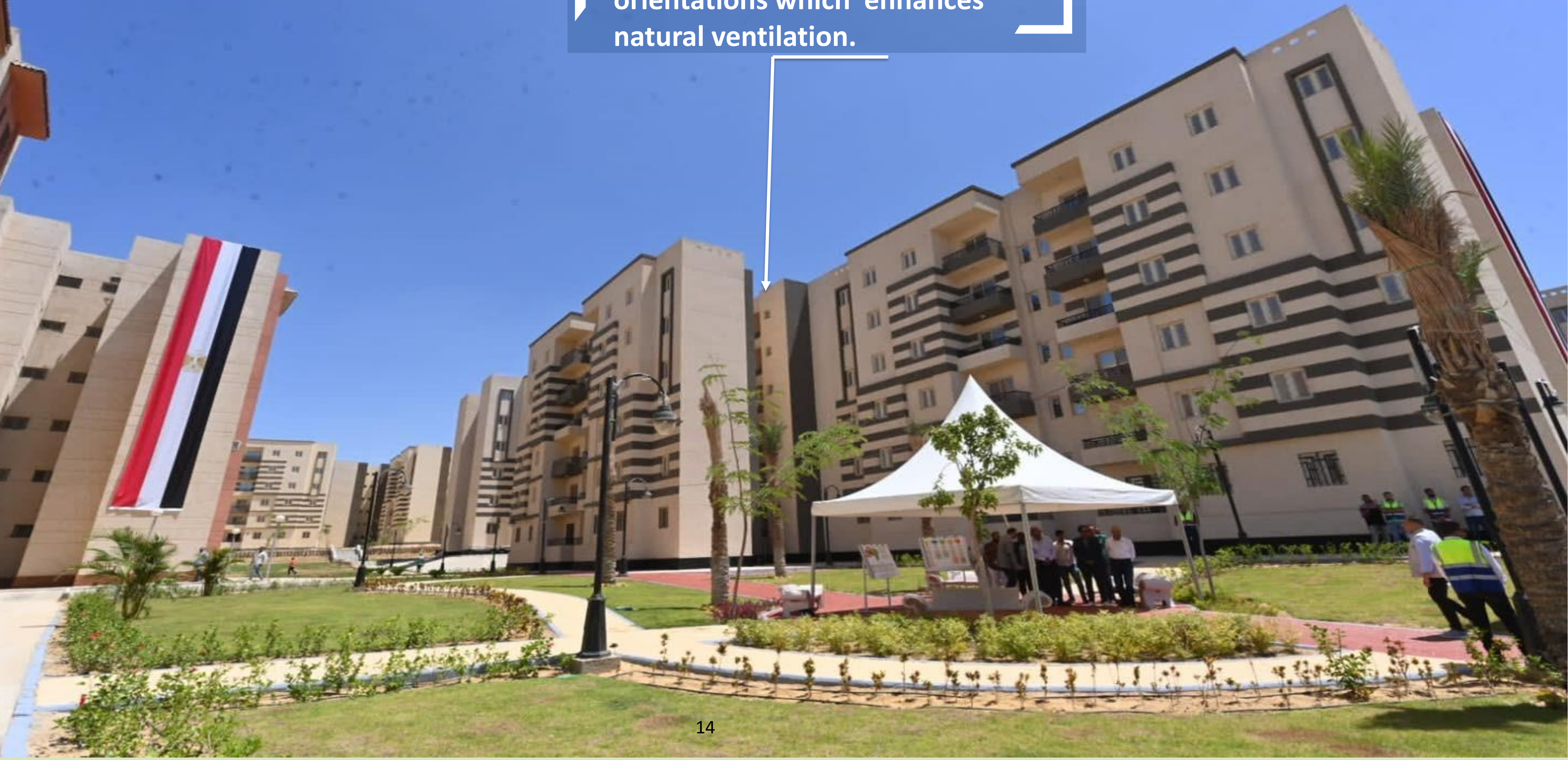
Design of buildings allow attaching buildings together hence increasing surface area to volume ratio and avoid heat entering the units.



Protrusions in facades cast shades that reduces the temperature.




Every unit has two opposite orientations which enhances natural ventilation.



The building has a courtyard that has a role in cooling the building and provides a place for children to play safely under the supervision of their parents.






Indoor corridor was designed to separate the living zone from other zones and increasing the privacy of the unit without wasting any area from the living space.



Thickness of exterior walls is 25cm.



Design of units is flexible to accommodate any future needs, where the living area could be divided into two rooms by partitions.



SHMFF Green Units Distribution & Construction Status



New Capital Garden



Total No. of units under construction.

New Aswan



Total No. of units under construction.

New Obour



Total No. of units under construction.

10th of Ramadan



Total No. of units under construction.



Enhancing Community Capacity

01

Encourage applying innovative design for eco-friendly buildings with the best price for the new 25000 low cost green housing units, through launching a competition in cooperation with the Housing and Building Research Center (HBRC), opened for universities, research centers and consultancy offices.

02

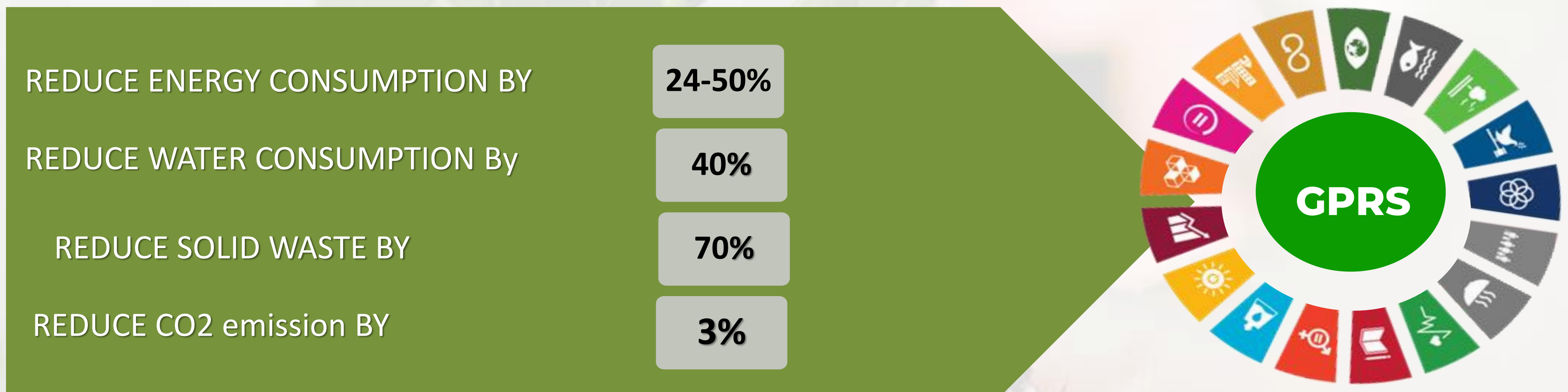
SHMFF IN cooperation with IFC had experienced providing training courses for engineers and contractors to obtain green licenses.

03

Raising awareness of citizens about the importance of “Environment” through launching a campaign at one of SHMFF projects “new capital garden city to foster the importance of transformation towards a green path, ensure applying habits that will contribute in rationalizing the energy consumption.

Green Initiative Impact

The green affordable housing initiative aims to ensure healthy life, increase well-being for all citizens through ensuring a decent life for citizens, efficiency of water and availability of sanitation services for all, building a resilient infrastructure, encourage innovation, in addition to formulating new inclusive, safe, resilient and sustainable cities, by taking urgent actions to combat climate change and its impacts through regulating and promoting developments in renewable energy, protecting ecosystems and promoting their sustainable use, combating desertification and reversing land degradation.



Thank You

KGID CAIRO