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MEDIA STATEMENT

28 February 2022

NHFC brings more relief to the construction industry

Financial challenges facing SMME's and other companies within the construction sector are said to be a major contributory factor that result in developers abandoning projects. The challenges are also said to have left a huge backlog in housing delivery across the country. In mitigating the challenge the National Housing Finance Corporation completed a four-day workshop across the North West province, empowering SMME's and other companies in the construction industry about financial opportunities offered by the NHFC.

The NHFC is a state-owned entity in the human settlements sector, supporting housing delivery through the provision of affordable housing finance. The organisation has been in existence since 1996, operating on a national level, providing wholesale funding to the affordable housing market. The human settlements agency's funding focus has primarily been social housing institutions, non-banking retail intermediaries, privately owned property developers, construction companies, investors, and individuals earning between R3 501 and R22 000 who are assisted through the FLISP.

According to the NHFC CEO Bruce Gordon, his organisation will continue to prioritise women and youth. "It is our view that these policy enabling initiatives will help facilitate the significant participation of Women and Youth owned businesses in the Human Settlements sector, especially the affordable housing market. We will continue implementing such initiatives that are designed to empower Women and Youth companies, so that access to finance for affordable housing, does not become a barrier", said the acting CEO of the NHFC, Mr Bruce Gordon.

The South African Women in Construction deputy chairperson Boitumelo Moretele, welcomed the good news brought by the NHFC, saying that women empowerment is a national call. She challenged the department to fast track the women empowerment programmes. “We call on the department to channel more projects to women, because we are said that we are equally capable to start and finish quality projects on time. We will continue to work closely with NHFC and the department to ensure that our women are equally recognised and empowered”, said Moretele.

The Acting Head of Department James Mashigo further indicated that SMMEs are very important in the economy as they are key drivers of economic growth, innovation and job creation. He also said that over and above those appointed to carry out main work, 30% of housing projects goes to SMME’s and these would be subcontracted. In that way the NHFC will finance qualifying applicants through the various housing programmes they finance according to their requirements and model. This comes at a time when the department is consolidating and packaging the partnership essentials to assist and capacitate our stakeholders said Mashigo.

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Issued by the Department of Human Settlements (North West)

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