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THE NATIONAL ASSEMBLY

THIRTEENTH PARLIAMENT – FOURTH SESSION – 2025

DIRECTORATE OF DEPARTMENTAL COMMITTEES

DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING

REPORT ON:

THE CONSIDERATION OF THE AGREEMENT ESTABLISHING THE SHELTER AFRIQUE DEVELOPMENT BANK (SHAFDB)

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LIST OF ABBREVIATIONS AND ACRONYMS

CoE	-	Centre for Excellence
MFDA	-	Ministry of Foreign and Diaspora Affairs
SHAFDB	-	The Shelter Afrique Development Bank

LIST OF ANNEXURES

Annexure 1: Adoption Schedule

Annexure 2: Adoption Minutes

Annexure 3: The Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).

Annexure 4: Copy of newspaper advertisement on public participation and submission of memoranda

Annexure 5: Letter from the Clerk of the National Assembly inviting Stakeholders for public participation.

Annexure 6: Memoranda Received.

CHAIRPERSON'S FOREWORD

This report details the consideration by the Departmental Committee on Finance and National Planning on its consideration of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).

Kenya's ratification of the SHAFDB Agreement was approved by Cabinet during its meeting held on 11th February, 2025. On 4th September, 1981, 17 African member States, including Kenya, together with the African Development Bank (AfDB) and the African Reinsurance Corporation (African-Re), established the Company for Housing and Habitat in Africa known as Shelter Afrique through a Memorandum of Understanding at a meeting held in Arusha, Tanzania, on the same date.

By ratifying the SHAFDB Agreement, Kenya will enjoy the following benefits: Reaffirmation of Kenya's commitment to the objectives of SHAFDB; Access to financing for affordable housing and urban infrastructure development; Opportunity to share information and experiences on best practices in housing development and delivery through SHAFDB's Centre for Excellence (CoE).

Pursuant to section 8(1) of the Treaty Making and Ratification Act Cap 4D, the Cabinet Secretary for Foreign and Diaspora Affairs submitted the Parliamentary Memorandum on Kenya's Accession of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB) to the Speaker of National Assembly, laid on the Table of the House and committed to the Committee in line with Standing Order 170A(1).

The purpose of the Agreement is to foster the transition towards open market-oriented economies and to promote private and entrepreneurial initiatives in countries committed to applying the principles of multiparty democracy, pluralism and market economies.

In considering the Treaty, the Committee pursuant to Article 118(1)(b) of the Constitution, section 8(3) of the Treaty Making and Ratification Act Cap 4D and Standing Order 170A(2) the Committee placed advertisements in the local dailies on 13th May 2025 calling for submissions of memoranda on the subject matter. Further, the Committee, through letter Ref: NA/DDC/ F&NP/2025/067 dated 6th August 2025, sought the views of the Office of the Attorney General, National Treasury, the Ministry of Foreign and Diaspora Affairs, and the State Department for Housing and Urban Development.

Having considered the Agreement and analyzed the submissions made, the Committee observed that the Agreement aligns with Kenya's constitutional values, and its ratification does not necessitate amendments to the Constitution or existing laws.

Further, having examined the Kenya's Accession of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB) against the Constitution, the Treaty Making and Ratification Act (Cap 4D) and Standing Order 170A of the National Assembly Standing Orders, the Committee recommends that the House adopts this report and **approves** the ratification of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).

Pursuant to Standing Orders 199(6) and 170A (4) it is my pleasant duty to present to the House the Report of the Departmental Committee on Finance and National Planning on its consideration of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).

for 
Hon. FCPA Kuria Kimani, CBS, M.P.

Chairperson, Departmental Committee on Finance and National Planning.

PART I

I.0 PREFACE

I.1 Introduction

1. This report outlines the consideration by the Departmental Committee on Finance and National Planning of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).
2. Kenya has a longstanding and strategic relationship with Shelter Afrique, a Pan-African housing finance institution established in 1982 and headquartered in Nairobi. As a founding member and host country, Kenya plays a key role in the organization's governance and operations.
3. Shelter Afrique has supported Kenya's affordable housing efforts through project financing, policy support, and partnerships, aligned with the Bottom-up Economic Transformation Agenda (BETA). This collaboration has facilitated the development of housing units and strengthened Kenya's housing sector through both public and private sector engagement.
4. 17 African Member States, including Kenya, together with the African Development Bank (AfDB) and African Reinsurance Corporation (Africa-Re) established the Company for Housing and Habitat in Africa known as "Shelter Afrique" through a "Memorandum of Understanding" (the "MOU") at a meeting that was held in Arusha, Tanzania on the same date.

I.2 Mandate of the Committee

5. Article 2 (5) of the Constitution provides that any treaty or convention ratified by Kenya shall form part of the law of Kenya under the Constitution. Further, Article 94 (3) provides that no person or body other than Parliament, has the power to make provision having the force of law in Kenya except under authority conferred by this Constitution or by legislation.
6. Further, Section 8 of the Act provides for provisions on consideration by Parliament in ratification of treaties which stipulates that—

“(1) Where the Cabinet approves the ratification of a treaty, the Cabinet Secretary shall submit the treaty and a memorandum on the treaty to the Speaker of the National Assembly.

(2) A treaty approved for ratification by the Cabinet under section 7 shall, depending on its subject matter, be considered by both or the relevant House of Parliament paying due regard to Part 1 and Part 2 of Chapter Eight of the Constitution.

(3) The relevant parliamentary committee shall, during its consideration of the Treaty, ensure public participation in the ratification process in accordance with laid down parliamentary procedures.

(4) Parliament may approve the ratification of a treaty with or without reservations to specific provisions of the treaty.

(5) A proposed reservation shall be introduced as a provision into the treaty in accordance with the procedure set out in the Standing Orders.

(6) Where one House approves the ratification of a treaty and the other House refuses to approve the ratification of a treaty, the treaty shall be referred to the mediation committee in accordance with Article 112 of the Constitution.

(7) Where the both Houses refuse to approve the ratification of a treaty, the Speakers of the two Houses shall submit their decision to the relevant Cabinet Secretary within fourteen days of the decision.

(8) Nothing in this Act precludes the resubmission of a treaty to National Assembly and where applicable the Senate, where approval for the ratification of the treaty had been refused.

(9) Parliament shall not approve the ratification of a treaty or part of it if its provisions are contrary to Constitution, nor shall the House approve a reservation to a treaty or part of it if that reservation negates any of the provisions of the Constitution even if the reservation is permitted under the relevant treaty.”

7. The National Assembly Standing Order 216 provides for the mandate of Departmental Committees. Standing Order 216(5) (fa) further provides that the functions of a Departmental Committee shall be to examine treaties, agreements and conventions.

I.3 OVERSIGHT

7. In executing its mandate, the Committee oversees the following MDAs: The National Treasury; The State Department for Economic Planning; The Office of the Controller of Budget and The Commission on Revenue Allocation.

I.4 COMMITTEE MEMBERSHIP

8. The Departmental Committee on Finance and National Planning was constituted by the House on 27th October, 2022 and comprises the following Members:

Chairperson

Hon. FCPA. Kuria Kimani, CBS, MP

Molo Constituency

UDA Party

Vice-Chairperson

Hon. Amb. Benjamin Langat, CBS, MP

Ainamoi Constituency

UDA Party

Hon. Peter Kaluma, CBS, MP
Homabay Town Constituency
ODM Party

Hon Andrew Okuome, MP
Karachuonyo Constituency
ODM Party

Hon. David Mboni, MP
Kitui Rural Constituency
Wiper Party

Hon. CPA Joseph Oyula, MP
Butula Constituency
ODM Party

Hon. Betty Maina, MP
Muranga County
UDA Party

Hon. Umul Ker Kassim, MP
Mandera County
UDM Party

Hon. CPA Julius Rutto, MP
Kesses Constituency
UDA Party

Hon. Dr. Shadrack Ithinji, MP
South Imenti Constituency
Jubilee Party

Hon. Paul Biego, MP
Chesumei Constituency

Hon. Chiforomondo Mangale, MP
Lungalunga Constituency

UDA Party

Hon. Dr. John Ariko, MP
Turkana South Constituency
ODM Party

Hon. George Sunkuya, MP
Kajiado West Constituency
UDA Party

UDM Party

Hon. Mohamed Machele, MP
Mvita Constituency
ODM Party

I.5 COMMITTEE SECRETARIAT

9. The Committee is facilitated by the following staff:

Mr. Benjamin Magut

Principal Clerk Assistant II /Head of Secretariat

Ms. Jennifer Ndeto
Deputy Director Legal Services

Mr. Benson Kamande
Clerk Assistant III

Mr. Salem Lorot
Senior Legal Counsel

Ms. Winfred Kambua
Clerk Assistant III

Mr. James Macharia
Media Relations Officer

Mr. George Ndenjeshe
Fiscal Analyst II

Ms. Joyce Wachera
Hansard Reporter II

Ms. Nelly W. Ondieki
Research Officer III

Mr. Mwangi Muchiri
Audio Officer III

Mr. Benson Muthuri
Assistant Serjeant-At-Arms

Mr. Allan Ngugi
Committee Intern

Mr. Steve Jeremy Kamau
Committee Intern

PART II

2.0 BACKGROUND TO THE AGREEMENT ESTABLISHING THE SHELTER AFRIQUE DEVELOPMENT BANK (SHAFDB AGREEMENT)

10. The Committee received a Memorandum to the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB) to the National Assembly Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs, signed on 12th April, 2025.
11. In the Memorandum, the Prime Cabinet Secretary and Cabinet Secretary for Foreign and Diaspora Affairs submitted as follows:
12. Kenya's ratification of the SHAFDB Agreement was approved by Cabinet during its meeting held on 11th February, 2025.
13. On 4th September, 1981, 17 African member States, including Kenya, together with the African Development Bank (AfDB) and the African Reinsurance Corporation (African-Re), established the Company for Housing and Habitat in Africa known as Shelter Afrique through a Memorandum of Understanding at a meeting held in Arusha, Tanzania, on the same date.
14. Subsequently, the founding members of Shelter Afrique adopted the Convention on the Constituent Charter of Shelter Afrique (the Convention), and the Constituent Charter of Shelter Afrique (the Constituent Charter) at a meeting held in Lusaka, Zambia, on 10th to 11th May, 1982 providing that Shelter Afrique would be governed by its statutes, and with the mandate of mobilizing resources for housing development in Africa.
15. On 19th October, 1983, the Government of the Republic of Kenya entered into a Headquarters Agreement with Shelter Afrique whose head office has been operating in Kenya since then.
16. Kenya has, in addition, actively participated in Shelter Afrique's activities at both the Board and shareholder level since inception.

17. The operations of Shelter Afrique have to date been guided by its statutes which have been amended from time to time by the members.
18. During the 41st Annual General Meeting held at Victoria Falls, Zimbabwe, on 28th July, 2022, members approved a resolution calling for a review of the constitutive documents with a view to consolidate the document as well as to address arising gaps, ambiguities, interpretation issues and inconsistencies.
19. Shelter Afrique as a company faced constraints in accessing financial facilities globally and for this reason there was a need to transform it to a Development Bank.
20. Through meetings of experts from members, an Agreement was developed which proposed to:
 - (i) Reposition and establish Shelter Afrique as an African Housing Development and Finance institution;
 - (ii) Change Shelter Afrique's name to Shelter Afrique Development Bank (SHAFDB), devoted to addressing the evolving needs for housing and related development across Africa; and
 - (iii) Harmonize and integrate Shelter Afrique's constitutive documents.
21. At the 3rd Extraordinary General meeting of the shareholders of Shelter Afrique held on 5th October 2023 in Algiers, Algeria, members adopted the SHAFDB Agreement by a Special Resolution.
22. The SHAFDB Agreement has since been signed by 27 Member States and two institutional shareholders namely African Development Bank and Africa Reinsurance Corporation.
23. Kenya adopted the SHAFDB Agreement on 5th October, 2023 and is the largest shareholder with 16.23% of the company's paid-up capital (US\$21,061,000 as of 31st December, 2023).
24. SHAFDB shall raise funds through:

- (i) Authorized share capital of SHAFDB subscribers including both paid-up and callable shares;
- (ii) Borrowing and other means;
- (iii) Repayment of loans;
- (iv) Guarantees; and
- (v) Any other funds or income received which do not form part of its special resources as per the Agreement.

25. Member States are required to:

- (i) Continue contributing to Shelter Afrique, either through initial capital, subscriptions, periodic payments, or other forms of financial support;
- (ii) Participate in the governance structures of Shelter Afrique, which may include appointing representatives to the Board of Governors, or other decision-making bodies;
- (iii) Comply with the terms and conditions outlined in the Shelter Afrique Development Bank Agreement, as well as any other agreements or legal instruments governing their relationship with the institution;
- (iv) Support attainment of SHAFDB's objectives and mission.

26. Since 1993 to date, Shelter Afrique has had over 135 transactions (project finance, lines of credit and equity investments) totalling US\$319,547,474 in Kenya.

27. By ratifying the SHAFDB Agreement, Kenya will enjoy the following benefits:

- (i) Reaffirmation of Kenya's commitment to the objectives of SHAFDB;
- (ii) Access to financing for affordable housing and urban infrastructure development;
- (iii) Opportunity to share information and experiences on best practices in housing development and delivery through SHAFDB's Centre for Excellence (CoE) which include:
 - Repository of data for countries and regions;
 - Intercontinental sharing of best practice initiatives;
 - Capacity building training for developers;
 - Research on innovative financial solutions and alternative building methods;
- (iv) Enhancement of intra-African trade in building materials and financial services;

(v) Partnerships in promoting the Government's affordable housing agenda.

28. Signing of the Host Country Agreement will signify Kenya's commitment to continue promoting diplomatic and multilateral cooperation at the continental level as well as promoting Nairobi as a hub for multilateral diplomacy.

29. Ratification of the SHAFDB Agreement will require review and amendment of the Shelter Afrique Act, Cap. 493C of the Laws of Kenya, and the Host Country Agreement between the parties that was signed on 19th October, 1983.

PROVISIONS OF THE AGREEMENT

30. The Agreement contains 52 Articles and two Annexes.

Article 1: Name and Nature of the Financial Institution

31. **This article establishes the Shelter Afrique Development Bank ("SHAFDB").** It provides that SHAFDB shall be an international organization and African housing development finance institution shall operate in accordance with the provisions of the Agreement.

Article 2: Definitions and Interpretation

32. This article provides for definitions of various terms used in the Agreement.

Article 3: Offices

33. **This article provides for the Headquarters Seat of SHAFDB and the discretion of SHAFDB to establish regional offices and other representative offices or agencies inside and outside Africa.** It provides that the Headquarters Seat of SHAFDB shall be situated in Nairobi, Kenya and maintained pursuant to the Headquarters Agreement. It also provides SHAFDB may establish regional offices and other representative offices or agencies inside and outside Africa.

Article 4: Purpose and Functions

34. This article provides for both the purpose and functions of SHAFDB. It provides that the purpose of SHAFDB shall be to finance and promote the financing of affordable housing and urban development in Africa, taking into consideration the evolving development needs in urban and rural areas across the continent. It lists several functions of SHAFDB as follows—

- (a) To play a catalytic role by mobilizing capital from diverse resources, including borrowings, equity subscriptions and grants, from African and non-African sources, to be made available to fund housing investments and urban development investments;
- (b) To provide financial advisory services in connection with potential housing and urban development investments;
- (c) To enter into any agreement or arrangement with any government, municipal or local authority or any other entity which is conducive to SHAFDB realizing any activity relating to its organizational purposes; to obtain from any such authority or entity any rights, privileges and exemptions that SHAFDB deems desirable; and to carry out, exercise and comply with any such arrangements, rights, privileges and exemptions;
- (d) To provide technical assistance and advisory services to any eligible recipient of SHAFDB financing or other assistance specified in Article for the study, preparation and implementation of projects involving housing and urban development physically located in Africa;
- (e) To carry on any business related directly or indirectly to any of the aforementioned functions, for the purpose of facilitating, promoting and developing SHAFDB's activity;
- (f) To apply earnings to defray the costs of pursuing its purposes and carrying out its functions as provided in this Article, to fund reserves and to distribute dividends;
- (g) To borrow or raise money, to issue securities, bonds, notes, mortgages and other instruments and to provide guarantees;
- (h) To hold investments of every kind and description (including investments in securities, shares, and notes);
- (i) To pay distributions on SHAFDB shares;
- (j) To retain and apply earnings to the purpose and functions of SHAFDB.

Article 5: Currencies

35. The article provides that members may not maintain or impose any restrictions on the holding or use by SHAFDB or by any recipient from SHAFDB for payments anywhere. Also, it provides that members may not maintain or impose any restrictions on the holding or use by SHAFDB, for making amortization or anticipatory payments or for repurchasing its obligations, of currencies received by SHAFDB in repayment of direct loans made out of its ordinary capital resources.

Article 6: Share Capital

36. The article provides that the liability of each Member to SHAFDB in respect of such Member's SHAFDB Shares shall be limited to any amount unpaid on the Purchase Price of its Shares. It further provides that the authorized capital of SHAFDB shall be one billion United States Dollars (US\$ 1,000,000,000). The authorized capital shall be divided into one million (1,000,000) ordinary shares each with a par value of one thousand United States Dollars (US\$1,000). The authorized capital may be increased in accordance with Article 14(a).

37. In addition, it provides that the shares shall be divided into three (3) classes which shall be available for subscription as follows:

Class	Percentage of authorized and issued share capital	Beneficiary
A	45%	African Countries only
B	30%	African continental, regional and sub-regional organizations and institution
C	25%	Non-African public and private entities and individuals that are neither in Class A or Class B

Article 7: Membership and Share Subscription

38. It provides guidance on the obligations of existing members of SHAFDB under the Agreement and new Members.

Article 8: Payment of Subscriptions

39. The article provides that all amounts payable with respect to subscriptions and acquisitions of SHAFDB Shares shall be made in United States Dollars (except as otherwise provided) at a place and time to be determined by the Board. It further provides that if a member fails to make any payment on shares to which it has subscribed by the date fixed for such purpose, such payment may be made on such later date and on such other terms and conditions as the Board may determine. It also provides that the modalities, terms and dates of payment relating to issues of shares, unsubscribed shares and forfeited shares shall be determined by the Board in respect of such shares.

Article 9: Capital Calls

40. The article provides that the Board of Directors may from time to time make capital calls as it deems fit upon members in respect of moneys unpaid on their subscribed shares and not made payable at a fixed time or times by the conditions of subscription or issue.

Article 10: Failure to Answer Capital Call

41. The article provides that if a member fails to fulfil a capital call made pursuant to the Agreement, a number of subscribed shares that is not fulfilled shall be deemed to be in default and the member shall have no right to vote in respect of the defaulted shares.

Article 11: Unsubscribed Shares and Maximum Shareholding

42. The article provides that unsubscribed shares may be offered for subscription to members of the relevant class at such price and on such other terms of subscription or issue as previously determined by the General Meeting with respect to such shares.

Article 12: Lien

43. The article provides that in order to secure each member's payment obligations in respect of capital calls under Articles 9 and 10 and any other amounts that become payable in respect of its shares, including its obligations in respect of Article 13 regarding the forfeiture of shares, SHAFDB shall have a first and paramount lien and charge on each member's subscribed shares that is not a fully paid-up share and on any dividends or other proceeds payable in respect of such shares.

Article 13: Forfeiture of Shares

44. The article provides for procedure for the forfeiture of shares if a member fails to pay any capital call or installment of a call made by SHAFDB or any other sum that is payable.

Article 14: Alteration of Capital and Preemptive Rights

45. The article provides that the General Meeting may by Special Resolution increase the authorized share capital of SHAFDB by such sum, and to be divided into such classes and number of shares, as the resolution shall prescribe. It also provides for preemptive rights of members.

Article 15: Ordinary Capital Resources

46. The article provides for ordinary capital resources of SHAFDB which shall include:
- (a) Authorized share capital of SHAFDB subscribed pursuant to the provisions of Article 6, including both paid-up and callable shares;
 - (b) Funds raised by SHAFDB by borrowing or other means, by virtue of powers conferred in Article 4(b) (vii);
 - (c) Funds received in repayment of loans made with the resources referred to in paragraphs (i) and (ii) of this Article or as returns on equity investments and other types of financing authorized by Article 4 made with such resources;
 - (d) Income derived from loans made from the funds specified in paragraph (iii) of this Article;

- (e) Income from guarantees; and
- (f) Any other funds or income received by SHAFDB, which do not form part of its special resources as defined in Article 17.

Article 16: Special Funds

47. The article provides for the power of the SHAFDB to establish special funds designed to serve its purpose which shall be kept separate from the ordinary capital resources of SHAFDB in accordance with the provisions of Article 18. Each Special Fund shall have a special purpose, and SHAFDB shall adopt such special rules and regulations as may be required for the administration and use of each Special Fund.

Article 17: Special Resources

48. The article defines “special resources” to refer to the resources of Special Funds which shall include:
- (i) Resources initially contributed to any Special Fund;
 - (ii) Funds borrowed for the purposes of any Special Fund;
 - (iii) Funds repaid in respect of loans or guarantees financed from the resources of any Special Fund which, under the rules and regulations governing that Special Fund, are received by that Special Fund;
 - (iv) Income derived from operations of SHAFDB by which any of the aforementioned resources or funds are used or committed if, under the rules and regulations governing the Special Fund concerned, that income accrues to the said Special Fund; and
 - (v) Any other resources at the disposal of any Special Fund.

Article 18: Separation of Resources

49. The article provides that the ordinary capital resources of SHAFDB shall be kept entirely separate from special resources and that under no circumstances be charged with, or used to discharge, losses or liabilities arising out of operations or other activities of any Special Fund.

Article 19: Transferability of Shares

50. The article provides that except for the lien of SHAFDB shares as provided in Article 12, SHAFDB shares shall not be pledged or encumbered in any manner and shall be transferrable only subject to the provisions of the Agreement and any rules adopted by the General Meeting.

Article 20: Procedures for the Transfer of Shares and Withdrawal of Members

51. The article provides for the procedure for the transfer of shares and withdrawal of members. Any member wishing to withdraw from SHAFDB, or wishing to transfer a portion of its SHAFDB shares without withdrawing from SHAFDB, in each case shall provide written notice of its intention to SHAFDB at its Headquarters Seat no less than one hundred and eighty (180) days prior to the proposed date of withdrawal or transfer, and SHAFDB shall provide such notice to all other members.

Article 21: Suspension of Membership and Suspension of Funding

52. The article provides for the suspension of membership and funding. It provides that if a member of SHAFDB fails to fulfil any of its obligations to SHAFDB, including failure by such a member to honour calls to pay any portion of any subscribed shares, the General Meeting may suspend such Member by a Special Resolution. Further, it provides that the General Meeting may suspend future funding to or for the benefit of Member countries and/or institutions and organizations from member countries and/or projects in member countries in respect of members under suspension and in respect of members who do not honour calls or other payments due on any share subscriptions by such members.

Article 22: General Meetings

53. The article provides for the Annual General Meeting and Extraordinary General Meeting of SHAFDB and the procedure of convening them.

Article 23: General Meeting Powers

54. The article provides for the powers vested in the General Meeting and the limitation of those powers.

Article 24: Proceedings at General Meetings

55. The article provides for the quorum of General Meeting, election and tenure of office of a Chairperson and Vice-Chairpersons and the procedure of voting. It provides that a quorum for any General Meeting shall be present when SHAFDB members holding not less than sixty percent (60%) of the total voting power of all of SHAFDB members shall be present or represented by proxy at the meeting.

Article 25: Votes of Members and Proxies

56. The article provides that each member shall have one (1) vote for each paid-up share held by such member. The instrument appointing a proxy shall be in writing signed by the appointor or his attorney duly authorized in writing or, if the appointor is a corporation or other corporate entity, either under seal or under the hand of an officer or attorney duly authorized. A proxy need not be a member of SHAFDB.

Article 26: Advisory Council

57. The article provides for the composition, functions, and tenure of the Advisory Council. The Advisory Council shall consist of nine (9) persons selected by the General Meeting, on the recommendation of the Board, six (6) of whom shall be ministers of finance, ministers of economy or central bank governors of the Class A Members, and three (3) of whom shall be eminent individuals with finance or banking expertise. Representatives of the members shall not be eligible to serve as Advisory Council members. In addition, no member of the Advisory Council shall be a national of the same country as any Director currently serving on the Board.

58. The Advisory Council shall advise SHAFDB on matters of strategic importance and shall meet on such occasions as SHAFDB may request.

59. Members of the Advisory Council shall serve for a term of three (3) years, and may be reappointed only in accordance with the rules of procedure for the Advisory Council approved by the General Meeting.

Article 27: Board of Directors-Composition

60. The article provides for the composition and tenure of Board of Directors of SHAFDB. It provides that the Board shall consist of no fewer than ten (10) nor more than twelve (12) Directors, as determined by the General Meeting by the Ordinary Resolution from time to time.

Article 28: Board of Directors Functions

61. The article provides that the Board shall exercise all the powers delegated to it by the General Meeting, including the following:

- (i) Appoint, suspend or remove the Managing Director of SHAFDB and determine the terms and conditions of his or her service;
- (ii) Determine the general organizational and operational structure of SHAFDB;
- (iii) Prepare the work of the General Meeting;
- (iv) Approve the budget of SHAFDB;
- (v) In conformity with the Investment Policy and the general directives of the General Meeting, make decisions concerning loans, guarantees and other investments to be made by SHAFDB and any borrowing of funds by SHAFDB, and draw up schedules for investment of funds of SHAFDB;
- (vi) In conformity with the Investment Policy, determine the terms of any investments by SHAFDB, including the rates of interest for direct loans, and the commissions and fees for guarantees and other similar financial transactions;
- (vii) Establish, in conformity with the principles set forth in this Agreement, financial regulations for the conduct of the business of SHAFDB and such other rules and regulations, including staff regulations, as are necessary or appropriate for the conduct of the general operations of SHAFDB;
- (viii) Approve the establishment of Special Funds as well as the rules and regulations for their administration and use;
- (ix) Approve the establishment of regional offices and other representative offices or agencies of SHAFDB in countries inside or outside Africa; and
- (x) Submit to the General Meeting of its approval an annual report on the operations and other activities of SHAFDB and SHAFDB's annual financial statements.

Article 29: Disqualification, Removal and Board Vacancy

62. The article provides for the removal of a Director, disqualification of a Director, and vacancy in the Director's office.

Articles 30- 34

63. Articles 30 to 34 provide for Board of Directors Procedure, Managing Director, Secretary General, General Counsel, and the Common Seal and Its Use.

Article 35: Dividends and Reserve Fund

64. The article provides for payment of dividends on the shares of SHAFDB.

Article 36: Accounts

65. The article provides for the obligation of the Board to cause proper books of accounts to be kept.

Article 37: Capitalization of Profits

66. The article provides that SHAFDB may at a General Meeting, upon the recommendation of the Board of Directors, resolve that it is desirable to capitalize any part of the amount then standing to the credit of any of the SHAFDB's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution.

Article 38: External Audit

67. The article provides for the external audit of the accounts of SHAFDB at least once each year.

Article 39: Status

68. The article provides that SHAFDB shall possess full international personality to enable it to fulfil its purpose and the functions with which it is entrusted. It may enter into agreements with members, non-member countries and other international

organizations and the status, immunities, exemptions, and privileges set forth in the Agreement shall be accorded to SHAFDB in the territory of each member.

Article 40: Status in Member Countries

69. The article provides that in the territory of each member country, SHAFDB shall possess full juridical personality and full capacity to contract, acquire and dispose of immovable and movable property; and to institute and defend legal proceedings.

Article 41: Judicial Proceedings

70. The article provides that SHAFDB shall enjoy immunity from every form of legal process except in cases arising out of the exercise of its borrowing powers when it may be sued only in a court of competent jurisdiction in the territory of a member in which SHAFDB has its Headquarters Seat, or in the territory of a member or non-member State where it has appointed an agent for the purpose of accepting service or notice of process or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members.

71. It further provides that the property and assets of SHAFDB shall, wherever located and by whomsoever held, be immune from all forms of seizure, attachment, or execution before the delivery of final judgment against SHAFDB.

Article 42: Immunity of Assets and Archives

72. The article provides that the property and assets of SHAFDB, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation, or any other form of taking or foreclosure by executive or legislative action. Further, the archives of SHAFDB and, in general, all documents belonging to it or held by it, shall be inviolable, wherever located.

Article 43: Freedom of Assets from Restriction

73. The article provides that all property and other assets of SHAFDB shall be exempt from restrictions, regulations, controls, and moratoria of any nature. This will be to

the extent necessary to carry out the purpose and functions of SHAFDB and subject to the provisions of the Agreement.

Article 44: Privilege for Communication

74. The article provides that official communications of SHAFDB shall be accorded by each member the same treatment that it accords to the official communications of other members.

Article 45: Personal Immunities and Privileges

75. The article provides for personal immunities and privileges for all directors, officers, and employees of SHAFDB and experts and consultants performing services or functions of SHAFDB.

Article 46: Exemption from Taxation

76. The article provides that SHAFDB, its property, other assets, income and its operations and transactions shall be exempt from all taxation and from all customs duties. SHAFDB shall also be exempt from any obligation relating to the payment, withholding, or collection of any tax or duty.

77. Further, no tax shall be levied on or in respect of salaries and emoluments paid by SHAFDB to Directors, Alternate Directors, officers, and other professional staff of SHAFDB.

Article 47: Notification of Implementation

78. The article provides that each member shall promptly inform SHAFDB of the specific action which it has taken to make effective in its territory the provisions of the Agreement.

Article 48: Application of Immunities, Exemptions and Privileges

79. The article provides that the immunities, exemptions and privileges provided in the Agreement are granted in the interests of SHAFDB. The Board of Directors may

waive, to such extent and upon conditions as it may determine, the immunities and exemptions provided in Articles 40 through 46 of the Agreement in cases where its action would in its opinion further the interests of SHAFDB. The Managing Director shall have the right and the duty to waive the immunity of any official in cases where, in his opinion, the immunity would impede the course of justice and can be waived without prejudice to the interests of SHAFDB.

Article 49: General Provisions

80. The article provides for the termination of operations of SHAFDB, arbitration of disputes between members or between SHAFDB and one or more members or former members, register of members and changes to it, interpretation of the Agreement, amendments of the Agreement, disclosure of information, and political neutrality of SHAFDB.

Article 50: Signature and Deposit

81. The article provides that the Agreement, as approved by Special Resolution of the General Meeting, shall be deposited with the Secretary-General of the African Development Bank and the Depositary shall communicate certified copies of the Agreement to all Signatories.
82. Further, it provides that the Agreement shall remain open for signature by the governments of the countries that are Class A Signatories to the Agreement and by the Class B Signatories listed in Annex B and each signed copy shall be delivered to SHAFDB's Secretary-General, who shall deposit all such signed copies with the Depositary.

Article 51: Ratification, Acceptance, Accession and Acquisition of Membership

83. The article provides that the Agreement shall be subject to ratification by the Class A Signatories set forth on Annex B. Instruments of Ratification shall be deposited by the Signatory Governments with the Depositary. The Depositary shall notify the other signatories of each deposit of an instrument of Ratification and the date thereof.

84. The article further provides that the Signatories to the Agreement are all Existing Members of SHAFDB. Existing Members of SHAFDB shall become bound by the Agreement on and after the date on which the Agreement enters into force in accordance with Article 52, provided that Class A Members shall become bound by Article 5 governing the use of currencies and Articles 41 through 46 governing privileges and immunities only after they have deposited an instrument of Ratification with the Depository.

Article 52: Entry into Force

85. The article provides that the Agreement shall enter into force upon the deposit with the Depository of Instruments of Ratification by fifteen (15) Signatory Governments whose shareholdings in SHAFDB, as set forth in Annex B to the Agreement, in aggregate comprise not less than fifty-one percent (51%) of the paid-up capital of SHAFDB. Once the Agreement has entered into force, the Depository shall communicate certified copies of the Agreement, including each Instrument of Ratification, to the Secretary-General of the United Nations.

86. It further provides that during the provisional period from the signing of the Agreement until the date it enters into force, the Existing Constitutive Documents shall remain in full force and effect and shall continue to be binding and enforceable. From and after its entry into force, the Agreement shall supersede and replace the Existing Constitutive Documents in their entirety.

Annexes

87. The Agreement also contains Annexes, namely:

(a) Annex A: Election of Directors

(b) Annex B: Signatories and Shareholdings which indicates that the Government of Kenya's percentage of shareholding as of 22nd November 2023 stood at 16.23% and that Kenya has signed the Agreement.

PART III

3.0 PUBLIC PARTICIPATION/STAKEHOLDER CONSULTATION

3.1 CALL FOR MEMORANDA FROM THE PUBLIC

88. Pursuant to Article 118(1)(b) of the Constitution on Public Participation and Section 8(3) of the Treaty Making and Ratification Act, 2012, the Committee placed advertisements in the local dailies, on 13th May 2025 calling for submissions of memoranda on the subject matter. By the close of the deadline, the Committee received four memoranda from National Treasury, Ministry of Foreign and Diaspora Affairs, Office of the Attorney General and the Law Society of Kenya.

3.2 MINISTRY OF FOREIGN AND DIASPORA AFFAIRS (MFDA)

The Ministry of Foreign and Diaspora Affairs (MFDA) submitted as follows;

89. Kenya has a longstanding and strategic relationship with Shelter Afrique, a Pan-African housing finance institution established in 1982 and headquartered in Nairobi. As a founding member and host country. Kenya plays a key role in the organization's governance and operations. Shelter Afrique has supported Kenya's affordable housing efforts through project financing, policy support, and partnerships, aligned with the Bottom-up Economic Transformation Agenda (BETA). This collaboration has facilitated the development of housing units and strengthened Kenya's housing sector through both public and private sector engagement.
90. On September 4th 1981, 17 African Member States, including Kenya, together with the African Development Bank (AfDB) and African Reinsurance Corporation (Africa-Re) established the Company for Housing and Habitat in Africa known as "Shelter Afrique" through a "Memorandum of Understanding" (the "MOU") at a meeting that was held in Arusha, Tanzania on the same date. Shelter Afrique was formally established through a Convention in May 1982, mandating it to support housing development across Africa under Statutes. On 19th October 1983, the Government of the Republic of Kenya entered into a Headquarters Agreement with Shelter Afrique hosting the institution and actively engaging at board and shareholder levels. In July 2022, Members initiated a review of its Constitutive documents to address operational gaps and legal ambiguities.

91. Shelter Afrique as a company faced constraints in accessing financial facilities globally and for this reason there was a need to transform it to a Development Bank. Kenya adopted the Agreement establishing SHAFDB on 5th October, 2023 and is the largest shareholder with 16.23% of the Company's paid-up capital (US\$ 21,061,000 as of 31st December, 2023).
92. They noted that the ratification of the Agreement establishing the Shelter Afrique Development Bank (SHAFDB) would provide several benefits for Kenya. These include reaffirming the country's commitment to the objectives of the Bank and enhancing access to financing for affordable housing and urban infrastructure development. The agreement will also enable Kenya to benefit from the SHAFDB Centre of Excellence, which offers access to a regional data repository, opportunities for intercontinental exchange of best practices, capacity-building for developers, and research on innovative financial solutions and alternative building technologies.
93. Additionally, the partnership is expected to strengthen intra-African trade in building materials and financial services and support the Government's affordable housing agenda. It was further highlighted that signing the Host Country Agreement would demonstrate Kenya's commitment to advancing diplomatic and multilateral cooperation within the continent while positioning Nairobi as a key diplomatic hub.
94. Member states are expected to fulfill several obligations under the Shelter Afrique Development Bank framework. These include continued financial contributions to the institution through initial capital subscriptions, periodic payments, or other applicable forms of support. Members are also required to participate in the governance structures of Shelter Afrique by appointing representatives to the Board of Governors, Board of Directors, or other relevant decision-making bodies.
95. Additionally, member states must comply with the provisions of the Shelter Afrique Development Bank Agreement and any related legal instruments governing their engagement with the institution. Finally, members are expected to actively support the achievement of SHAFDB's mission and objectives.
96. Further, they stated that since 1993, Shelter Afrique has undertaken more than 135 transactions in Kenya, including project financing, credit lines, and equity investments amounting to USD 319,547,474. Over this period, the institution has financed a broad range of development initiatives across the housing sector. These include the provision of KShs. 395 million to Stima Investment Cooperative for 76 townhouses in Syokimau,

KShs. 800 million to Acorn Holdings for the development of Qwetu student residences in Ruaraka and Jogoo Road, and KShs. 75 million in 2007 to the Kenya Armed Forces Old Comrades Association for the development of hostel facilities in Madaraka.

97. Shelter Afrique also advanced KShs. 540 million and a standby facility of KShs. 128.3 million to Karibu Homes for affordable housing in Athi River, and entered its first joint venture in Kenya in 2010 through the Everest Park project, featuring 440 housing units. Additional notable investments include financing for three Kenya Medical Association development projects, a USD 10 million credit line to Housing Finance Group for mortgage products, and USD 1.6 million to Sawada Investments for residential development in Syokimau.
98. They noted that a Housing Microfinance Lending Programme valued at USD 5.2 million was launched in 2012 with support from the French Development Agency, and that Shelter Afrique has financed housing microfinance initiatives in Kenya amounting to KShs. 600 million. Investments targeting women-led development have also been significant, with projects such as Oak Park (USD 2.84 million), Gondho (USD 500,000), and Juridicon (USD 542,000) successfully completed.

3.3 THE NATIONAL TREASURY

The National Treasury submitted as follows:

99. Shelter Afrique was established in 1981 through a Memorandum of Understanding signed in Arusha, Tanzania by African governments and institutional partners including the African Development Bank and Africa-Reinsurance. It was created as a continental housing development and finance institution aimed at mobilizing resources to support housing construction and overall shelter development across Africa. The Republic of Kenya formalized its relationship with the organization through a Host Country Agreement in 1983 and enacted the Shelter Afrique Act, Cap 493C, to give domestic effect to the Convention.
100. Shelter Afrique operates with an authorized capital of USD 40 million divided into three share classes, and currently has 44 African member states and two institutional shareholders. Kenya is the second-largest Class A shareholder, holding 21,061 shares (15.86% of total paid-up capital as of November 2024) and is represented on the Board alongside three other member countries.

Shelter Afrique Activities in Kenya

101. Since 1993, the organization has undertaken more than 135 financing transactions in Kenya valued at USD 319.5 million. These include project financing, credit lines, equity investments, and support to public and private sector developers. Notable investments include:

- i. KShs. 395 million for Stima Investment Cooperative housing in Syokimau.
- ii. USD 10 million credit line to Housing Finance Group.
- iii. KShs. 800 million for Acorn Holdings' Qwetu student accommodation.
- iv. KShs. 75 million for KAFOCA hostel development in Nairobi.
- v. Over KShs. 668 million to Karibu Homes for Athi River housing projects.
- vi. A 440-unit Everest Park joint venture in 2010.
- vii. Financing for Kenya Medical Association housing projects.
- viii. USD 1.6 million for Sawada Investments in Syokimau.
- ix. KShs. 200 million investments in the Kenya Mortgage Refinance Company.
- x. KShs. 600 million in microfinance initiatives supporting first-time developers and financial institutions.
- xi. Shelter Afrique has also significantly supported women-led development initiatives, which at one time accounted for 20% of its investment portfolio.

102. The Agreement provides for:

- i. Repositioning Shelter Afrique as the **Shelter Afrique Development Bank (SHAFDB)**
- ii. Harmonization of founding charters
- iii. Establishment of new governance and capital frameworks
- iv. Creation of an Advisory Council comprising finance ministers, central bank governors, and banking experts

103. National Treasury noted that Kenya's Cabinet approved ratification of the Agreement on 11th February 2025. Ratification is expected to provide multiple benefits, including:

- i. Reaffirmation of Kenya's commitment to SHAFDB's mandate
- ii. Enhanced access to financing for affordable housing and urban infrastructure
- iii. Opportunities for knowledge sharing through SHAFDB's Centre of Excellence, including:
 - a. Continental data repositories
 - b. International best practice exchange
 - c. Training and capacity development for housing professionals
 - d. Research on innovative housing finance and alternative building technologies

104. Additionally, there will be strengthened intra-African trade in construction inputs and financial services, as well as closer partnerships supporting the Government's affordable housing programme. Signing the Host Country Agreement will also reinforce Kenya's diplomatic role and position Nairobi as a continental development hub.

3.4 THE OFFICE OF THE ATTORNEY GENERAL

The Office of the Attorney General submitted as follows;

105. The Cabinet, during its 1st Special Meeting of 2025 held on 11th February 2025, approved the signing and ratification of this Agreement, including the conclusion of a new Host Country Agreement.

106. They noted that the ratification is intended to enable Kenya to benefit from the transformation of Shelter Afrique into a fully-fledged continental development finance institution, with increased capacity to provide financing for affordable housing and urban infrastructure. Shelter Afrique was established in 1981 through a Memorandum of Understanding signed by 17 African states, the African Development Bank, and Africa Reinsurance Corporation, followed by the adoption of a constituent Convention in 1982. Kenya has hosted the organization's headquarters since 1983 and

remains its largest shareholder, holding 16.23% of paid-up capital as at 31 December 2023.

107. Over the years, Shelter Afrique has operated under evolving statutes but faced limitations in accessing global financial resources. Member States therefore resolved to reposition the institution and upgrade it into the Shelter Afrique Development Bank (SHAFDB). The proposal was adopted at the 3rd Extraordinary General Meeting held on 5 October 2023, and the Agreement has since been signed by 27 member states and two institutional shareholders.

108. The Agreement introduces key features, including the establishment of SHAFDB as an international housing development and finance institution, a revised capital structure of USD 1 billion divided into three share classes, and a strengthened governance framework involving the Board of Directors, management, and a nine-member Advisory Council. Member States are obligated to contribute capital, participate in governance, and support the institution's mandate.

109. Since 1993, Shelter Afrique has financed housing projects in Kenya valued at USD 319.5 million. Expected benefits to Kenya include increased access to housing development financing, enhanced partnerships in delivering the Government's affordable housing agenda, technical cooperation through the Centre of Excellence, strengthened intra-African trade, and continued reinforcement of Kenya's diplomatic leadership on the continent.

110. The Agreement will take effect once 15 signatory governments representing at least 51% of paid-up share capital deposit their instruments of ratification. Until then, existing constitutive instruments remain operational.

111. They noted that ratification of the Agreement will also require that the Republic of Kenya to:

- i. review and amend the Shelter Afrique Act. Cap 493C:
- ii. review the Host Country Agreement signed in 1983. This is in line with Article 3 (a) (iii) of the Agreement establishing SHAFB which provides that: *"Any country in whose territory the headquarters of SHAFB is to be located shall sign a headquarters agreement with SHAFB and take all necessary measures for the implementation of the Agreement."*

3.4 THE LAW SOCIETY OF KENYA

The Law Society of Kenya submitted as follows:

112. Article 2(6) of the Constitution of Kenya, provides that any ratified treaty becomes part of Kenyan law. Parliament is therefore required to authorize the ratification of the Shelter Afrique Development Bank (SHAFDB) Agreement in accordance with Article 94 and the Treaty-Making and Ratification Act, CAP 4D. The Agreement seeks to amend the governing statutes of SHAFDB, where Kenya is the largest shareholder at 16.23%.
113. Kenya's financial contributions to SHAFDB are drawn from the Consolidated Fund under Section 2 of the Shelter-Afrique Act, meaning any commitments must comply with public finance principles under Article 201 and the Public Finance Management Act. They noted that while the Agreement generally aligns with domestic constitutional requirements, LSK flagged several provisions requiring reservations:
114. **ARTICLE 21:** This provision raises significant legal concerns under Kenyan law. Article 10 of the Constitution provides for the National values and principles of governance, one of them being sustainable development. LSK noted that this provision exposes Kenya to stalled projects in circumstances where it is suspended from SHAFDB while ongoing projects funded by SHAFDB remain incomplete. This has the effect of infringing on the Kenya's commitment to sustainable development under the Constitution. Further, if a project's continuation is dependent on SHAFDB's financing, abrupt suspension could disrupt contracts and expose the government to liabilities to Contractors. They recommended that the government raises reservations on this Article and seek amendment of the Article to ensure that suspension procedures consider the potential effect on ongoing projects and that the limitations of the suspension be limited from applying retroactively.

Committee Observation

115. **The Committee observed that the article provides for the suspension of membership and funding. It provides that if a member of SHAFDB fails to fulfil any of its obligations to SHAFDB, including failure by such a member to honour calls to pay any portion of any subscribed shares, the General Meeting may suspend such Member by a Special Resolution. The Committee was not persuaded by the reasons given by the stakeholder to**

express reservations on the provision since the provision was a key component on the Agreement. ARTICLE 41 on Judicial Proceedings: This provision grants SHAFDB broad immunity from legal processes, which bears significant implications under Kenya's Constitution, especially Article 48 on access to justice. While international financial institutions often enjoy certain immunities to protect their operations, this blanket immunity, especially the bar on actions brought by Member States or persons acting on their behalf, effectively covers SHAFDB from judicial accountability in Kenya, even where its actions may violate domestic law, contractual obligations, or infringe on rights. LSK recommended that this provision be amended to impose liability to municipal laws to the extent that it advances the sovereignty and democratic values of the relevant Member State. including human rights and the public Interest.

Committee Observation

The Committee observed that the immunity is in line with the doctrines of international law.

116. **ARTICLE 43 on Freedom of Assets from Restriction:** This Article seeks to exempt properties of SHAFDB from any regulations. They stated that this could conflict with the national value of equity as provided under Article 10 of the constitution and Article 209 on the power of the government to impose taxation, it potentially places SHAFDB above national laws governing foreign exchange controls, land use, banking regulations, and financial disclosures areas that are essential for economic sovereignty, regulatory integrity, and advancement of the rule of law. They recommended a reservation against this provision which is an ostensible suspension of application of the rule of law to SHAFDB and threatens a general unfair market dominance in favour of SHAFDB as against local entities that may offer similar services.

Committee Observation

The Committee observed that the provision is in line with principles of international law.

117. **ARTICLE 45 on Personal Immunities and Privileges:** This provides for Immunity of all employees, directors, officers and consultants of SHAFDB from legal processes with respect to acts performed by them in their official capacity. LSK noted that the necessity and rationale for this provision have not been provided. Unless

legislation or regulations are passed which expressly recognize SHAFDB as a privileged institution, there should be an asterisk on the application of such personal immunities and privileges within the Kenyan context, subject to the existing laws on privileges of certain institutions.

118. Committee Observation

119. The Committee observed that the provision is in line with principles of international law.

120. ARTICLE 46 on Exemption from Taxation: This provision seeks to exempt SHAFDB, its directors, alternate directors, officers and other professional staff from taxation. This provision is in violation of Article 27 on equality and non-discrimination. Further, this may be in contravention of Article 210(1) on the imposition of tax, where it is provided that there shall be no waiver of taxes except as provided by legislation. They recommend that there be a rationalization for the tax exemptions proposed in the Agreement and that the same be codified indicating justifiable reasons therefor.

Committee Observation

The Committee observed that the provision is in line with principles of international law.

PART IV

4.0 COMMITTEE OBSERVATIONS

121. Having considered the Agreement and analyzed the submissions made, the Committee observed as follows:

- (a) On 4th September, 1981, 17 African member States, including Kenya, together with the African Development Bank (AfDB) and the African Reinsurance Corporation (African-Re), established the Company for Housing and Habitat in Africa known as Shelter Afrique through a Memorandum of Understanding at a meeting held in Arusha, Tanzania, on the same date.
- (b) The founding members of Shelter Afrique adopted the Convention on the Constituent Charter of Shelter Afrique (the Convention), and the Constituent Charter of Shelter Afrique (the Constituent Charter) at a meeting held in Lusaka, Zambia, on 10th to 11th May, 1982 providing that Shelter Afrique would be governed by its statutes, and with the mandate of mobilizing resources for housing development in Africa.
- (c) During the 41st Annual General Meeting held at Victoria Falls, Zimbabwe, on 28th July, 2022, members approved a resolution calling for a review of the constitutive documents with a view to consolidate the document as well as to address arising gaps, ambiguities, interpretation issues and inconsistencies.
- (d) The SHAFDB Agreement has since been signed by 27 Member States and two institutional shareholders namely African Development Bank and Africa Reinsurance Corporation.
- (e) Kenya's Cabinet approved ratification of the SHAFDB Agreement on 11th February 2025.
- (f) Article 4 of the SHAFDB Agreement provides that the purpose of SHAFDB shall be to finance and promote the financing of affordable housing and urban development in Africa, taking into consideration the evolving development needs in urban and rural areas across the continent.
- (g) By ratifying the SHAFDB Agreement, Kenya will enjoy the following benefits: reaffirmation of Kenya's commitment to the objectives of SHAFDB; access to financing for affordable housing and urban infrastructure development; opportunity to share information and experiences on best practices in housing development and delivery through SHAFDB's Centre for Excellence (CoE); enhancement of

intra-African trade in building materials and financial services; and partnerships in promoting the Government's affordable housing agenda.

- (h) Ratification of the SHAFDB Agreement will require review and amendment of the Shelter Afrique Act, Cap. 493C of the Laws of Kenya, and the Host Country Agreement between the parties that was signed on 19th October, 1983.
- (i) The Agreement is aligned to the Constitution.

PART V

5.0 COMMITTEE RECOMMENDATION

122. The Committee, having reviewed the Agreement recommends that pursuant to section 8 of the Treaty-Making and Ratification Act, Cap. 4D, the **House adopts and approves** the Ratification of the Agreement Establishing the Shelter Afrique Development Bank (SHAFDB).

SIGNED:  DATE: *2nd Dec 2025*

Fol THE HON FCPA KURIA KIMANI, CBS, M.P.
CHAIRPERSON, DEPARTMENTAL COMMITTEE ON FINANCE AND
NATIONAL PLANNING





**THE NATIONAL ASSEMBLY
THIRTEENTH PARLIAMENT - FOURTH SESSION- 2025**

**DEPARTMENTAL COMMITTEE ON FINANCE AND NATIONAL PLANNING.
ADOPTION LIST
REPORT ON THE AGREEMENT ESTABLISHING THE SHELTER AFRIQUE
DEVELOPMENT BANK.**

We, the Members of the Departmental Committee on Finance and National Planning have pursuant to Standing Order 199, adopted this Report and affix our signatures to affirm our approval and confirm its accuracy, validity and authenticity today, Tuesday, 25th November, 2025.

S/NO.	NAME	SIGNATURE
1.	HON. (CPA). KURIA KIMANI, MP - CHAIRPERSON	
2.	HON. (AMB). BENJAMIN KIPKIRUI LANGAT, MP – VICE CHAIRPERSON	
3.	HON. KALUMA PETER OPONDO, MP	
4.	HON. GEORGE SUNKUYIA RISA, MP	
5.	HON. (CPA) JOSEPH MAERO OYULA, MP	
6.	HON. ANDREW ADIPO OKUOME, MP	
7.	HON. DAVID MWALIKA MBONI, MP	
8.	HON. CHIFROMODO MANGALE MUNGA, MP	
9.	HON. MAINA BETTY NJERI, MP	
10.	HON. (CPA) JULIUS KIPLLETING RUTTO, MP	
11.	HON. PAUL KIBICHIY BIEGO, MP	
12.	HON. UMUL KER SHEIKH KASSIM, MP	
13.	HON. DR. SHADRACK MWITI ITHINJI, MP	
14.	HON. DR. JOHN ARIKO NAMOIT, MP	
15.	HON. MOHAMED SOUD MACHELE, MP	

