



MINISTRY

**HUMAN SETTLEMENTS
REPUBLIC OF SOUTH AFRICA**

SPEECH

BY

THEMBI SIMELANE

**MINISTER OF HUMAN SETTLEMENTS OF THE REPUBLIC OF SOUTH
AFRICA**

**ON THE OCCASION OF
THE LAUNCH OF THE NHFC INCUBATION PROGRAMME**

28 MARCH 2025

SANDTON

Programme Director

Deputy Minister, Ms Tandi Mahambehlala

Members of the Executive Councils

Chairperson of the Board of the NHFC, Mr. Luthando Vutula

Members of the Board of the NHFC

Director General, Dr Alec Moemi

Deputy Directors General present

Chief Executive Officer of the NHFC, Ms. Azola Mayekiso

Participants in the venue and online

Ladies and gentlemen

Good morning!

Thank you so much for the opportunity to deliver a keynote address to this incredibly exciting incubation launch. It is exciting because it is embedded in our transformation agenda of the built environment.

Let me also join the Programme Director and welcome all of you to this important incubation launch programme.

I also wish to express my sincere and profound gratitude to the MECs and MMCs who decided to join us this morning, your presence cements the significance of this programme.

I must also hasten to salute our Entity the National Housing Finance Corporation for initiating this indispensable and bespoke incubation programme, working together in the human settlement value chain, we can move the needle as far as transformation is concerned.

Undoubtedly, the initiative is intrinsically linked to one of the priorities of the Government of National Unity of driving inclusive growth and job creation, is a transformative 3-year initiative designed to promote inclusivity and sustainability within the housing sector.

Recognising the challenges faced by emerging developers, such as weak balance sheets, limited access to finance, and inadequate technical expertise, the NHFC has strategically introduced this programme to address these barriers directly, providing structured support to aspiring developers with a keen focus on majority black-owned & designated groups.

What is particularly outstanding is that the 3-year Programme aims to support aspiring developers from majority black-owned & designated groups by providing non-financial support and facilitating project sustainability through skills transfer and built industry technical assistance.

The human settlement sector is currently beset with a myriad of challenges of blocked projects abandoned by contractors and developers, and some of the contributing factors to these challenges are as a result of capacity to manage projects, access to finance to name a few.

Thusly, the introduction of this ground-breaking initiative is to ensure there is increased delivery of housing units within the Human Settlements sector; grow the participation of aspiring developers in the housing value chain, with an added focus on designated groups (women, youth and people with disability) and ease access to funding from the NHFC and from other financiers.

We will make sure that this is not a rhetorical statement, and we are not here for a talk-shop, we must be intentional and deliberate in driving transformation and in empowering the mentioned designated groups.

Notably, at the core of the Programme is capacity building, which ensures that emerging developers gain essential skills to manage and deliver successful projects. The incubator offers hands-on on and off-site support throughout the project lifecycle, from feasibility studies to financial modelling and compliance with statutory regulations as well as construction monitoring.

We are doing away with the tendency of launching projects of this magnitude and design without post-project monitoring and evaluation to measure impact and success.

Thusly, a key risk mitigation strategy embedded within the Programme is the post-investment technical monitoring function. This ensures that projects maintain quality and efficiency standards while developers receive ongoing oversight and advisory services.

The NHFC will collaborate closely with the appointed incubator service provider experienced in contractor and developer support; ensuring adherence to industry best practices and skills transfer to the NHFC itself.

We make an unwavering commitment to ensure the success of the programme through capacity building and risk mitigation.

As a result, the Programme seeks to enhance the capabilities of emerging developers by providing structured support, addressing capacity deficiencies, and promoting project delivery success.

It will also assist emerging developers in maximising project management efficiencies, minimising time slippages, and managing or eliminating cost escalations.

Emerging developers will receive hands-on on-site and off-site support throughout the lifecycle of the project; from feasibility studies to financial modelling and compliance with statutory regulations as well as construction monitoring.

Of importance, is that there will be skills transfer to our entity, the NHFC itself so that it can run the programme internally once the skills have been adequately transferred from the service provider.

As earlier stated, the post-investment phase is critical in ensuring project success beyond financing. Recognising the difficulties developers encounter in project execution, marketing and tenanting completed projects.

The NHFC and the Department of Human Settlements, will ensure the success of emerging developers by working on several critical elements of the programme.

This Emerging Developer Incubator Programme is designed not only to provide immediate support but to cultivate a new generation of capable and self-sustaining developers who will contribute meaningfully to the housing sector.

By aligning with best practices and leveraging past lessons, the department and the NHFC are setting the stage for long-term transformation and economic inclusion.

Ladies and gentlemen,

I want to conclude by saying this programme, the NHFC's Emerging Developer Incubator Programme represents a strategic commitment to fostering sustainable growth within the housing sector.

Through structured capacity building, risk mitigation, and post-investment support, this Programme enables emerging developers to overcome

industry challenges and establish themselves as significant market participants.

By focusing on crucial elements such as financial planning, compliance, and market demand, the NHFC ensures that this incubator serves as a launchpad for transformation, economic inclusion, and long-term sectoral development.

I wish the Emerging Developer Incubator Programme a resounding success.

I thank you.

