

# ANNUAL REPORT

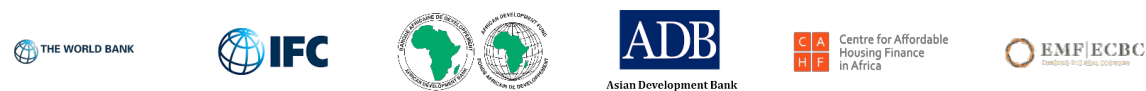
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2021–2022

# ISMMA MEMBERS



# OBSERVER MEMBERS



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# FOREWORD BY ISMMA CHAIRMAN CHUNG CHEE LEONG

## DEAR MEMBERS OF ISMMA

As we enter an endemic phase post COVID-19 and return to near-normal life after nearly two years of battling the pandemic globally, the precautions we have been taking in the past are still relevant in the future. Amidst the challenging environment, the ISMMA Annual Report 2021 - 2022 is set against a backdrop of considerable uncertainty from the geo-political, economic as well as the pandemic front and coupled with the combined resilience among the ISMMA members, has enabled us all to navigate this uncharted landscape with resolute determination.

ISMMA, which was established in May 2018 during a meeting hosted by the World Bank in Washington, D.C., has successfully played its role as a global association to bring together mortgage refinance corporations to focus on advocacy on regulatory issues, share information, and provide support to newly established institutions in this space. ISMMA today has grown leaps and bounds both in terms of membership as well as activities and outcome.

This Annual Report is a remarkable effort by the ISMMA Secretariat to compile the activities and areas of discussion throughout the reporting period. The ISMMA website has been a resourceful reference for all as it contains not only meeting minutes and past presentations but also members' profiles, articles and success stories, amongst others.

Following three physical meetings which started in Washington, D.C. in May 2018, Kuala Lumpur in April 2019 and subsequently in Cape Town in November 2019, ISMMA responded swiftly to the pandemic by embarking on virtual meetings to share information and experiences on many topics including the ever-increasing interest on green housing finance, green bonds and sustainability or ESG. Four virtual meetings were held in 2021 and two so far in 2022 and have proven to be a great experience. I anticipate that we would be able to resume physical meetings once the pandemic is behind us.



**CHUNG CHEE LEONG**

CHAIRMAN, ISMMA

PRESIDENT/CHIEF EXECUTIVE  
OFFICER, CAGAMAS BERHAD

As I come to the end of my four-year tenure as chairman of ISMMA, I would like to take this opportunity to congratulate Mr. Oscar Mgaya from Tanzania Mortgage Refinance Company on his appointment as the new ISMMA Chairman, which will be effective from July 1, 2022 onwards. I am confident that his appointment will continue to bring ISMMA to greater heights for the betterment of the mortgage refinance market.

In addition, a new Secretariat has also been appointed to assist the new chairman which will be led by Mr. Luca Bertalot, Secretary General of the European Mortgage Federation – European Covered Bond Council (EMF-ECBC), taking over from the World Bank which has done a tremendous job in organizing and keeping the spirit of ISMMA intact among its member countries. I wish the new ISMMA Chairman and Secretariat all the best and hope the camaraderie among the mortgage refinance corporations will continue to evolve and strengthen aligned with the ever-changing financial landscapes.

On behalf of all ISMMA members, I wish to extend our appreciation for the strong support of the World Bank and all member institutions in ensuring the continuous progress of ISMMA in delivering our objectives. I also wish to express our sincere gratitude to Simon Walley, Pamela Hedstrom and Shahrul Farelli Zulkifli (representing the Chairman's Office) for their commitment and dedication in ensuring the success of ISMMA throughout the past four years. Lastly, I wish to thank all the ISMMA members for their support as well as the active participation and hope it will continue to strengthen the relationship as we step into 2023.

Chung Chee Leong  
Chairman, ISMMA

# BACKGROUND ON ISMMA

**In May 2018 in Washington, D.C., at the World Bank Group's 8<sup>th</sup> Global Housing Finance Conference, executives from 16 secondary mortgage market institutions from around the world formed a global association — International Secondary Mortgage Market Association (ISMMA) — to exchange ideas and share knowledge to promote housing finance markets.**

ISMMA focuses on advocacy on regulatory issues, information sharing, and providing support to newly-established institutions in this field. This is the first global association to bring together secondary mortgage market institutions.

The association provides a platform for its now 31 member countries to exchange ideas on how to improve access to housing finance for their citizens and ultimately reach the goal of adequate, safe and affordable housing for all, which is one of the Sustainable Development Goals.

Membership to ISMMA is open to all secondary mortgage market associations around the world. The ISMMA secretariat moved from the World Bank to the European Mortgage Federation - European Covered Bond Council as of July 1, 2022.



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ISMMA Kickoff meeting in Washington, D.C., May 2018

# ISMMA – PAST, PRESENT AND FUTURE

## **Some reflections from the World Bank after serving four years as ISMMA Secretariat**

### **PAST – A NEW INITIATIVE TO DEEPEN HOUSING FINANCE AROUND THE WORLD**

The concept of a 'community of practice' for secondary mortgage market institutions had been discussed for several years prior to ISMMA's inception in 2018. There had been a round-table discussion in 2014 during the Global Housing Finance Conference in Washington, D.C. where the idea was floated for a knowledge sharing platform for secondary mortgage market institutions. The idea gained strength with the support and drive of Cagamas Berhad ahead of the 2018 conference. At this stage, there was a positive alignment of institutions and a desire to both share more national experiences and to learn from others. The World Bank had supported the creation of several Mortgage Refinance Companies (MRCs) in Egypt, Jordan, Tanzania and Nigeria with a pipeline of new companies under creation in Kenya and Pakistan. So there was a natural objective of reaching synergies and shared lessons across these different but very similar institutions. This was the aim of ISMMA, to be a place where like-minded institutions can come together and by sharing knowledge strengthen the outlook for affordable housing in each of their countries.

### **PRESENT – FOUR-YEAR-OLD ISMMA COMES OF AGE IN THE TIME OF COVID**

The expected knowledge sharing among members was along the lines of credit policies, capital market strategies or IT platforms, yet within less than a year of ISMMA's existence the agenda changed radically. ISMMA became an important source of information on how each secondary mortgage market was adapting to the reality of COVID-19 in their countries. What measures were governments and central banks taking? What would be impact of mortgage payment moratoriums? What would happen to house prices? ISMMA members were able to share this information and become important contributors towards global information gathering on policy responses. Quarterly virtual meetings became the norm, which were always extremely well attended and with a rich and diverse content from all parts of the world.

During its first four years, ISMMA saw the establishment of several new entities including KMRC in Kenya, PMRC in Pakistan, UMRC in Uzbekistan, TIDOM in Dominican Republic and SRC in Saudi Arabia. A pipeline of new companies is still strong with several countries expected to create secondary mortgage market institutions over the coming years.

## **FUTURE – GREEN HOUSING FINANCE AND MACRO-VOLATILITY LIKELY TO DOMINATE AGENDA**

The new Secretariat for ISMMA at the European Mortgage Federation – European Covered Bond Council (EMF-ECBC) gives ISMMA an opportunity to grow further and help to shape the future direction of the sector. Discussions have already taken place on important agendas that will likely dominate housing finance policy over the next decade. In particular, the current inflationary environment and less benign economic conditions will provide a test for many housing markets that have not experienced credit cycles yet. Alongside this will be an ever-growing focus on climate mitigation and adaptation in the housing sector. The way housing is financed will be central to this conversation and provides a powerful policy tool for creating green financial incentives for market mechanisms to adequately respond to environmental needs.

Just like COVID-19 was unexpected, the future will hold more unanticipated challenges; one certainty though is that information sharing among a group of institutions with a common mission to finance affordable housing in their countries, will make all of us better able to face down these challenges.

## **ISMMA MEMBER FLASH SURVEY**

In March 2022, the ISMMA Secretariat circulated a short 10-question survey to members to determine which activities have been most valued over the past four years and to guide ISMMA during its Secretariat transition. Members were queried about association activities, presentations/discussion topics, issues for future prioritization, membership dues, etc.

Responses were received from 18 institutions in Armenia, Columbia, Dominican Republic, France, Indonesia, Japan, Jordan, Kenya, Korea, Kyrgyzstan, Malaysia, Mexico, Nigeria, Pakistan, Philippines, Tanzania, Uzbekistan, and West African Economic and Monetary Union (WAEMU).

Key takeaways from the survey show that members:

- Have valued quarterly meetings and are looking forward to in person physical meetings
- Have enjoyed peer to peer learning and sharing experiences on a wide variety of topics and would like to expand on this
- Would like further coverage of fundraising, product diversification, regulation
- Wish to have more in depth workshops/trainings on specific industry topics
- Most responding members are willing to pay dues of ~\$2,000 (USD) annually — more support equal dues levels rather than being based on institution asset size



# EMF-ECBC/ISMMA SECRETARIAT

**AFTER A THOROUGH SELECTION PROCESS, THE EUROPEAN MORTGAGE FEDERATION – EUROPEAN COVERED BOND COUNCIL (EMF-ECBC) WAS SELECTED TO TAKE OVER THE MANAGEMENT OF THE ISMMA SECRETARIAT AS OF JULY 1, 2022.**

The EMF-ECBC is a global market platform for the mortgage and covered bond industry. The aim of the EMF-ECBC is to support an efficient economy, ensure a sustainable long-term housing environment and facilitate access to international capital markets by harmonizing and promoting market best practices and, in particular, long-term funding and mortgage origination techniques, through:

1. An intelligence platform where initiatives are debated, legislative proposals are discussed and best practice is exchanged in order to adopt common positions.
2. Providing unique, unrivalled and timely legal, economic, statistical and research information, as well as other funding and market information.

The EMF-ECBC facilitates the sharing of views, technical expertise and best practice, and offers a networking forum for market stakeholders at the global level. The EMF-ECBC has led on the development of key projects including the Energy Efficient Mortgage Initiative (EEMI) and the Covered Bond Label and database. Further information on EMF-ECBC can be found at [www.hypo.org](http://www.hypo.org).

Initially, the EMF-ECBC will ensure continuity in the secretariat services that the World Bank has provided ISMMA with to date. Namely, it will continue to provide ISMMA with:

- Maintenance of the current ISMMA member register as well as info on key contact details
- Preparation and organization of quarterly ISMMA meetings
- Provision of content and data on members and relevant topics for the ISMMA website as currently structured
- Active promotion and enhancement of the coordination and communication between ISMMA members, including the facilitation of strategic dialogues or collaborations
  - Sharing and dissemination of information/ideas/views/experiences on best practices and capital market innovations amongst ISMMA members
  - Support to the programming cycle for future ISMMA meetings/activities
  - Collect potential future membership fees and handle ISMMA finances
  - Coordinate the drafting of ISMMA's Annual Report

Secondly, over the short-term, the EMF-ECBC will seek to provide ISMMA members with several additional services. Specifically, it would look to provide ISMMA members with:

- Access to and the possibility to disseminate relevant secondary mortgage market related content in the monthly EMF-ECBC Newsletter
- Organization of a special Secondary Mortgage Markets Investor Roundtable in Asia every spring
- Complimentary access to the Euromoney Conferences – European Covered Bond Council Covered Bond Conference hosted in Europe every autumn
- Guest invitations to participate in standalone EMF-ECBC Roundtables and other events focused on issues impacting global secondary mortgage markets

Thirdly, over the medium-longer-term — and in consultation with ISMMA members — the EMF-ECBC will seek to develop a shared vision for further potential member services and the future development of the Association. For example, thought could be given to:

- Establishment of an ISMMA Membership Services/Governance/Budget Committee to take forward strategic reflections on the future direction of the ISMMA
- Formal establishment of the ISMMA as a standalone legal entity (e.g., foundation as an International Non-Profit Association under Belgian Law) with formal Statutes, etc.
- Introduction of a formal membership fee structure to support the further development of the Association and enhance its longer-term viability
- Development of a weekly/monthly global public affairs and policy bulletin summarizing the latest regulatory developments around the world on key files with direct or indirect impact on secondary mortgage markets
- Further development of the ISMMA website to provide members and stakeholders with additional services

# SUMMARY OF ACTIVITIES OF 2021 - 2022 MEETINGS

With the restrictions of the global pandemic, the biennial World Bank housing finance conference that traditionally is held in Washington, D.C. was not scheduled. Mr. Chung Chee Leong continued to serve as ISMMA Chairman through the end of June 2022. The ISMMA continued to hold virtual meetings throughout the year.

The meeting agendas included a welcome from the Chairman, Mr. Chung Chee Leong; tour de table introductions of the ISMMA members and the organizations that they represent; presentations and discussion panels on relevant topics delivered by ISMMA members and invited speakers; member country/institutional updates of key highlights as well as other matters and closing remarks.

## 2021–2022 MEETINGS

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### SEPTEMBER 23, 2021

- **Approaches to Blending Funding Sources – Exploring Approaches for Blending Market Based and Concessional Resources** Presentations by Tanzania Mortgage Refinance Co. (TMRC), Oswald Urassa and Kenya Mortgage Refinance Co. (KMRC), Johnstone Oltetia
- **Japan Housing Finance Agency's Government Guaranteed Green Bond** Presentation by Yuji Date, JHFA
- **Financing of Informal Borrowers through the Capital Markets** Member Discussion

#### ISMMA MEMBER COUNTRY UPDATES:

SMC Kyrgyzstan, **Kiyal Jekshenov**

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### DECEMBER 9, 2021

- **Mortgage Guarantee Knowledge Sharing: Skim Rumah Pertamaku - My First Home Scheme in Malaysia** Presentation by Zulieka Zulkipli, Cagamas
- **MRCs: Outline of Prudential Regulation and Supervision** Presentation by Olivier Hassler, CRH

#### ISMMA MEMBER COUNTRY UPDATES:

Cagamas – Malaysia, **Chung Chee Leong**

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**MARCH 24, 2022**

- **Discussion on Global Inflationary Pressures and Impact on Mortgage Markets**
  - Presentation by World Bank Prospects Group - Justin Damien Guenette, Senior Economist
  - Presentation by Frank Will, HSBC - Analyst
  - Member discussion
- **Update on ISMMA Secretariat Handover**
  - Introduction of European Mortgage Federation and European Covered Bond Council – Luca Bertalot, Secretary General
- **Results of ISMMA Members Flash Survey** Presentation by Pamela Hedstrom, Secretariat

**ISMMA MEMBER COUNTRY UPDATES:**

Kenya Mortgage Refinance Co. (KMRC) Inaugural Bond Issue, **Johnstone Oltetia**

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**JUNE 16, 2022**

- **National Home Mortgage Finance Corporation (NHMFC) of Philippines' BALEA BERDE Program** Presentation by Rundstedt Jalbuna
- **Proposal for Provision of Secretariat by EMF-ECBC**
  - Proposal approved by ISMMA members
- **Election of New Chairman**
  - Nomination and Election of Oscar Mgaya, TMRC

**ISMMA MEMBER COUNTRY UPDATES:**

Pakistan Mortgage Refinance Company (PMRC) Success Stories, **Shahzad Khan and Farrukh Zaheer**



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Virtual ISMMA meeting, December 2021

# ISMMA MEMBER NEWS – NEW PRODUCTS, FUNDINGS, ETC.

ISMMA members have had an active and successful year and many have reached major milestones including launching new products for borrowers with informal incomes, microfinance partners, green/energy efficient loans and mortgages, Islamic mortgages, reverse mortgages, etc. Members collaborated on government programs for affordable housing initiatives, first time homeowners, slum upgrading/improvement, subsidized mortgages and homestay (tourism) finance among others. Our MRCs have completed significant funding volume including conventional, sukuk, green and hard currency transactions as well as first bond issuances. Several of these stories are highlighted below.

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The **National Mortgage Company (NMC)** in **Armenia** has observed a dramatic increase in refinancing of energy efficiency housing loans under the Company's programs especially in the primary market over the past year, in response to its EE stimulative measures. Just a year ago, the share of the EE loans in the primary market was about 10% of loans refinanced under NMC programs and in May 2022 it exceeded 85%. This is on top of the three-fold increase in NMC's refinancing volume in the primary market over the same period. To qualify for EE preferential terms, a project has to undergo an EE assessment/get EE certificate. To promote the EE investments in the secondary market, with the help of KfW and Agriculture & Finance Consultants GmbH (AFC), a German consulting group, NMC has developed a web-based tool for renovation loans which went online in May 2022. This is an easily trainable open source tool available for all mortgage operators, which helps to effectively analyze the energy efficiency in reduction and energy savings.

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The **Egyptian Mortgage Refinance Company (EMRC)** has secured funds to provide affordable lending rates to a new program launched under the Egyptian Government's Low and Middle Income Initiative. The program has a reduced interest rate of 3% and a long tenor reaching 30 years. In 2021, EMRC booked new business of EGP 1.7 billion (USD \$90 mln) for the first time since inception growing by 3.6 times.

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The **Secondary Mortgage Facility (SMF)** in **Indonesia** is involved in several special government programs. In 2018, the SMF received a mandate to be actively involved in the Government Subsidized Mortgage *Housing Finance Liquidity Facility Program (KPR Program FLPP)*. In this program, SMF synergized with the Public Housing Savings Management Agency (BP Tapera). By the end of 2021, there were IDR 4.6 trillion (USD \$320.58 mln) in fundings and

126,572 unit houses financed. In 2022, SMF has funded 22,967 house units amounting to IDR 847.9 billion (USD \$59.05 mln). Until March 2022, there are 282,367 house units and a total of IDR 9.87 trillion (USD \$687.9 mln) funded.

In 2019, SMF has create a collaboration, *Homestay Finance in Tourist Destinations*, with the Ministry of Tourism & Creative Economy (*Kemenparekraf*) to support funding to repair or develop homestays to make tourist stays longer so greater economic benefits can be obtained. Until 2021, there were 94 financial loans given to tourist locations. As of March 2022, 103 homestay locations have been financed by SMF, cumulatively.

In 2019, SMF began implementing a *Home Quality Improvement Program* in slum areas in cooperation with the Directorate General of Human Settlements within the Ministry of Public Works and Housing (*Ditjen Cipta Karya – PUPR*). In this collaboration, SMF also implemented training and coaching. Until 2021, 223 houses had been renovated. As per March 2022, 299 houses in 12 locations were rebuilt using the home quality improvement funds.



Home Quality Improvement in Slum Area Project site in Krapyak, Yogyakarta

The **Japan Housing Finance Agency (JHF)** issued 12-year and 15-year Japanese Government Guaranteed Green Bonds (JGGGBs) for the first time in September 2021 and June 2022, respectively. JHF has been issuing JGGGBs since June 2021 with maturities of 5-year, 12-year and 15-years, amounting to 295 billion Japanese yen (USD \$2.2 bln).

On February 22, 2022, the **Kenya Mortgage Refinance Company (KMRC)** issued their first bond – a Fixed Rate Senior Unsecured Medium Term Note under a Kes. 10.5 Billion MTN Program (USD \$95.4 mln). The first tranche was Kes. 1.4 bln (USD \$12.7 mln) priced at 12.5% p.a., (5 yr. GOK bond +90 bps premium). The bond's tenor is 7 years amortizing, with a Weighted Average Life of 4.5 years. The issue was oversubscribed by 480%. KMRC will use proceeds from the bond issue for on lending by extending long term loans to Primary Mortgage Lenders in



order to increase availability of affordable housing finance in Kenya. The bond proceeds will be utilized alongside other concessionary funding at KMRC's disposal. The bond was listed at the Nairobi Stock Exchange (NSE) on 14<sup>th</sup> March 2022.



KMRC CEO Johnstone Oltetia Ringing the Bell at the Nairobi Stock Exchange on March 14, 2022.

The **State Mortgage Company (SMC)** in the **Kyrgyz Republic** has developed mortgage products in accordance with Islamic principles of financing. Eighty percent of the country's population are Muslims and based on religious reasons, many of them cannot take a traditional mortgage. To date, the Kyrgyz Republic is the first among the countries of the CIS and Central Asian region, which began issuing public mortgage products based on Islamic principles through the Islamic windows of the partner bank. In this regard, signed an Agency Agreement between SMC and the Islamic financial center of OJSC "Bakai Bank" on the issuance of Islamic mortgage products under the scheme of repurchase and sale in installments (Murabaha) through the "Islamic windows" Partner Bank (on the investment agent Wakal bil istismar).

**Cagamas (Malaysia)** has launched a Reverse Mortgage Scheme known as *Skim Saraan Bercagar (SSB)* on 14 December 2021 to help the elderly fund their retirement. It is Malaysia's market-first financing product for retirees. SSB allows retirees aged 55 and above, to borrow against the value of their fully paid homes and convert it into a steady monthly cash payout throughout their lifetime to supplement their retirement funds. A collaborative approach

was taken by Cagamas and its strategic partners, namely, the Employees Provident Fund (EPF) and the Credit Counselling and Debt Management Agency (AKPK) striving towards a common goal of increasing financing access to the elderly.



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Skim Saraan Bercagar (SSB) launch on December 14, 2021.

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**Cagamas** successfully issued a total of RM19.2 billion (USD \$ 4.37 bln) bonds and sukuk in 2021, 65% higher than the preceding year. This is the highest level of issuances since 2002 and marks a strong ending to an eventful amid challenging period for the local and global markets due to the COVID-19 pandemic.

Cagamas remained one of the largest issuers of corporate bonds and sukuk in Malaysia making up 4.1% of the total outstanding corporate bonds and sukuk, and 18.1% of outstanding AAA-rated bonds and sukuk. Cagamas also concluded 6 foreign currency issuances in 2021 mainly in Singapore Dollar, Hong Kong Dollar and US Dollar amounting to a total of RM2.56 billion (USD \$580 mln) equivalent.

Cagamas has also continued in its commitment towards sustainability. As of March 2022, Cagamas has successfully issued a total of RM1.1 billion (USD \$260 mln) of ASEAN Sustainability Sukuk and Bonds since 2020, the proceeds of which were used to purchase eligible loans/financing extended for affordable housing, renewable energy, employment generation as well as sustainable water and water waste management.

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**Cagamas** has actively participated in the Malaysian government-initiated schemes related to affordable homeownership since 2011. *Skim Rumah Pertamaku (SRP) - My First Home Scheme* allows eligible first time house buyers to obtain up to 110% financing from participating financial institutions, enabling home ownership without having to pay a down payment.



Cumulatively until March 31, 2022, *My First Home Scheme (SRP)* successfully provided guarantees for RM15.3 billion (USD\$ 3.5 bln) of mortgage loans/financing extended to 68,994 Malaysian households, of which 91.0% are in the bottom 40 (B40) group. The inclusion of SRP as one of the financing schemes offered under the Malaysia Home Financing Initiative (*i-Biaya*) that was launched by the Government in April 2022 is expected to expand the scheme's outreach especially among young families in Malaysia. Cagamas SRP aims to guarantee approximately 25,000 loans/financings with estimated value of RM5.9 billion (USD \$1.3 bln) in 2022.



Certificate presentation at the i-Biaya launch in April 2022.

In September 2021, the **Mongolian Mortgage Corporation (MIK)** officially started an OTC market operation under cooperation with the Financial Regulatory Commission and the Mongolian Association of Securities Dealers to increase market participants and investments in compliance with international standards. In December 2021, MIK became the first private entity in Mongolia to issue a three-year USD \$12 million bond on the OTC market with a relatively low interest rate of 6.8% per annum. The proceeds of the domestically issued bond are used to purchase mortgages with recourse, debt management, and general business purposes.



"Mongolian Mortgage Corporation HFC" LLC received "Biggest Fund Raise" award from "Forbes Mongolia Finance Awards 2021"

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One of **Pakistan Mortgage Refinance Company's (PMRC)**

core objectives is to enable housing finance for those that fall at bottom of the economic pyramid. To achieve this, they have provided specially designed, concessional rate funding lines to five (5) Microfinance Partners (MPs) which have complete geographic reach in the country with well-equipped teams. Since June 2021, PMRC's funding quantum to MPs stood at PKR 3.9 billion (USD \$19 million) with average housing loan size of PKR 1 million (USD \$4,900) in the microfinance sector. PMRC's funding through MPs has benefitted approximately 4,000 families with average family size of 5 persons.



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**Pakistan Mortgage Refinance Company (PMRC)** is now the largest bond issuer among Development Financial Institutions in Pakistan. PMRC leverages on its strong balance sheet to issue various types of debt instrument and to date has issued eleven (11) debt securities worth PKR 22.7 billion (USD \$111 million) which includes both sukuk and conventional debt securities. From July 2021 to date PMRC issued PKR 12.4 billion (USD \$61 million) debt instruments which have a tenor ranging from 5 to 10 years. These debt instruments are issued to provide long term funding to Primary Mortgage Lenders. The debt issuances therefore pass substantial benefits of fixed and attractive rates to mortgage financiers, support growth of the refinance business to create more mortgages and simultaneously play a positive role in development of the Pakistan capital debt market.

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The **Philippines' National Home Mortgage Finance Corporation's (NHMFC)** BALAI BERDE Program was shortlisted as one of the Top 4 finalists out of fifty (50) contenders under Public Policies category for the Asia-Pacific Housing Forum Innovation Awards 2021, sponsored by Habitat for Humanity and SWITCH-Asia. The BALAI BERDE Program won the *SUSTAINABLE CONSUMPTION and PRODUCTION (SCP) AWARD* on 9 December 2021.

NHMFC eyes a positive outlook for the year 2022 and is confident in the success of this flagship program as it has already surpassed its first-quarter target purchases by 30% and has more in the pipeline. Despite the fact that the BERDE Program has only been on the market for over a year, NHMFC has purchased a total of Php 115.2 million (USD \$2.2 mln) in green housing loan receivables.

For its BALAI BERDE Program, the NHMFC has partnered with various originators such as the Imperial Homes Corporation, an innovative developer who pioneered the country's first solar-powered community, covering Php 320 million in house and lot units followed by an MOU signing with Agrarian Reform Beneficiaries Organizations (ARBOs) and Local Government Units in April 2022 that will provide green financing for the homes to be built for farmers nationwide. More recently, NHMFC and Arthaland Corporation (ALCO), the Philippines' only sustainable real estate developer recognized locally and internationally for its focus on sustainability, wellness, quality, and design, sealed the deal to make sustainable projects more accessible and affordable.

The **Saudi Real Estate Refinance Company (SRC)** is a steady force in the flourishing mortgage market in the Kingdom of Saudi Arabia, refinancing portfolios of assets by issuing Sukuk locally with the active participation of domestic shariah-compliant banks. SRC's refinancing activities for mortgage originators help develop an active secondary home financing market in the Kingdom which supports the efficiency and stability of the primary housing market.

On April 13, 2022, the company announced it had successfully closed its SAR 10 billion (approx. USD \$2.67 bln) Sukuk program supported by a government guarantee, which over a period of 12 months, saw the program limit fully utilized and all the Sukuks issued largely



SRC was the winner of the Public Sector Deal of the Year at the Capital Markets Saudi Arabia Awards on February 28, 2022.

oversubscribed. The market's positive response to SRC's Sukuk demonstrates strong investor confidence in the Kingdom's housing market and economy. The funding raised enables SRC to expand its relationships with home finance lenders and align with Saudi Arabia's national target of achieving 70% homeownership among Saudi nationals by 2030. The work is in progress on the extension of the program amount and also on the preparation for the set-up of additional funding tools, not only domestic.

During 2021, The **Tanzania Mortgage Refinance Company (TMRC)** issued Tranche 3 to the public, being part of the funding initiatives. Tranche 3 is part of the five-year Medium Term Note Programme (MTN) approved by the Capital Markets and Securities Authority (CMSA), the capital markets regulator in Tanzania which was approved in May 2018. Tranche 3 sought to mobilise TZS 7 billion (US\$ 2.98 million). There was no extension of the offer period. At the end of the offer period, a total of TZS 8.879 billion (US\$ 3.78 million) was raised representing an oversubscription of 27%. Tranche 3 was also subscribed by the International Finance Corporation (IFC) for the first time as anchor investor on TMRC MTN issuances. Tranche 3 was listed at the Dar es Salaam Stock Exchange PLC (DSE) on 17<sup>th</sup> May 2021.



Listing of TMRC Tranche 3 at the DSE on 17th May 2021. The event was officiated by Commissioner, Financial Sector Development at the Ministry of Finance and Economic Planning, representing the Permanent Secretary, Treasury.



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The **Uzbekistan Mortgage Refinancing Company (UzMRC)** was established as a private non-bank financial institution in November 2019 and started refinancing eligible mortgage loans created by commercial banks in October 2020 utilizing USD \$150 million in funding from the Asian Development Bank. UzMRC is regulated by the Central Bank of Uzbekistan and owned by 13 shareholders, including the Ministry of Finance and 12 commercial banks. Since its establishment, UzMRC has refinanced 7,804 mortgages (30% women) from 9 PFIs worth UZS 1.77 trln (USD \$165 mln) and since the start of the Company's operations, mortgage debt outstanding has increased by 36% from UZS 28.3 trln (USD \$2.63 bln) to reach UZS 38.5 trln (USD \$3.58 bln) in Q2 2022.

Historically, the Uzbek mortgage market has been heavily dominated by loans provided to new residential units constructed under government programs. Property resales were financed by primarily using cash. UzMRC has focused on refinancing mortgages made on property resale transactions and since October 2020, over 90% of mortgage loan transactions in the resale housing market were (re)financed by UzMRC. This has resulted in the share of secondary housing lending in total mortgage originations to increase from 2.26% in the first 9 months of 2020 to 20.4% in the first 9 months of 2021.

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# PROPOSED AGENDA FOR 2022 - 2023

In its capacity as ISMMA Secretariat, the EMF-ECBC plans to host three physical events on three different continents over the next 12 months: in **Venice**, Italy, on 3-4 October 2022, in **Singapore** in the spring of 2023 and in **Washington, D.C.** at the end of May 2023. Due to ongoing restrictions due to the COVID-19 pandemic, ISMMA will continue to offer virtual connections to these in-person meetings as well as may have other virtual meetings throughout the coming year.

## PROPOSED ISMMA MEETINGS AND EVENTS

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**SEPTEMBER 15, 2022:** Virtual ISMMA Meeting on Microsoft Teams

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**OCTOBER 3-4, 2022:** Energy Efficient Mortgage Initiative (EEMI) – International Sustainable Housing Finance Symposium – Venice, Italy

- EEMI seeks to mobilize the mortgage and covered bond sector to deliver an energy efficient mortgage “ecosystem” to boost consumer demand for energy renovations, built upon new and innovative market mechanisms and tools
  - **Two-day format:**
    - **OCTOBER 3:** 9h30-12h30 **ISMMA meeting**
    - **OCTOBER 4:** 9h30-15h45 Energy Efficient Mortgage Initiative (EEMI) International Sustainable Housing Finance Symposium including ISMMA panel
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**DECEMBER 8, 2022:** Virtual ISMMA Meeting on Microsoft Teams

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**MARCH 6, 2023:** Physical (hybrid) ISMMA Meeting in Singapore

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**MAY 30, 2023:** In Person ISMMA Meeting at the World Bank’s Global Housing Finance Conference in Washington, D.C.

The ISMMA Secretariat will continue to communicate with members concerning topics of interest for the meetings as well as development of the association's new website. ISMMA members will be asked to assist in populating the detailed corporate folders with annual reports and financials; case studies and research reports; prospectus and ratings reports; press releases and other relevant company documents.

During the coming year, the ISMMA Secretariat will also begin building a knowledge sharing databank of subject matter folders on green mortgages and building, legal and regulatory frameworks, best practices in mortgage origination, bond issuances and other topics of interest to the members.

## CONTACT DETAILS

### INCOMING CHAIRMAN:

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### INCOMING SECRETARIAT:

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### WEBSITE:

<https://collaboration.worldbank.org/content/sites/collaboration-for-development/en/groups/mortgage.html>

To join ISMMA, please contact [info@ismma.org](mailto:info@ismma.org)

# ISMMA MEMBER PROFILES



## ALGERIA: SOCIÉTÉ DE REFINANCEMENT HYPOTHÉCAIRE (SHF)

SHF was established in 1997 and is approved by the Bank of Algeria and authorized by the Money and Credit Council to carry out mortgage refinancing and real estate leasing operations. SRH is 25% government owned and 75% by public financial institutions.

[www.srh-dz.org/](http://www.srh-dz.org/)



## ARMENIA: NATIONAL MORTGAGE COMPANY (NMC)

NMC was established in 2009 and is wholly-owned by the Central Bank of Armenia. NMC's primary objective is to increase access to housing finance for low- and middle-income families. The company refinances local currency, fixed rate mortgage loans with a focus on rural and EE loans from 16 banks and 9 credit organizations. NMC is funded by shareholder capital, lines of credit from IFIs and bonds issued in the local market.

[www.nmc.am/en](http://www.nmc.am/en)



## AZERBAIJAN: MORTGAGE AND CREDIT GUARANTEE FUND (MCGF)

The Azerbaijan Mortgage Fund was established under the Central Bank of Azerbaijan in 2005. In 2017, it was merged Credit Guarantee Fund of the Republic of Azerbaijan to form the Mortgage and Credit Guarantee Fund of the Republic of Azerbaijan. The Fund is a not-for-profit organization, which is fully owned by the state. The Fund carries out mortgage lending, provides guarantees on mortgage loans and SME loans. The Fund issues bonds, as well as carries out activities to ensure liquidity for mortgage lending and to attract other forms of investment to develop the Fund's activities.

[www.mcgf.gov.az](http://www.mcgf.gov.az)



## CANADA: CANADIAN MORTGAGE AND HOUSING CORPORATION (CMHC)

CMHC was established in 1946 and is a Crown corporation governed by a Board and responsible to Parliament through a Minister. The Company's activities housing assistance and housing analysis and research, which are fully government-funded. CMHC's commercial activities include mortgage financing and mortgage loan insurance.

[www.cmhc-schl.gc.ca/](http://www.cmhc-schl.gc.ca/)





#### **COLUMBIA: TITULARIZADORA COLOMBIANA (TC)**

TC was established in 2001 in response to the Colombian mortgage crisis and is a private institution, with shareholders that include BCSC, Bancolombia, Davivienda, AV Villas, Colpatría, and Seguros Bolívar. TC is the first company specialized in asset securitization for mortgages, real estate, consumer loans and commercial loans.

[www.titularizadora.com/](http://www.titularizadora.com/)



#### **DOMINICAN REPUBLIC: TITULARIZADORA DOMINICANA (TIDOM)**

TIDOM was established in 2005 and specializes in the securitization of mortgages. TIDOM is a private institution with five shareholders including Titularizadora Colombiana (TC).

[www.tidom.com.do/](http://www.tidom.com.do/)



#### **EGYPT: EGYPTIAN MORTGAGE REFINANCE COMPANY (EMRC)**

EMRC was established in 2006 and is a wholesale institution with a majority ownership by its users. EMRC provides refinancing funds to primary mortgage lenders collateralized by mortgage loans at full recourse. EMRC raises funds through long-term loans from institutional investors and equity contributions from its shareholders. The Company has experienced strong refinance loan portfolio growth particularly since 2017 due to EMRC's participation in the Central Bank of Egypt's program to refinance mortgages for low and middle income citizens.

[www.emrc-online.com/](http://www.emrc-online.com/)



#### **FRANCE: CAISSE DE REFINANCEMENT DE L'HABITAT (CRH)**

CRH was established in 1985 as a monoline mortgage refinance company that acts strictly as a pass-through entity. Its Mortgage Promissory Notes made to primary lenders mirror its bonds in terms of amount, interest rate, maturity and currency. CRH is a non-profit cooperative entity owned by its users/ shareholders and does not charge any margin; revenues are earned exclusively from the investment of its capital. In 2014, CRH came under the purview of the European Central Bank, which led to a period of uncertainty over capital adequacy and other regulatory aspects of CRH operations. Refinancing activities were stalled until October 2019; since then CRH has issued five new bonds with maturities ranging 7 to 15 years bonds.

[www.crh-bonds.com/](http://www.crh-bonds.com/)



#### **HONG KONG: HONG KONG MORTGAGE CORPORATION (HKMC)**

HKMC was established in 1997 and is wholly owned by the Hong Kong Special Administrative Region Government through the Exchange Fund. Products include 100% personal loan guarantees, fixed-rate mortgages, mortgage insurance, reverse mortgages, policy reverse mortgages, SME financing guarantees, mortgage purchases, debt issuance, mortgage-backed securitization, infrastructure financing and securitizations.

[www.hkmc.com.hk/eng/](http://www.hkmc.com.hk/eng/)



#### **INDIA: NATIONAL HOUSING BANK (NHB)**

NHB was established in 1988 and is owned by the Reserve Bank of India. Products include mortgage refinancing, project loans and securitization.

[www.nhb.org.in/](http://www.nhb.org.in/)



#### **INDONESIA: SECONDARY MORTGAGE FACILITY (SMF)**

PT Sarana Multigriya Finansial (Persero) (SMF), Indonesia was established in 2005 and is wholly owned by the government. SMF's activities include facilitating securitization for mortgage lenders and providing a financing facility for mortgage lenders that is funded by debt issuance. New regulations now allow SMF to refinance housing mortgage loans, pre-sale mortgage loans, micro housing loans, construction loans, reverse mortgages and PPP loans. SMF is actively participating in the government's National Economic Recovery Program (NERP) for supporting COVID-19 recovery and is also establishing the first guarantee company in Indonesia.

<http://smf-indonesia.co.id/en>



#### **JAPAN: JAPAN HOUSING FINANCE AGENCY (JHF)**

JHFA was established in 2007 and is wholly owned by the Japanese government. It was founded to securitize support, develop housing loan insurance service and loan origination business. Products include securitization support, housing loan insurance service and loan origination businesses.

<https://www.jhf.go.jp/english/index.html>



#### **JORDAN: JORDAN MORTGAGE REFINANCING COMPANY (JMRC)**

JMRC is a public shareholding company established in 1996 based on the direction of the Government, with the cooperation of the World Bank and the support of the Central Bank of Jordan. JMRC provides mortgage refinancing and issues medium and long-term bonds in the local capital market.

[www.jmrc.com.jo/](http://www.jmrc.com.jo/)



#### **KAZAHKSTAN: KAZAKHSTAN MORTGAGE COMPANY (KMC)**

Kazakhstan Mortgage Company was established in 2000 and is 100% owned by the government through the “National Managing Holding “Baiterek”, JSC. KMC has transitioned to a single operator model and now also offers rent-to-own, construction support and construction guarantee products, subsidy programs as well as mortgage loans and refinance. The Company issues covered and unsecured bonds.

<https://kmc.kz/en>



#### **KENYA: KENYA MORTGAGE REFINANCE COMPANY (KMRC)**

KMRC was established in 2018. KMRC now has 21 shareholders including 8 banks, 1 microfinance bank, 11 SACCOs and 2 development finance institutions. The Government of Kenya through the National Treasury owns twenty (20) percent. KMRC received its license in September 2020 and will act as a whole-sale lender offering refinance for affordable housing loans as per the GoK’s Big Four Agenda. These loans will be funded through concessional funding obtained from International Development Partners. KMRC will also provide refinance for market rate housing loans which will be fully funded through the issuance of bonds in the capital markets.

[www.kmrc.co.ke](http://www.kmrc.co.ke)



#### **KOREA: KOREAN HOUSING FINANCE CORPORATION (KHFC)**

KHFC, established in 2004, is a state-run enterprise whose mandate is to improve public welfare and facilitate the development of the Korean economy by increasing the supply of housing finance. KHFC has wide-ranging housing finance operations including the supply of Bogeumjari Loan and Confirming Loan, the issuance of credit guarantees for housing finance, Home Pension (Reverse Mortgage), and the securitization of mortgage-backed claims and other instruments. In 2020, KHFC provided public mortgages of USD 39.1 billion, housing finance credit guarantees of USD 59.1 billion, reverse mortgage guarantees of USD 10 billion. KHFC issued MBS & Covered Bonds worth USD 42.4 billion & USD 1.8 billion, respectively. Through issuance of Social Bonds, KHFC purchased a total of USD 45.7 billion of mortgage loans for 414,412 cases in 2020, supporting homeownership of low-to-moderate income households.

<https://www.hf.go.kr/ehf/index.do>



### **KYRGYZSTAN: STATE MORTGAGE COMPANY (SMC)**

SMC was established in 2015 and is 100% owned by the government represented by the State Property Management Fund. The company's activities include the issuance of mortgage loans for ready-to-use housing and individual housing construction. In 2018, SMC did its first issue of mortgage-backed bonds. The company has also received debt financing from KfW. In 2020, SMC started a rent-to-own housing program and launched a subsidiary for contract savings schemes for housing. SMC has also created an e-portal for applications which has reduced the process from 1-3 months to 30 minutes at up to a 60% reduction in borrowers' costs.

<https://gik.kg/en/>



### **MALAYSIA: CAGAMAS BERHAD**

Cagamas Berhad (Cagamas), the National Mortgage Corporation of Malaysia, was established in 1986 to promote the broader spread of home ownership and growth of the secondary mortgage market in Malaysia. It issues corporate bonds and sukuk to finance the purchase of housing loans and receivables from financial institutions, selected corporations and the public sector. Cagamas offers both conventional and Shariah products including purchase with recourse of housing loans, commercial and industrial property loans, hire purchase and leasing debts and personal loans; purchase without recourse of housing loans and guarantees for mortgages and first time home buyers. Cagamas is the largest issuer of debt instruments in the Malaysian capital market and is also an active issuer of foreign currency bonds in international markets.

<https://www.cagamas.com.my/>



### **MEXICO: SOCIEDAD HIPOTECARIA FEDERAL (SHF)**

SHF was established in 2001 and is wholly owned by the governmental Mexican bank. SHF promotes the development of the primary and secondary housing markets through guarantees or various financial instruments for the construction, acquisition and improvement of housing. SHF's financial mechanisms include international funding - concessional loans and grants, intermediation of interest rate reductions and credit lines; and interest rate subsidies and technical assistance for developers which all leads citizens' ability to access to adequate sustainable homes at no additional cost. SHF's portfolio activities also promote low carbon market development, reduction in CO2 emissions and contribute to Mexico reaching its climate goals. Its ECOCASA program was accepted by the Climate Bond Initiative (CBI) in 2019 enabling SHF to issue green bonds backed by ECOCASA projects.

[www.gob.mx/shf](http://www.gob.mx/shf)



### **MONGOLIA: MONGOLIAN MORTGAGE CORPORATION (MIK)**

MIK was established in 2006 by the Bank of Mongolia and 10 commercial banks. The MIK group company consists of MIK Holding, Mongolian Mortgage Corporation (MIK) HFC and 25 Special Purpose Companies (SPC). MIK offers liquidity refinancing and securitizations. In 2013, the GOM's subsidized Affordable Housing Finance Program (AHFP) was established and comprises 74% of Mongolia's total mortgage loans; MIK's purchased mortgage loan portfolio is USD 1.25 bln including 81% of the AHFP loans. In 2021, MIK issued a 3-year USD 250 million bond in the international capital markets the proceeds of which were used to redeem its earlier 2019 bond and expand its purchase with recourse (PWR) business.

<http://www.mik.mn/en/>



### **NIGERIA: NIGERIA MORTGAGE REFINANCE COMPANY (NMRC)**

NMRC was incorporated in 2013 and obtained its license from the Central Bank of Nigeria in 2015. NMRC has 27 investors with the Ministry of Finance Incorporated (MoFI) and the Nigerian Sovereign Investment Authority (NSIA) holding 15.68% and 20.91%, respectively. Five commercial banks and 20 primary mortgage banks represent 11.11% and 52.30%, respectively. NMRC's Tier 2 Capital includes a Subordinated Loan of US\$ 168.13 Million from the World Bank loan to the Federal Republic of Nigeria for funding of the Housing Finance Programme. NMRC's products include mortgage refinancing, securities issuance and standardization. NMRC completed its N10 billion 7.2% Series 3 Fixed Rate Bond in November 2020. NMRC is establishing the first guarantee company: Nigeria Mortgage Guarantee Company and will own 25% of the company.

<http://nmrc.com.ng/>



### **PAKISTAN: PAKISTAN MORTGAGE REFINANCE COMPANY (PMRC)**

Pakistan Mortgage Refinance Company (PMRC) was set up as a Mortgage Liquidity Facility by the State Bank of Pakistan (SBP) to address the long-term funding constraints in the primary mortgage market. PMRC is owned by SBP and 10 other shareholders. PMRC provides conventional and shariah-compliant housing refinance and funding. PMRC is providing financing facilities for micro-housing loans targeted to low income groups. In 2020 PMRC launched a Credit Loss Guarantee scheme as Trustee for the Government of Pakistan. PMRC raised Rs. 1 Billion in 2020 through its first fixed rate bond offering.

<https://www.pmrc.com.pk>



### **PALESTINE: PALESTINE MORTGAGE AND HOUSING CORPORATION (PMHC)**

Palestine Mortgage and Housing Corporation was established in 1997 by an initiative from the Palestinian National Authority and a number of large Palestinian and International economic institutions that specialize in housing finance. PMHC refinances mortgage loans that are originated by its partner banks through its first subsidiary; Palestine Housing Finance Corporation, in addition the company insures against mortgage credit risk through its other subsidiary; Palestine Mortgage Insurance Fund.

[www.pmhc.com](http://www.pmhc.com)



### **PHILIPPINES: NATIONAL HOME MORTGAGE FINANCE CORPORATION (NHMFC)**

The National Home Mortgage Finance Corporation (NHMFC) was established in 1977 with the mandate of increasing the availability of affordable housing loans to finance the Filipino homebuyers. NHMFC buys mortgages originated by private financial institutions and issues mortgage-backed financial instruments. The Social Housing Finance Corporation, a subsidiary of NHMFC, purchases social housing loan receivables.

<http://www.nhmfc.gov.ph/>



### **RUSSIA: DOM. RF (FORMERLY AGENCY FOR HOUSING MORTGAGE LENDING)**

DOM.RF is an integrated housing development institution that was established by a decree of the Russian Federation's Government in 1997 to promote the implementation of housing policy. The company is 100% owned by the Russian Federation represented by the Federal Property Management Agency. DOM.RF takes an integrated approach to the development of housing construction and mortgage lending; its activities include creation of a mortgage and housing construction bank, development of the mortgage market and mortgage-backed securities, housing and mortgage markets research, development of the rental housing market and unlocking and enabling unused and inefficiently used federal land.

<https://xn--d1aqf.xn--plai/en/>



#### **SAUDI ARABIA: SAUDI REAL ESTATE REFINANCE COMPANY (SRC)**

SRC was established in 2017 and is owned by the Public Investment Fund (PIF) and licensed to operate in the secondary real estate market by the Saudi Arabian Monetary Authority (SAMA). SRC offers funding to lenders, who are banks and finance companies, to enable them to offer accessible home loans for homebuyers.

<https://www.srco.com.sa/>



#### **TANZANIA: TANZANIA MORTGAGE REFINANCE COMPANY (TMRC)**

TMRC was established in 2010 under the World Bank's Housing Finance Project and is regulated by the Bank of Tanzania (BoT). TMRC is a wholesale secondary market institution that provides long-term funding to financial institutions for the purposes of mortgage lending. TMRC is a private sector institution owned 17 shareholders including banks and non-bank institutions. TMRC began operations using funding from a World Bank loan and initially provided pre-finance as well as refinance. Afterwards, the company began issuing corporate bonds under a Medium Term Note Programme (MTN) and establishing credit line with other investors.

[www.tmrc.co.tz](http://www.tmrc.co.tz)



#### **UNITED STATES: FANNIE MAE**

Fannie Mae was established in 1938 as a government-sponsored enterprise and since 1968 has been a publicly traded company. Fannie Mae provides liquidity to the single-family market by purchasing and guaranteeing mortgage loans made by their lender customers and issuing debt securities and mortgage-backed securities (MBS) that attract global investors to finance U.S. housing. Fannie Mae is also active in providing financing to the multifamily property market by transforming multifamily loans into MBS.

[www.fanniemae.com](http://www.fanniemae.com)



#### **UNITED STATES: GINNIE MAE**

Ginnie Mae was established in 1968 and is a U.S. Federal Government-owned corporation within the Department of Housing and Urban Development (HUD). Ginnie Mae guarantees investors the timely payment of principal and interest on MBS backed by federally insured or guaranteed single family and multifamily loans — mainly loans insured by the Federal Housing Administration (FHA) or guaranteed by the Department of Veterans Affairs (VA). Ginnie Mae securities are the only MBS to carry the full faith and credit guaranty of the U.S. government.

[www.ginniemae.gov](http://www.ginniemae.gov)



### **UZBEKISTAN: UZBEKISTAN MORTGAGE REFINANCING COMPANY (UZMRC)**

UzMRC was established in 2019 by the Ministry of Finance in cooperation with ADB. The MOF owns 25% of UzMRC and 12 banks (8 state owned and 4 private banks) own 75% forming a capital size of UZS 100bln (ca. USD 10mln). In June 2020, UzMRC received its license from the Central Bank of Uzbekistan (CBU) and was included in the list of institutions regulated by the CBU. UzMRC started refinancing operations in October 2020 using a sovereign loan from ADB (USD 150mln) and closed the year with a loan portfolio of UZS 300bln (ca. USD 30mln) generated from seven banks. UzMRC plans to issue soum denominated corporate and mortgage bonds to further the development of local capital markets.

[www.uzmrc.uz](http://www.uzmrc.uz)



### **WAEMU: CAISSE REGIONALE DE REFINANCEMENT HYPOTHECAIRE (CRRH)**

CRRH was established in 2010, in Cotonou, by 29 commercial banks of the Union with BOAD. CRRH has operations in 8 countries, has issued 7 bonds and refinanced 34 banks. In 2017, CRRH began offering refinance for affordable housing loans utilizing \$70 million in credit lines from the World Bank and KfW. In 2020, CRRH has started providing refinance to MFIs using funding from the World Bank.

<http://crrhuemoa.org/>



# CHARTER OF THE INTERNATIONAL SECONDARY MORTGAGE MARKET ASSOCIATION

(NOTE THAT CHARTER IS IN THE PROCESS OF BEING UPDATED TO REFLECT NEW SECRETARIAT AND OTHER CHANGES)

## 1. Name of the Group

International Secondary Mortgage Market Association (ISMMA)

## 2. Objectives:

- a. Exchange of ideas, views and experiences with a view of promoting housing finance markets
- b. Advocacy on regulatory issues
- c. Capacity Building and mentoring support for newly established institutions

## 3. Membership:

Full membership will be open to all secondary mortgage market institutions that are involved in the securitization and/or refinancing of mortgages.

Observer membership will be open to selected institutions involved in activities related to the secondary mortgage markets including investment, capital markets, research, insurance, property development, etc.

## 4. Secretariat:

- a. The ISMMA secretariat will be housed in the World Bank (EMF-ECBC from July 1, 2022)

## 5. Structure:

The roles below will be on a 2-year rotational basis and will be nominated by members (based on a majority vote):

- a. Chair of the association
- b. Regional Focal Points
- c. Community Manager/Facilitator (preference is for this role to be staffed by chairing institution)

## 6. Key roles and responsibilities:

### Chair:

- Facilitates the articulation of a mission/vision for the association and provides high-level guidance to the regional focal points, manager and other members;

- Supports the continued development and engagement of the association to successfully deliver value to the membership;
- Provides advice and input into potential enhancements and recommends improvements over time; and
- Removes barriers and obstacles to productive contributions by the association.

**Regional Focal Points:**

- Acts as a regional contact for other members in the same geographical area, and is a visible, active member of the association's decision-making, activities, discussions and meetings, and projects;
- Raises issues and concerns regarding common regional needs and requirements;
- Follows up with other members in the region regarding any general information requests;
- Alerts members to any changes in conditions and requirements of the association, and;
- Identifies ways to enhance the association's effectiveness (i.e. recruits other relevant members in the region; communicates any possible changes to interaction processes, etc.).

**Manager/Facilitator:**

- Manages the technology platform where the interaction takes place and approves/moderates content;
- Manages membership and consults, connects, and engages members on an ongoing basis;
- Fosters and facilitates member interaction and activities, focusing on communications between and among members of the association;
- Creates and moderates virtual discussions; keeps discussions on topic; ensures that dissenting points of view are heard and understood; reconciles opposing points of view, and;
- Tracks key performance indicators (to be agreed) and monitors and reports on activity in the association (e.g. newsletter on members' activities)

**7. Funding:**

- There will be no member fees.
- Time resources will be required from designated focal points and the chair of the association.
- The World Bank will be responsible for initially incubating the association and will provide the funds for a "manager/facilitator" in the start-up phase.

**8. Communication Channel/Engagement Tool:**

- The association will leverage on existing World Bank's (EMF-ECBC from July 1, 2022) IT infrastructure using the external-facing social collaboration platform.
- The members will define the rules governing the use of the platform.

**9. Meetings:**

- There will be an annual face-to-face meeting – one hosted/coordinated by the current chair of the association and the other during the World Bank's biennial Global Housing Finance Conference.
- Additional ad-hoc (virtual) meetings/e-discussions to be proposed by members to discuss thematic issues of importance/relevance to their jurisdiction.



