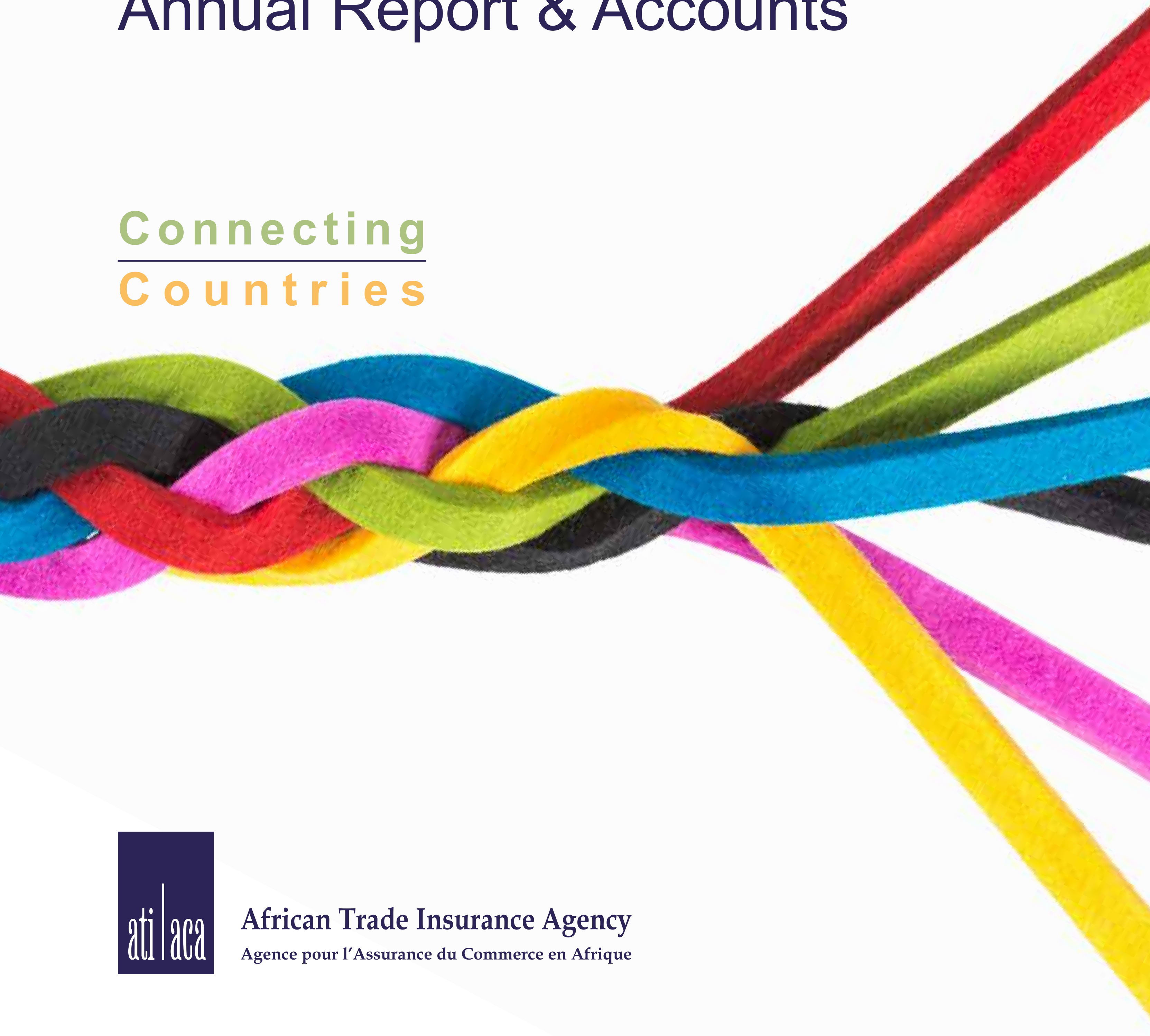
2015
Annual Report & Accounts

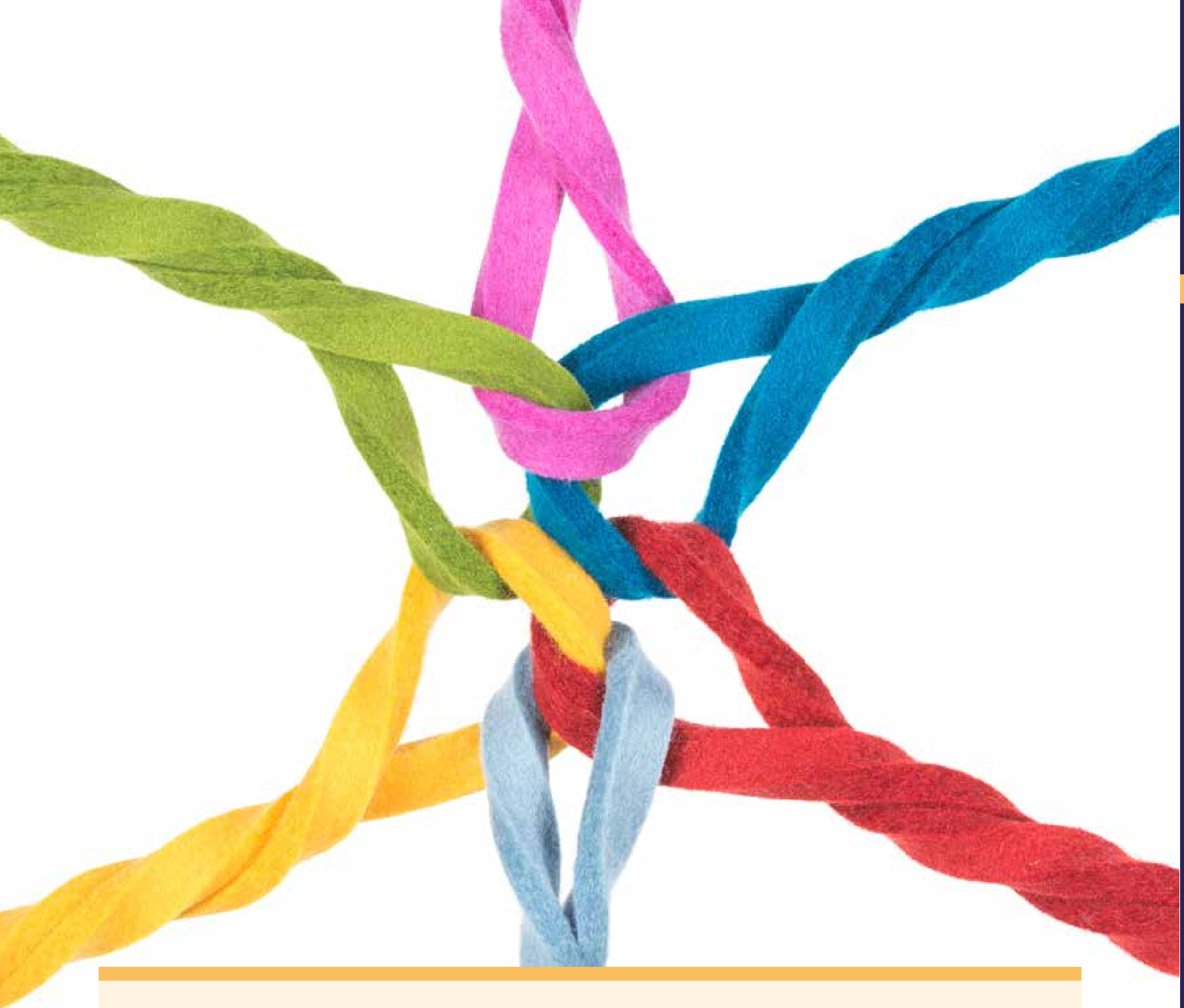
Connecting Countries



ati | aca

African Trade Insurance Agency

Agence pour l'Assurance du Commerce en Afrique



- Connecting African countries with the world
- Giving them the financial tools to cover their trade and investment risks
- Removing the hurdles to do business with each other and the world

CONTENTS

KEY DATA

Volume of Business Supported Since Inception
$21.5 billion **(+ 26%)**

Insured Trade & Investments (Gross Exposure)
$1.7 billion **(+ 34%)**

Gross Written Premium
$23 million **(+ 36%)**

Shareholders' Capital
$182.8 million **(+ 0.5%)**

Profit
$4.7 million **(+ 36%)**

Rating (S&P)
A/Stable **(8 consecutive years)**

MILESTONES

- DR Congo becomes first African country to give bank's capital relief on ATI-backed transactions
- The African Development Bank approves a total of $30 million for new and existing member countries to fund their capital contributions
- Atradius signs a Memorandum of Understanding with ATI
- The European Investment Bank begins implementation of the Technical Assistance grant, helping ATI become a centre of underwriting excellence in the energy sector
- With Board support, ATI revamps its risk management framework, leading to a more robust system that will accommodate expected growth

MESSAGE FROM THE CHAIRPERSON OF THE ANNUAL GENERAL ASSEMBLY

Connection is what should drive our African countries together. We have a shared history and almost all of us have a shared desire to see our continent thriving – economically and socially. In order to increase connection to each other we must first begin to tear down the walls that have separated us for far too long. These walls come in the form of trade barriers, border disputes, laws that serve to divide us and to keep our economies isolated. On the contrary, wonderful things could happen if we focused on our shared goals and on what brings us together.

We should use the current environment as an opportunity to correct course, and to change our approach to building the continent. Heavy reliance on primary commodities coupled with falling oil prices and a continued dependence on countries outside Africa ties our fortunes to an uncertain future, where we are not in control of our destiny. In truth, we already have much of what is needed to turn things around. We have resources. We have know-how. We have determination. The missing ingredient is how to appropriately channel these essentials.

It's time for us to wake up to what the world already knows - Africa is in demand. Foreign direct investment (FDI) in the continent is at a record $60 billion, five times its 2000 level. Intra-African investment is also increasing. Investors in Africa nearly tripled their share of FDI projects over the last decade, from 8 percent in 2003 to 22.8 percent in 2013. We have a lot to attract investors. A population of one billion potential consumers, who have attained the highest level of education than at any other time in our history, a healthy middle class, opportunities to invest in thriving sectors such as financial services, construction, energy and manufacturing – all of which account for 50 percent of Chinese FDI in Africa.

The world is taking advantage of the opportunities present in our economies. It's now our turn to do the same. We can start by building viable internal markets for our products. ATI provides us with a blue print of how to do this. They've created products that can fill in the gaps to help build trust. With ATI's support, non-payment and investment risks are taken out of the equation allowing us to conduct business on credit terms and to attract more investments. This approach, if adopted by all African countries, will help us compete on a global level.

ATI's support will ensure the success of regional initiatives such as the African Union's Comprehensive Free Trade Agreement and single air-transport market, both to be in effect by 2017. Understanding our value will be the first step in capitalizing on the opportunities that are present in our own neighbourhoods. This is where real development begins – at home, with the support of regional partners like ATI to help us attain the dream of a strong and sustainable Africa.

"The world is taking advantage of the opportunities present in our economies. It's now our turn to do the same. We can start by building viable internal markets for our products. ATI provides us with a blue print of how to do this.

The Honourable Christopher Mvunga
Deputy Minister of Finance, Zambia

MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS

The year 2015 was characterised by severe global challenges including a dramatic fall in commodity prices, in particular oil prices, weakening of global currencies, Chinese economic slowdown and its contagious effect on African countries that are dependent on commodity exports. A number of African economies including ATI member countries experienced significant deterioration in their macro-economic indicators, arising from these headwinds. There are however, strong indications that African economies will rally against the turbulence and navigate through the global downturn.

Against this backdrop, ATI continued to provide a much needed cushion to its member countries by supporting business in some of ATI's more challenging markets. To ensure continued support to these countries, we partnered with private lenders to provide adequate risk solutions that enabled continuity of trade and investment activities.

In terms of business performance, ATI continued to outperform its business expectations in 2015. The company surpassed all of its financial targets. Our remarkable performance in 2015 is also a demonstration of the key role that ATI is playing in helping member countries attract more investments and increase trade volumes.

Some of the milestones in 2015 include a 36% increase in Gross Written Premium and a 89% increase in ATI's Net Underwriting profit. These results were driven by increased business from commercial banks, off-shore companies, multilaterals, and international brokers. These statistics underscore a vital point – ATI is solidifying its international reputation and is also becoming an effective provider of risk solutions for trade and investment transactions within its member countries. This is indeed an important message as ATI progresses towards the recruitment of new member countries.

The African Development Bank's decision to fund the membership of two new countries- Côte d'Ivoire and Ethiopia, is an equally important signal to countries that have expressed interest in joining ATI. We will ramp up efforts to help these countries navigate through the process of completing membership requirements.

To support ATI in its efforts to expand into the future, the Board Risk Committee undertook a full reassessment of the underwriting risk framework in order to better respond to market needs and to enable ATI to grow prudently. This exercise is in keeping with ATI's overall credit appetite and the increasing demand for its diversified product portfolio.

In the coming year, as governments of ATI member countries implement measures to dampen the impact of the global economic slowdown and slow recovery of commodities, ATI will continue to stand with individual member countries in providing support to both private and sovereign entities where there is low capacity and limited risk appetite. This will ensure that investment flows are maintained in the difficult environment. The global economy remains highly vulnerable and the forecast for 2016 has been lowered to 3.4% from earlier projections of 3.6%.

As 2016 unfolds, there is no doubt that ATI will have many more successes, but also challenges. Our commitment is to rise to these challenges and to continue delivering on our mandate to support businesses and the economic development process in our member countries.

> "The African Development Bank's decision to fund the membership of two new countries - Côte d'Ivoire and Ethiopia, is an equally important signal to countries that have expressed interest in joining ATI.

Israel L. Kamuzora
Chairman of the Board of Directors

MESSAGE FROM THE CEO

Vision is the word that best summarises our efforts in 2015. Why? This was the year that we could see a visible change in direction. In the last five years we've been moving at breakneck speed and accomplishing a lot. In this period, we secured several international awards and new institutional members - all while maintaining our investment grade 'A' rating from Standard & Poor's.

Like a large ship, all of our efforts culminated into moving ATI into new frontiers. These accomplishments have helped us gain the attention of international partners and the respect of our stakeholders, who have in turn, influenced our vision. It is at this juncture that we consciously took the decision to take a step back to deliberately pause and ask the important questions about who we are and where we are going. It is an important moment in our history so we need to take the time to get it right.

ATI is currently sitting at a cross roads. Here we have the opportunity to reinvent ourselves. In this space we are on the verge of creating a center of underwriting excellence in the energy sector, of becoming the first stop for investors in Africa, of becoming the information source and risk mitigator of choice for anyone doing business on the continent.

To enable us to more equitably spread our risks geographically, we will continue membership expansion into ECOWAS as we welcome Côte d'Ivoire, which is expected to become the second member of the block to join ATI in 2016. We also intend to continue along the profitability path in order to achieve an attractive return on investment for our shareholders.

In the same vein, we will continue to research and introduce new products in order to satisfy the needs of our clients.

As ATI's star continues to rise, we will, in the coming year, reassess our corporate strategy in order to better capitalise on the numerous opportunities in our midst and to enable us to face future challenges. This exercise will also ensure that we build a strong foundation for the road ahead.

And as always, as we embark on this new journey, our key consideration will continue to be our clients and other stakeholders. Understanding their needs and how to fulfill them will be at the core of our strategy. If it means undoing what we've already done, we will do it. If it means rewriting the way we do things, we will do it. Our primary focus will be to create a memorable experience for our clients – one that supports their objectives.

This process should help us reconnect and realign ourselves with what is important. Here, one of the most significant priorities will continue to be building stronger relationships with our member governments to ensure they have a full grasp of our mandate and their responsibility as a partner as outlined in the participation agreement.

Without these links, ATI would be rudderless and unable to perform its mandate – quite simply, member countries are the reason for our existence. With this crucial fact in mind, the strengthening of these relationships will drive the vision of a new and more responsive organisation.

"...our key consideration will continue to be our clients. If it means rewriting the way we do things, we will do it. Our primary focus will be to create a memorable experience... that supports their objectives.

George Otieno
Chief Executive Officer

PARTNERSHIPS & ACTIVITIES

2015 Outreach Initiatives

> International and local banks continue to be a focus of targeted initiatives.

STEPPED-UP MARKETING

DR CONGO

The DR Congo became the first African country to announce 50% capital relief for banks on any transaction secured with credit risk insurance from ATI.

KENYA

ATI partnered with NIC Bank in an event targeted to SMEs. ATI also partnered with several other mid to top-tier banks to announce their participation in ATI's portfolio cover, which also targets SMEs.

MALAWI

Mishek Esau, President of the Bankers Association of Malawi announces, during a workshop for Bankers in Lilongwe, that banks can benefit from capital relief on ATI's transactions.

PARTNERSHIPS & ACTIVITIES
2015 Outreach Initiatives

> We are building capacity and awareness around the benefits of risk mitigation products to create more competitive economies.

ATI-LED TRAINING

AFRICAN AMBASSADORS

African Ambassadors to Kenya received a presentation on ATI and its benefits. The session was designed to help in membership efforts while strengthening relationships with existing member countries.

BERNE UNION

Abbey Sturrock from the Berne Union Secretariat presents during a pilot workshop to inform banks of the tools available from multilateral financial institutions, export credit agencies and the IFC.

EUROMONEY TRAINING

ATI, in partnership with Euromoney, delivered training to participants from across Africa on trade credit and political risk management.

LLOYDS OF LONDON UNDERWRITERS

Underwriters from the London-based Lloyds insurance market visited Nairobi to take part in a two-day meeting and training session on ATI's products and country risk assessments.

PARTNERSHIPS & ACTIVITIES
2015 Outreach Initiatives

> African Development Bank gives a $22.5 million soft loan to Côte d'Ivoire and Ethiopia, funding their membership to ATI.

PRIMED FOR MEMBERSHIP

ETHIOPIA
Semere Tesfaye, Ministry of Finance, addresses a workshop held in Addis to inform the business community about the benefits of Ethiopia's membership.

ECOWAS
The Project Implementation Committee comprised of representatives from ECOWAS, ATI and technical experts met in Nairobi to chart the way forward for members of the West African bloc to formally join into membership of ATI.

SWAZILAND
ATI's team pictured with H.E. Barnabas Sibusiso Dlamini, Prime Minister of Swaziland and his colleagues following a presentation to Parliament.

PARTNERSHIPS & ACTIVITIES
2015 Outreach Initiatives

> The Annual General Meeting featured keynote H.E. William Ruto, attracting prospective member countries and heads of the business community.

ATI'S ANNUAL GENERAL MEETING

KENYA
H.E. William Ruto, Deputy President of Kenya (pictured 3rd from left) commented on the importance of ATI helping African economies realise their full potential.

AN INTERVIEW WITH THE CHIEF UNDERWRITING OFFICER

Creating a center of excellence within Africa's energy sector

In 2015, the ATI underwriting team continued to surpass its targets while remaining flexible and responsive to clients. Hitting record profits, the team has grown into a well-oiled machine under the leadership of Jef Vincent. Since he started in 2011, ATI has shifted its business model to include a more balanced political and commercial risk portfolio and to implement a risk strategy that is better aligned to the company's growth strategy. We sat down for a discussion with the man at the business helm of ATI to find out where the drivers for business growth were in 2015.

First, let's discuss the impressive top and bottom line figures generated this year (36% increase in gross written premium and 36% increase in profits). What was behind this growth and what trends can you identify that may contribute to the company's future business growth?

We have three types of policies. First, there are one-off deals that are not renewed. Loans and contract bonds are typical examples. Then we have multi-year policies and transactions that can be renewed annually. Finally, we have policies that "auto-renew" unless one of the parties decides to terminate. This is the case for whole turnover policies where we insure a company's entire receivables portfolio.

The latter two types of policies provide an opportunity to build a more stable portfolio that can be renewed each year. These policies have been growing quite dramatically in the last few years. For instance, in 2015, only one third of our income came from new business, the rest came from repeat business from 2014. This is a very sustainable business model that protects ATI against excessive volatility.

We have also improved our visibility and credibility over the years. As we've matured, we now have a solid history of paying claims while remaining profitable and retaining our rating. And another important aspect is our team of professionals, who deliver what they promise, and who understand the risks but also help to find solutions to clients' challenges. These elements have helped us develop a reputation for setting the standards for risk mitigation in the marketplace.

Due to stepped-up marketing and a ready-base of clients, ATI's business is increasingly driven by commercial banks and multilaterals. How has this impacted the business?

The impact of the increased share of commercial and multilateral banks is visible. We see it clearly in the spike of transactions in the last month of each quarter and even more in the last quarter of the year. Banks prepare their balance sheets to be reviewed by their regulators and rating agencies so they find our insurance products to be a more efficient and cost-effective way to reduce risk and concentration of risk, than, let's say, down-selling part of their loan portfolio.

Working with banks has given us an added business advantage. We are becoming

> "The energy sector is fascinating. I believe the capital is there but the greater challenge is overcoming the hurdles to launch an energy project.
>
> **Jef Vincent**
> Chief Underwriting Officer

AN INTERVIEW WITH THE CHIEF UNDERWRITING OFFICER

even more flexible. For example, we've had to adapt our policy wording and we work closely with banks that want to obtain capital relief for transactions that are insured by ATI to ensure they comply with the Basel regulations. It's a learning experience for us, but so far we've always found solutions that are acceptable to all parties.

One of your main accomplishments has been the expansion of ATI's trade credit business. Speak to us about this line and its prospects not just for ATI but also for the continent's growth.

In 2015, over 40% of our net exposure was on commercial risk insurance, compared to 20% five years ago. Most of this business is trade credit. The main driver to develop this product came from our member countries, through the Board of Directors, and other stakeholders.

They see increased access to credit as a key driver for African economies and credit insurance is one of the ways to encourage banks and suppliers to give credit. In response, we adjusted our existing products to better align them with the needs and the unique features of the African market.

One of the needs we addressed in our markets is how to better serve small and medium-sized (SME) clients. Here, we developed new products to insure local banks on their smaller transactions such as loans, letters of credit, guarantees and contract bonds without significantly increasing the workload. We've also supported the development of factoring and invoice discounting because, with our range of products, this is one of the few tools that we have to support SMEs. Over the last three years, banks and stand-alone companies have adopted this product, which I believe will continue to grow exponentially.

For ATI, this focus has practical implications. Credit risk transactions require greater resources with smaller returns and a higher likelihood of claims payments - to be successful, a company needs to be committed for the long term. For instance, the number of active credit limits has increased to nearly 1,000 compared to just 100 five years ago. The credit assessment and the management of the existing exposure now requires more time. This has meant an increased work load for our credit team.

But despite these challenges, this business allows us to create greater impact by reaching more companies while helping us build a reputation as a responsive and reliable insurer.

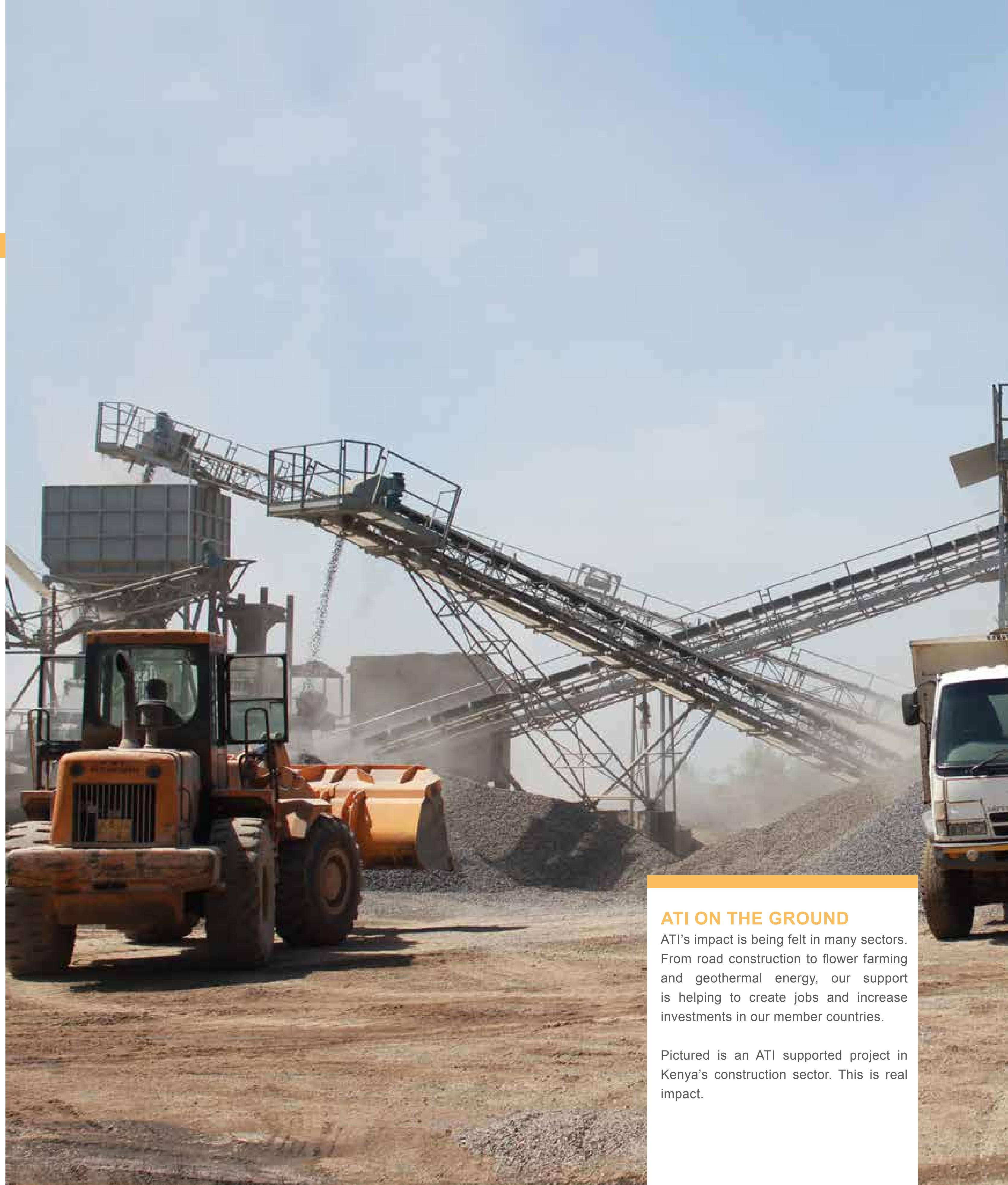
Increasingly ATI is positioning itself as a center of excellence in not just African risk but also in the energy sector. What is the outlook in this sector for business development and what is ATI's strategy?

The energy sector is fascinating. On one side, the needs are vast and on the other, the required capital investment is equally important. I believe the capital is there but the greater challenge is overcoming the hurdles to launch an energy project. Other obstacles include lack of coordination between government agents that are involved in power generation, transmission and distribution; the creditworthiness of many government controlled off-takers, the management of environmental and social impact issues and corporate governance. As a result, many projects fail, or they suffer significant delays that affect their financial feasibility.

This is very different from insuring a bank loan to a Ministry of Finance. In order for ATI to move to where it wants to be as an enabler of energy projects, we are in the process of gaining knowledge and expertise in the sector.

Fortunately we've received strong support from the European Investment Bank in the form of a grant that is helping us develop competence in this field. In the last two years, we've been learning "on the job" and have become more confident enabling us to insure big projects such as the Lake Turkana Wind Farm and others.

The next phase of our development is ongoing as we continue to develop strategic partnerships with development finance institutions (DFIs), think tanks, insurers and reinsurers that are active in the field. With the current momentum, I believe we can become a centre of expertise.



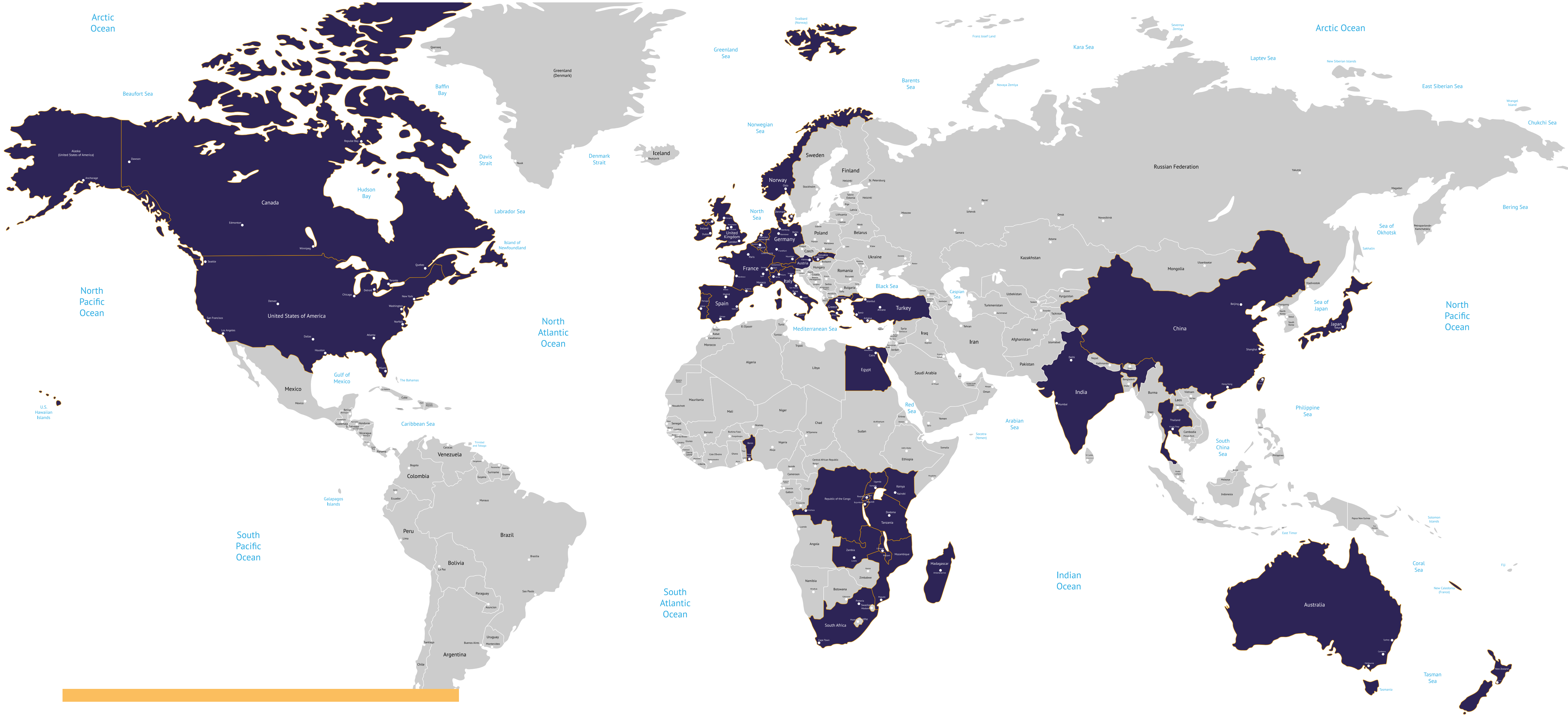
ATI ON THE GROUND

ATI's impact is being felt in many sectors. From road construction to flower farming and geothermal energy, our support is helping to create jobs and increase investments in our member countries.

Pictured is an ATI supported project in Kenya's construction sector. This is real impact.

ATI'S IMPACT

ATI'S IMPACT



We continued spreading our wings in 2015 increasing coverage in more countries globally. To date our products have impacted companies and investors in nearly every continent.

ATI SET TO PLAY A KEY ROLE IN TRANSFORMING ENERGY ACCESS IN AFRICA

The energy deficit in sub-Saharan Africa is preventing the continent from reaching its full potential. Currently, two thirds of the population, or 600 million people, lack access to electricity and 730 million rely on harmful solid fuels. The economic impact is also being felt. Over 30 African countries experience power shortages and service interruptions, which translates into lost sales and damaged equipment amounting to an average of 6 per cent of turnover for formal enterprises, and 16 per cent for informal enterprises and as much as four percentage points cut from annual per capita GDP growth rates.

The solution seems clear – provide clean energy options and increase access to more people. But there are many obstacles to achieving this goal. In an effort to support its member countries in this critical area, ATI, along with the several partners including the European Investment Bank (EIB) and the African Development Bank, is at the centre of initiatives that aim to increase the success of sustainable energy projects in Africa. These projects are expected to roll out in the next one to two years.

A SELECTION OF PROJECTS SUPPORTED IN 2015

Risk Country	Project	Investor Country	Transaction Value ($M)	Sector & Product	Priority Area
Benin	Supply of fertilizer to the government	South Africa	6.5	Agriculture & Agri-Food Political Risk	Investment
	Imports of rice	Switzerland	0.5	Agriculture & Agri-Food Credit Risk	Trade
Burundi	Cover on physical infrastructure	Kenya & the UK	1.6	Financial Services Reinsurance - Political Violence, Terrorism & Sabotage	Investment
DR Congo	A pre-export finance facility for the extraction of copper cathodes	The UK	110.0	Extractives Credit Risk	Investment
	Counter guarantee on advance payment & performance bonds	DR Congo	1.6	Infrastructure (Roads & Bridges) Credit Risk	Trade
Kenya	An invoice discounting facility to help hospitals import & maintain medical equipment	South Africa	78.0	Services (Healthcare & Medical) Political Risk	Investment
Kenya & Zambia	The supply of steel & other construction inputs	Kenya	48.5	Engineering & Construction Credit Risk	Trade
Madagascar	A supply contract for manufacturing equipment	Italy	2.5	Agriculture & Agri-Food Reinsurance – Credit Risk	Investment
	The supply, installation & commissioning of digital microwave radios	Japan & South Africa	2.1	Telecommunications & Computing Credit Risk	Trade
Malawi	A loan to construct a shopping mall	Multilateral	5.0	Engineering & Construction Political Risk	Investment
	A credit facility to harvest a crop vital to Malawi's exports	Malawi	110.0	Agriculture & Agri-Food Credit Risk	Trade

A SELECTION OF PROJECTS SUPPORTED IN 2015

Risk Country	Project	Investor Country	Transaction Value ($M)	Sector & Product	Priority Area
Rwanda	Construction of residential units	Multilateral	6.6	Engineering & Construction Credit Risk	Investment
	Development of a national 4G/LTE wireless network	South Korea	65.0	Telecommunications & Computing Political Risk	Trade
Tanzania	Credit facility for SME and micro enterprises	Multilateral	20.0	Financial Services Credit Risk	Investment
Tanzania (& Kenya)	Supply of chemicals for the plastics industry	Kenya	13.0	Manufacturing Credit Risk	Trade
Uganda	A facility for bond guarantees & indemnities	Uganda	3.5	Engineering & Construction Credit Risk	Investment
	A bid guarantee facility to support tenders of drugs & medical supplies	Uganda	0.3	Services (Healthcare & Medical) Credit Risk	Trade
Zambia	Discounting of interim payment certificates for road construction contracts	Zambia	50.5	Infrastructure Political Risk	Investment
	Revolving short term loan facility for the purchase of agricultural produce	Zambia	4.0	Agriculture & Agri-Food Credit Risk	Trade

MANAGEMENT'S REPORT

From left to right

Toavina Ramamonjiarisoa, Chief Financial Officer
Toavina was appointed CFO in 2011 and manages ATI's investments and financial activities.

Joseph (Jef) Vincent, Chief Underwriting Officer
Jef was appointed in 2011 with the key responsibility of growing ATI's business.

Cyprien Sakubu, Chief Investor Relations Manager
Cyprien was appointed in 2002 as the principal liaison to the Board of Directors and Investors with a mandate to increase membership.

George Otieno, Chief Executive Officer
George was appointed in 2010 to lead ATI's expansion strategy and to manage the company's operations.

"In five years we've built an impressive track record. We've doubled our business volume, created a positive claims payment trend and moved from a loss making to a profitable position.

MANAGEMENT'S REPORT

KEY EVENTS

- Growth accompanied by rigorous cost controls
- Solid performance of commercial risk products underscored demand from the financial sector
- Investment income continues to perform well
- Record number of claims posted and paid

In 2015, we continued to write a story that is based on growth and building a strong reputation in the industry. One of our objectives has been to operate at a global level, where we are able to compete and to partner with international industry players.

We are in a stable position where our expenses and losses are well-balanced against our net premium income, resulting in a substantially reduced combined ratio. This is due to two main factors:

1. **Rapid Business Development**
   In the last five years, ATI has doubled the size of its business portfolio from $10 million in 2011 to $23 million in 2015. This result stems from increased marketing, re-designing our products to meet market demand, focusing on the needs of banks and partnering with them to impact more companies – they now represent a majority of our client base - and a conscious effort to be more responsive to our clients.

2. **Effective Cost Control**
   We have tried to strike a balance between controlling expenses while approving expenses aimed at critical areas of marketing and market expansion. Rigorous cost control measures yielded an improvement in ATI's cost ratio from 142% in 2011 to 50% in 2015.

In addition to this, we've seen a gradual increase in ATI's financial income. Despite a historically low interes rate environment, ATI increased its net financial income by 145% in the last five years. Other factors that contributed to increasing ATI's bottom line included the implementation of a new surplus reinsurance treaty.

We also continued to consolidate our reputation in the industry by building a steady claims payment history. Much like other companies, our claims payment dovetails our business growth. And as we continue to develop expertise in the area of sustainable energy and as our commercial risk portfolio grows, we fully anticipate this trajectory to continue increasing. With other fundamentals in place, such as effective cost controls, risk management guidelines, a strong capital position, a strategy to penetrate other African countries, we are confident in our ability to continue meeting our payment obligations.

MANAGEMENT'S REPORT

KEY ACHIEVEMENTS

NET RESULT (MILLIONS OF US$)

In 2015, a 36% increase in net profit reflects an ongoing trend of improved profitability.

NET UNDERWRITING RESULT (MILLIONS OF US$)

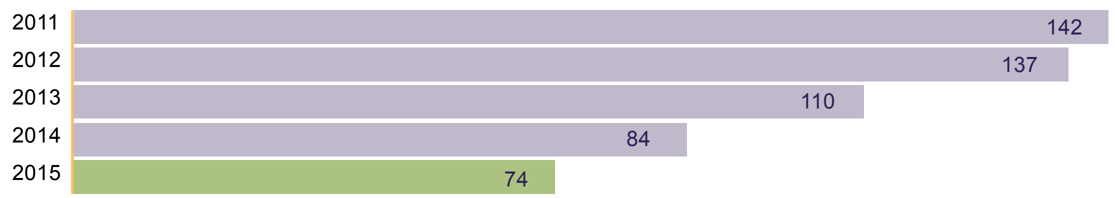
Rapid growth is a result of an expanding portfolio, which has doubled in the last five years.

MANAGEMENT'S REPORT

NET EARNED PREMIUM (MILLIONS OF US$)

Growth is underscored by a 63% jump in uptake by commercial banks.

COMBINED RATIO ON NET EARNED PREMIUM (%)



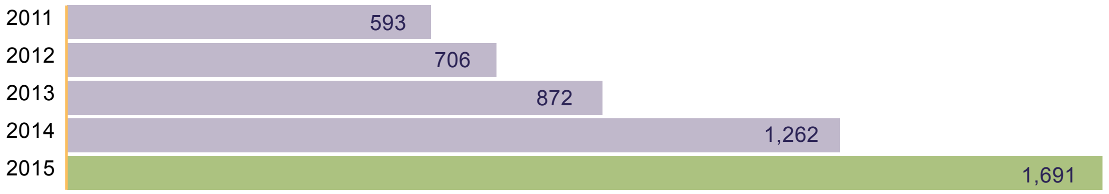
Since 2014, ATI's combined ratio has been on par or better than the world's largest credit insurers.

NET CLAIMS PAID (MILLIONS OF US$)

Our strategy is to strengthen relationships with government partners to ensure a satisfactory outcome in a claims situation.

MANAGEMENT'S REPORT

GROSS EXPOSURE (MILLIONS OF US$)



With $1.7 billion in commitments, ATI continues to be a strong partner for our member countries and international clients.

EQUITY GROWTH (MILLIONS OF US$)

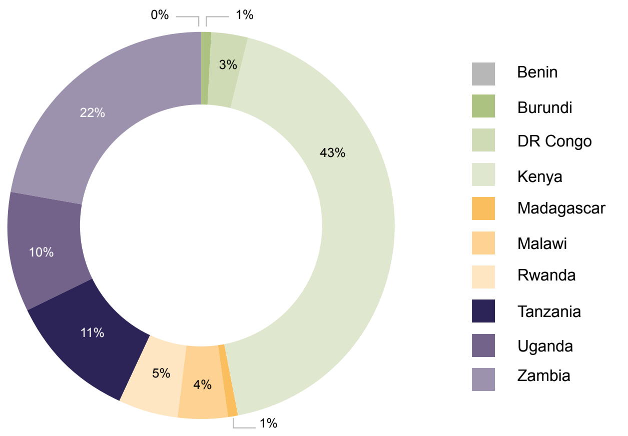
New financing agreements secured in 2015 are expected to yield a sizeable increase in equity in 2016 – securing ATI's growth trend.

MANAGEMENT'S REPORT

BUSINESS PORTFOLIO

In 2015, we improved our risk management framework and it's already seeing results – a more balanced distribution of business across our member countries and an ability to retain more good risks.

2014 PORTFOLIO PERFORMANCE BY COUNTRY (GWP) (%)



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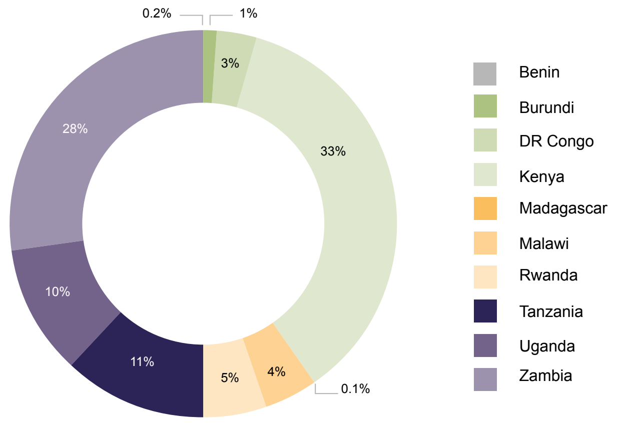
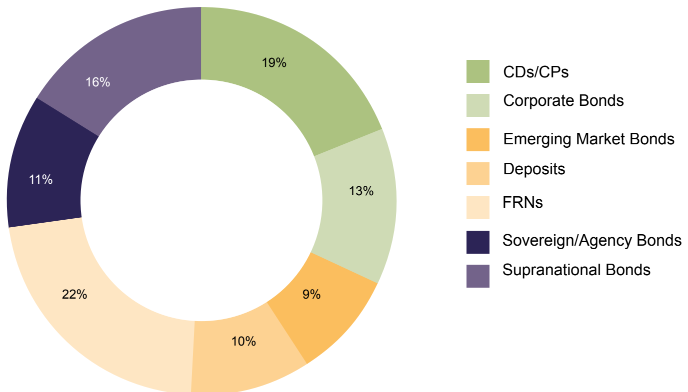


INVESTMENT PORTFOLIO

Our investment portfolio continues to perform robustly. In the midst of a challenging USD fixed income market – we recorded a 14% increase in our net investment income.

2014 DISTRIBUTION OF THE INVESTMENT PORTFOLIO (%)



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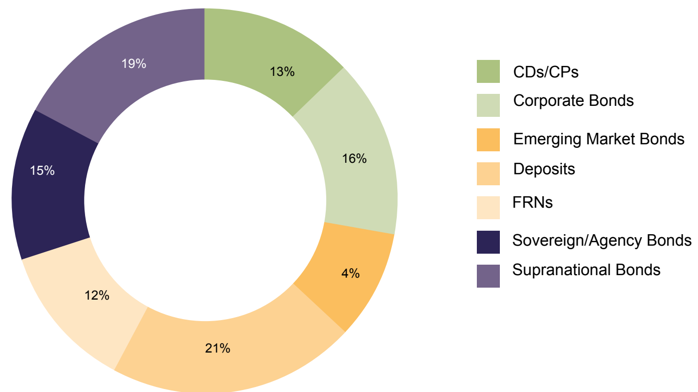

MANAGEMENT'S REPORT

STRATEGY & OUTLOOK

This year we maintained a growth trajectory that now extends to the last five years. This continued strong performance gave us some room to begin the process of revising our five year corporate strategy. We expect this exercise to give us an opportunity to explore new business development prospects while also rethinking our positioning in the market.

With several initiatives in the pipeline anticipated to start in 2016, it is crucial for us to decide on a larger strategy in order to fully capitalise on these prospects. In the energy sector, for instance, we are poised to become a center of expertise in energy underwriting for projects in Africa. This will have implications on how we utilise our resources and on how we position ourselves in the market. For now, our focus remains building the capacity of our technical staff to enable them to underwrite higher volumes of transactions within the energy sector.

Another important development in 2015 should give a significant boost to our membership expansion efforts while also fueling our strategy discussions. The African Development Bank formally committed to provide a $30 million soft loan to increase Benin's subscription and to fund the membership of two new countries – Côte d'Ivoire and Ethiopia, which are expected to become full members in 2016. This development will have a positive impact on ATI's capital base. Once the ECOWAS initiative to bring more West African countries into membership begins to gather momentum, the company will need to carefully consider representation in West Africa.

Along with regional expansion, ATI also plans to focus on building stronger relationships with member country governments. These links are an important aspect of resolving potential claims and ensuring that ATI continues to meet the expectations of its shareholders.

"This continued strong performance gave us room to begin the process of revising our strategy.

FINANCIAL STATEMENTS 2015

DIRECTORS' REPORT

The Directors submit their report and the audited financial statements for the year ended 31 December, 2015, which disclose the state of affairs of the African Trade Insurance Agency (ATI).

PRINCIPAL ACTIVITY

Pursuant to its objectives, ATI's main activities in 2015 were:

- Political Risk Insurance;
- Credit Risk Insurance;
- Bonds; and,
- Political Violence and Terrorism & Sabotage Insurance

RESULTS FOR THE YEAR

The results for the year are set out in the statement of profit or loss and other comprehensive income on page 36. The Directors recommend to transfer the profit for the year of US$4.7M (2014 – Profit of US$3.4M) to the revenue reserve, as a credit against accumulated deficit. The Directors do not recommend any distribution of income to members (2014 – Nil).

AUDITORS

The auditors, Deloitte & Touche, were appointed at the Annual General Meeting held on 19th May, 2010, for a period of three years. The Annual General Meeting held on 15th May, 2013, renewed their appointment for another period of three years. Deloitte & Touche retire from office at the conclusion of the next Annual General meeting in line with rotation requirements of ATI.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The ATI Treaty requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of ATI as at the end of the financial year and its operating results for that year. It also requires the Directors to ensure that ATI keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of ATI. They are also responsible for safeguarding ATI's assets.

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the ATI Treaty, and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with International Financial Reporting Standards and in the manner required by the ATI Treaty. The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of ATI and of its operating results.

The Directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that ATI will not remain a going concern for at least the next twelve months from the date of this statement.

By Order of the Board of Directors

Israel L. Kamuzora
Chairman of the Board of Directors

Sindiso Ngwenya
Director

Nairobi
6 June, 2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AFRICAN TRADE INSURANCE AGENCY ON THE SECURITY TRUST ACCOUNTS AND INCOME ACCOUNTS

Introduction

Under the various Development Credit Agreements and the Agreements Providing for the Amendment and Restatement of these Development Credits between ATI and the International Development Association (IDA) and each of the African Member States participating in the Regional Trade Facilitation Project (RTFP), and the Participation Agreements and the Agreements providing for the Amendment and Restatement of the Participation Agreements between ATI and each of the African Member States, ATI is required to open and maintain, with a reputable commercial bank or banks (Security Trust Account Trustees), US Dollar-denominated Security Trust Accounts and Income Accounts on behalf of each African Member State.

Pursuant to requests from ATI on behalf of each African Member State, IDA disbursed each African Member State's credit into their respective Security Trust Account. Interest earned by the funds deposited in the Security Trust Accounts was deposited in a separate Income Account for each African Member State and made available for use by ATI. Except for Madagascar, the legal and capital restructuring for all the other African member states has been completed and the amounts in the Security Trust account transferred to ATI bank accounts.

The funds in the Security Trust Accounts provided ATI with the underwriting capital needed to underwrite political and commercial risk insurance, including co-insurance and re-insurance.

In line with ATI's legal and capital restructuring programme, funds held in the Security Trust Accounts on behalf of countries that met the requirements of the Agreements providing for the Amendment and Restatement of the Development Credit Agreements between IDA and each African Member State, have been fully exchanged for shares in ATI's common equity capital. The funds remaining in the Security Trust Accounts are those relating to Madagascar.

Management's Responsibilities

Management is responsible for ensuring that the Security Trust Accounts and Income Accounts are operated in accordance with the following:

- The ATI Treaty;
- The Agreement Providing for the Amendment and Restatement of the Project Agreements (ATI/IDA Amended and Restated Project Agreement);
- The Agreement Providing for the Amendment and Restatement of the Development Credit Agreement between ATI and IDA (ATI/IDA Amended and Restated Development Credit Agreement);
- The Agreements Providing for the Amendment and Restatement of the Development Credit Agreements between IDA and each African Member State (IDA/African Member States' Amended and Restated Development Credit Agreements);
- The Agreements Providing for the Amendment and Restatement of the Participation Agreements between each African Member State and ATI (ATI/African Member States' Amended and Restated Participation Agreements);
- The Agreement to Amend and Partially Terminate the Security Trust Account Agreement between ATI, the Security Trust Account Trustees and the Insurers, and;
- The Agreement to Amend and Partially Terminate the Insurance Facility Agreement between ATI and the Insurers.

Management is also responsible for such internal controls as management determines to be necessary to ensure that the activities of the Security Trust Accounts and Income Accounts are free from material misstatement, whether due to fraud or error.

Auditors' Responsibilities

We are required, as auditors of ATI, to provide an opinion on the degree of compliance of the operation of the Security Trust Accounts and Income Accounts with the terms of the agreements listed under management responsibilities above, during the year ended 31 December, 2015.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AFRICAN TRADE INSURANCE AGENCY ON THE SECURITY TRUST ACCOUNTS AND INCOME ACCOUNTS

We conducted our audit in accordance with International Standards of Auditing. These standards require that we comply with ethical requirements and plan and perform our audit to obtain reasonable assurance on the compliance of the operation of the Security Trust Accounts and Income Accounts with the agreements listed above.

Our audit included examining, on a test basis, transactions relating to the operation of the Security Trust Accounts and Income Accounts during the period 1 January to 31 December, 2015.

Audit Findings

The balances in the Security Trust Accounts as at 31 December, 2015 represented the following:

- Principal inclusive of accrued interest of US$919,000 (2014 - US$463,000), disclosed in note 13 to the financial statements, relating to the amount held pending completion of the legal and capital restructuring by Madagascar after which the amount in the Security Trust account will be transferred to ATI's account.

Opinion

In our opinion, the Security Trust Accounts and Income Accounts have, in all material respects, been operated in accordance with the terms of the ATI Treaty, the ATI/IDA Amended and Restated Project Agreement, the ATI/IDA Amended and Restated Development Credit Agreement, the IDA/African Member States' Amended and Restated Development Credit Agreements, the ATI/African Member States' Amended and Restated Participation Agreements, the Agreement to Amend and Partially Terminate the Security Trust Account Agreement between the African Trade Insurance Agency and Security Trust Account Trustees and the Insurers, and the Agreement to Amend and Partially Terminate the Insurance Facility Agreement between ATI and the Insurers.

The engagement partner responsible for the audit resulting in this independent auditors' report is FCPA J W Wangai P/No 1118.

Deloitte & Touche
Certified Public Accountants (Kenya)
6 June, 2016
Nairobi

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE AFRICAN TRADE INSURANCE AGENCY ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the African Trade Insurance Agency (ATI), set out on pages 36 to 69 which comprise ATI's statement of financial position as at 31 December, 2015, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Directors' Responsibility for the Financial Statements

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the ATI Treaty, and for such internal controls as Directors determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal controls relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the state of financial affairs of ATI as at 31 December, 2015 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

The engagement partner responsible for the audit resulting in this independent auditors' report is FCPA J W Wangai P/No 1118.

Deloitte & Touche
Certified Public Accountants (Kenya)
6 June, 2016
Nairobi

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER, 2015

		2015			2014		
(in thousands of US$)	Notes	Gross	Ceded	Net	Gross	Ceded	Net
Written Premiums		23,256	(13,094)	10,162	17,131	(9,202)	7,929
Change in Unearned Premiums		(4,085)	2,594	(1,491)	(2,457)	2,118	(339)
Earned Premiums		**19,171**	**(10,500)**	**8,671**	**14,674**	**(7,084)**	**7,590**
Commissions		(753)	3,359	2,606	(708)	2,049	1,341
Change in Unearned Commissions		155	(770)	(615)	9	(376)	(367)
Earned Commissions		**(598)**	**2,589**	**1,991**	**(699)**	**1,673**	**974**
Claims Paid		(8,707)	30	(8,677)	(6,526)	9	(6,517)
Change in Incurred Claims		(4,924)	101	(4,823)	(15)	21	6
Recoveries & Outstanding Recoveries		(752)	-	(752)	5,664	-	5,664
Change in Provision for Recoveries		12,844	-	12,844	(823)	-	(823)
Change in Other Reserves		(1,529)	889	(640)	(1,240)	760	(480)
Claims Net of Recoveries	**6**	**(3,068)**	**1,020**	**(2,048)**	**(2,940)**	**790**	**(2,150)**
Underwriting Profit before Operating Expenses		**15,505**	**(6,891)**	**8,614**	**11,035**	**(4,621)**	**6,414**
Net Other Income	7			188			103
Operating Expenses	8			(6,517)			(5,306)
Underwriting Profit after Operating Expenses				**2,285**			**1,211**
Interest Income	9			3,042			2,671
Interest Expenses	10			(83)			(92)
Foreign Exchange Losses	11			(192)			(32)
Realised Gains on Disposal of Bonds				34			41
Asset Management Fees				(423)			(360)
Net Financial Income				**2,378**			**2,228**
PROFIT FOR THE YEAR				4,663			3,439
OTHER COMPREHENSIVE INCOME				-			-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR				**4,663**			**3,439**

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER, 2015

(in thousands of US$)	Notes	31-Dec-15	31-Dec-14
ASSETS			
Cash and Cash Equivalents	12	54,353	63,328
Security Trust Accounts	13	919	463
Insurance and Reinsurance Receivables	14(a)	6,172	5,112
Other Assets	15	1,621	1,602
Recoveries & Reinsurers' Share of the Claims Reserves	16(a)	18,174	4,499
Reinsurers' Share of Unearned Premiums		7,325	4,731
Deferred Brokerage Commissions		693	538
Vehicles and Equipment	17	214	183
Intangible Assets	18	246	202
Other financial assets (at amortised cost)	19	18,695	-
Investments in Floating Rate Notes (at amortised cost)	20	22,350	40,750
Investments in Bonds (at amortised cost)	21	104,032	95,526
Total Assets		**234,794**	**216,934**
LIABILITIES			
Insurance and Reinsurance Payables	14(b)	4,120	2,861
Other Liabilities	22	777	795
Claims Reserves	16(b)	15,996	9,801
Unearned Premiums Reserve		15,702	11,617
Unearned Ceding Commissions		1,527	757
Unearned Grant Income	23	456	555
Defined Benefit Post-Employment Plan	24	723	-
Financial Liabilities (at amortised cost) - IDA Loan	25	9,320	9,938
Total Liabilities		**48,621**	**36,324**
EQUITY			
Share Capital	26	181,400	180,500
Share Premium Account	26	481	481
Underwriting Capital		900	900
Revenue Reserve / (Accumulated Deficit)		3,392	(1,271)
Total Equity		**186,173**	**180,610**
Total Equity & Liabilities		**234,794**	**216,934**

The financial statements on pages 36 to 69 were approved by the Board of Directors and were signed on its behalf on 6 June, 2016 by:

Israel L. Kamuzora
Chairman of the Board of Directors

Sindiso Ngwenya
Director

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER, 2015

(in thousands of US$)	Notes	Share Capital	Share Premium Account	Underwriting Capital	Revenue Reserve/ (Accumulated Deficit)	Total
At 1 January, 2015		180,500	481	900	(1,271)	180,610
Capital Disbursement	26	900	-	-	-	900
Total Comprehensive Income for the Year		-	-	-	4,663	4,663
At 31 December, 2015		**181,400**	**481**	**900**	**3,392**	**186,173**
At 1 January, 2014		178,200	481	900	(4,710)	174,871
Capital Disbursement	26	2,300	-	-	-	2,300
Total Comprehensive Income for the Year		-	-	-	3,439	3,439
At 31 December, 2014		**180,500**	**481**	**900**	**(1,271)**	**180,610**

ANNUAL FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER, 2015

(in thousands of US$)	Notes	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
Net Cash Generated From Operating Activities	**27**	**514**	**4,029**
CASH FLOWS FROM / (USED IN) INVESTING ACTIVITIES			
Purchase of Vehicles and Equipment	17	(125)	(154)
Purchase of Intangible Assets	18	(92)	(226)
Proceeds of Disposal of Vehicles and Equipment		1	18
Net investments in other financial assets		(18,695)	-
Net realisation of investments in Floating Rate Notes		18,400	(789)
Net investments in Bonds		(9,233)	(8,811)
Madagascar STA net investments		(456)	445
Net Cash used in Investing Activities		**(10,200)**	**(9,516)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of IDA Development Credit	25	(189)	(150)
Capital Disbursement received	26	900	2,300
Net Cash Generated from Financing Activities		**711**	**2,150**
NET DECREASE IN CASH AND CASH EQUIVALENTS		**(8,975)**	**(3,337)**
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY		**63,328**	**66,665**
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	**12**	**54,353**	**63,328**

1. Company Information

The African Trade Insurance Agency (ATI) is a legal entity established under the ATI Treaty which came into force on 20 January, 2001, and amended on 20 January, 2007. ATI is registered as a multilateral entity with the United Nations under the Certificate of Registration No. 49593 pursuant to the provisions of Article 102 of the Charter of the United Nations.

ATI has been established to provide, facilitate, encourage and otherwise develop the provision of, or the support for, insurance, including coinsurance and reinsurance, guarantees, and other financial instruments and services, for purposes of trade, investment and other productive activities in African States in supplement to those that may be offered by the public or private sector, or in cooperation with the public or private sector.

To serve its objective and purpose, ATI facilitates the development of trade, investments and other productive activities in its African Member States by providing insurance or reinsurance covers against political and commercial risks as well as bond products.

ATI currently has 10 African Member States (2014:10 members) and 8 other shareholders (2014: 8 other shareholders).

2. Accounting Policies

(a) Basis of Preparation

ATI's financial statements are prepared in accordance with International Financial Reporting Standards (IFRS). The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial years presented, unless otherwise stated.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions. Actual results could differ from these estimates. The areas involving a higher degree of judgment or complexity, or where assumptions and estimates are significant to the financial statements, are disclosed in note 3: *"Accounting Estimates and Judgments"*.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(b) Adoption of New and Revised International Financial Reporting Standards (IFRSs)

(i) New and revised IFRSs that are effective for the year ending 31 December, 2015

Below is a list of the amendments to IFRSs and the new interpretations that are mandatorily effective for accounting periods that begin on or after 1 January, 2015:

Standard	Description	Effective periods beginning on or after:
Amendments to IAS 19	Defined Benefit Plans: Employee Contributions	1-Jul-14
Annual Improvements to IFRSs 2010-2012 Cycle	Covers various standards	1-Jul-14
Annual Improvements to IFRSs 2011-2013 Cycle	Covers various standards	1-Jul-14

- The amendments to IAS 19 specify that contributions from employees or third parties set out in the formal terms of a defined benefit plan may be recognised as a reduction in service cost in the same period in which they are paid, if and only if the contributions are linked solely to the employee's service rendered in that period. ATI is therefore able to continue accounting for its employee contributions using its existing accounting policy.

- The annual improvements 2010-2012 cycle include amendments to the following standards: IFRS2 (Share-based Payment); IFRS3 (Business Combinations); IFRS8 (Operating Segments), IFRS13 (Fair Value Measurement); IAS16 (Property, Plant and Equipment) and IAS38 (Intangible Assets); and, IAS24 (Related Party Disclosures).

    - IFRS2, IFRS3 and IFRS 8 do not apply to ATI.
    - The amendments to IFRS13 permit entities to continue to measure short-term receivables and payables that have no stated interest rate at invoice amounts, if the effect of discounting is immaterial. These amendments did not imply any changes to ATI's current accounting policy.
    - The amendments to IAS16 and IAS38 clarify the treatment of accumulated amortisation and the gross carrying amount of revalued assets. These amendments did not have any significant impact on these financial statements.
    - The amendments to IAS24 clarify that a management entity providing key management personnel services to the reporting entity is a related party of the reporting entity. ATI does not currently have such arrangements; hence, no additional disclosures were required in these financial statements.

- The annual improvements 2011-2013 cycle include amendments to IFRS 3 (Business Combinations), IFRS 13 (Fair Value Measurement), and IAS 40 (Investment Property-interrelationship between IFRS 3 and IAS 40).

2. Accounting Policies (continued)

(b) Adoption of New and Revised International Financial Reporting Standards (IFRSs) (continued)

(i) New and revised IFRSs that are effective for the year ending 31 December, 2015 (continued)

- IFRS 3 and IAS 40 do not apply to ATI.
- The amendments to IFRS 13 clarify that, when measuring fair value, the portfolio exception can be applied to contracts within IAS 39 or IFRS 9 not just to those contracts that meet the definition of financial assets or financial liabilities. The amendments did not have any material impact on ATI's financial statements as none of ATI's assets and liabilities are carried at fair value.

(ii) New and revised IFRSs in issue but not yet effective (but allow for early application) for the year ending 31 December, 2015

Below is a list of new and revised IFRSs that are not yet mandatorily effective (but allow early application) for the year ending 31 December, 2015:

Standard	Description	Effective periods beginning on or after:
IFRS 9	Financial Instruments	1-Jan-18
Amendments to IFRS 11	Accounting for Acquisitions of Interests in Joint Operations	1-Jan-16
IFRS 14	Regulatory Deferral Accounts	1-Jan-16
IFRS 15	Revenue from Contracts with Customers	1-Jan-17
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation	1-Jan-16
Amendments to IAS 41	Agriculture: Bearer Plants	1-Jan-16
Amendments to IAS 27	Equity method in separate financial statements	1-Jan-16
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture –	1-Jan-16
Amendments to IAS 1	Disclosure Initiative	1-Jan-16
Annual Improvements to IFRSs 2012-2014 Cycle		1-Jan-16

- ATI has opted to early adopt IFRS 9– see section (iii). 'Early adoption of standards'.

- The amendments to IFRS 11 provide guidance on how to account for the acquisition of an interest in a joint operation in which the activities constitute a business as defined in IFRS 3 Business Combinations. The amendments should not be applicable to ATI as ATI's current investment policy does not allow it to make such an acquisition.

- IFRS 14 is available only to first-time adopters of IFRSs who recognised regulatory deferral account balances under their previous GAAP, hence will not apply to ATI.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(b) Adoption of New and Revised International Financial Reporting Standards (IFRSs) (continued)

(ii) New and revised IFRSs in issue but not yet effective (but allow for early application) for the year ending 31 December, 2015 (continued)

- IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. Its core principle is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The application of this new standard is not expected to materially affect ATI's financial statements. ATI's main revenues (premiums and commissions) are already deferred and are only recognised in the profit or loss account when they are actually earned.

- The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. These amendments are not expected to have significant impacts on ATI's financial statements.

- The Amendments to IAS 41 will apply to a specific sector (agriculture) and will not affect ATI.

- The Amendments to IAS 27 focus on separate financial statements and allow the use of the equity method in such statements. ATI does not have any investments in subsidiaries, joint venture or associates. Therefore this amendment will not apply to ATI.

- The amendments to IAS 28 and IFRS 10 deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. The amendments will not have any impact on ATI.

- The annual improvements to IFRSs 2012 - 2014 cycle: Include the amendments to the following standards. IFRS 5 (Non-current Assets Held for Sale and Discontinued Operations), IFRS 7 (Financial Instruments: Disclosures), IAS 19 (Employee benefits) and IAS 34 (Interim financial reporting).

  – The amendments to IFRS 5, IFRS 7 and IAS 34 do not apply to ATI.
  – IFRS 7 – that the additional disclosures relating to the offsetting of financial assets and financial liabilities only need to be included in interim reports if required by IAS 34
  – The amendments to IAS 19 clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise. These amendments will not require any change in the determination of the defined benefit obligation for ATI.

(iii) Early adoption of standards

- ATI chose to early adopt IFRS 9 in 2011.

  The International Accounting Standards Board (IASB) completed the final version of IFRS 9 in July, 2015. This version replaces earlier versions of IFRS 9 and completes the IASB's project to replace IAS 39 in its entirety. The package of improvements introduced by IFRS 9 includes:
  - A logical model for classification and measurement driven by cash flow characteristics and the business model in which an asset is held, and introduces a new category of assets: "fair value through other comprehensive income". The introduction of this new category does not affect ATI's asset classification. ATI exclusively invests in financial assets with cash flows that are solely payments of principal and interest and its principal objective is to hold the financial asset to collect the contractual cash flows.
  - A single, forward-looking 'expected loss' impairment model. None of ATI's holdings were deemed to be impaired as at 31 December, 2015.
  - A substantially-reformed approach to hedge accounting which did not apply to these financial statements as ATI had no hedging arrangements in place in 2015.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(c) Foreign Currency Translation

The financial statements are presented in thousands of US Dollars (US$).

The US$ is ATI's functional and presentation currency. Transactions in currencies other than US$ are converted into US$ at the spot rates ruling at the dates of the transactions. Financial instruments and monetary assets and liabilities denominated in currencies other than US$ are translated into US$ at the rates of exchange ruling at the end of the financial year. Gains and losses on currency exchange are charged or credited to the profit or loss in the period in which they arise.

(d) Underwriting Activities and Reinsurance

(i) Premiums

Gross premiums correspond to premiums invoiced and estimated premiums earned but not yet invoiced in the period with respect to both direct insurance policies and inward reinsurance treaties. They are stated net of premium cancellations and rebates. Gross premiums include commitment fees on loans covered.

(ii) Unearned premiums

Unearned premiums represent the prorated portion of written premiums that relates to unexpired risks at the year-end. Unearned premiums are calculated individually for each policy. The amount charged to the unearned premiums reserve corresponds to the fraction of written premiums relating to the period between the year-end and the end of policy period for which the gross written premiums were calculated. Unearned premiums are reported as a liability. Changes in unearned premiums relating to the period are recognised through profit or loss.

(iii) Deferred acquisition costs

Acquisition costs, including brokerage commissions and ceding commissions related to inward reinsurance, are deferred over the life of the contracts concerned according to the same rules as unearned premium provisions. The amount deferred acquisition costs, corresponds to business acquisition costs related to the period between the year-end and the next premium payment date. Deferred acquisition costs are reported as an asset. Changes in deferred acquisition costs relating to the period are recognised through profit or loss.

(iv) Claims paid

Paid claims correspond to insurance settlements (indemnifications) plus claims handling expenses, which include, but are not limited to, any related legal fees.

(v) Claims reserves

Claims reserves include provisions to cover the estimated total cost of reported claims not settled at the year-end (outstanding claims), case reserves, provisions for claims incurred but not reported and provisions for unknown claims.

Provisions for unknown claims are determined based on ATI's claims provisioning methodology.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(d) Underwriting Activities and Reinsurance (continued)

(vi) Recoveries

Recoveries represent estimated recoveries determined on the basis of the total amount expected to be recovered in respect of all underwriting periods relating to the claims.

(vii) Outward reinsurance (cessions)

This represents premiums that are ceded to other reinsurance companies based on existing treaties and facultative reinsurance arrangements and in line with the company's capacity limits. Gross ceded premiums are accounted for in accordance with the terms and conditions of the related reinsurance covers and are earned over the life of the covers. Reinsurers' share of technical provisions is determined on the basis of technical provisions recorded under liabilities.

Ceding commissions are calculated by reference to ceded premiums. They are deferred and changes in ceding commissions are recognised in profit or loss on the same basis as ceded unearned premiums.

(e) One-off Commissions

One-off commissions are recognised and fully earned when they arise.

(f) Other Income

Other income includes grant income, credit limit income, and any other incidental income earned in the normal course of business.

Grants are recognised as earned income at the same time as the expenses related to or reimbursable under the grant are paid or accrued.

Credit limit income is stated net of any related expenses (purchase of information).

(g) Interest Income

Interest income represents interest income from bonds, fixed deposits, call deposits and security trust accounts. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset, net of the fair value on initial recognition.

(h) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand and at bank, time deposits and short-term investments in money market funds, if any. Cash and cash equivalents exclude cash held in security trust accounts which is disclosed separately in the statement of financial position.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(i) Motor Vehicles and Equipment

(i) Initial recognition

Motor vehicles and equipment are recognised at their acquisition costs and are measured at cost. Acquisition costs include the purchase price and any incidental costs such as freight, insurance and installation costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to ATI and the cost of the item can be measured reliably. All other costs, repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

(ii) Measurement

Motor vehicles and equipment are measured at cost. Depreciation is calculated monthly on the straight-line basis from the date of purchase to the date of disposal or the expiry of the expected useful life of the relevant asset at the following annual rates:

Motor Vehicles	25%
Computers and Related Equipment	33 1/3%
Other Office Equipment	20%
Furniture and Fittings	20%

Items of lasting value with an initial acquisition cost of US$1,000 or above are systematically capitalised. Items with an initial acquisition cost of less than US$1,000 are capitalised but fully depreciated in the month of purchase. However, depending on their nature, small value items can be depreciated over their useful life.

(iii) Disposal gains and losses

Gains and losses on disposals are determined by comparing proceeds with the carrying amount (net book value) of the assets. These are recognised in profit or loss in the period of disposal.

(iv) Impairment

Motor vehicles and equipment are reviewed on a quarterly basis. Where there is an indication that an asset may be impaired, ATI makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in profit or loss in the period in which the losses arise.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

(j) Intangible Assets

(i) Initial recognition

Intangible assets comprise costs of acquired computer software programs and costs associated with developing or maintaining computer software programs.

Under IAS 38, IT development costs must be capitalised and amortised over their estimated useful life when certain criteria are met. In such cases, the entity must be able to demonstrate the following:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- its intention to complete the intangible asset and use or sell it;
- its ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the current and future availability of adequate resources to complete the development and use or sell the intangible asset; and
- its ability to reliably measure the expenditure attributable to the intangible asset during its development.

(ii) Measurement

Intangible assets are amortised over their estimated useful life (3 to 5 years) using the straight-line method.

(iii) Impairment

Intangible assets are reviewed at each reporting date. Where there is an indication that an asset may be impaired, ATI makes an estimate of the asset's recoverable amount. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognised in the profit or loss in the period in which the losses arise.

(k) Financial Instruments

IFRS 9 is effective for annual periods beginning on or after 1 January, 2018. As permitted by the International Accounting Standards Board (IASB), ATI chose the earlier adoption of this standard in 2011.

(i) Initial recognition

All financial instruments are initially measured at fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs. The fair value corresponds to the market price (purchase price in the case of a financial asset or issuance price in the case of a financial liability) at the transaction date.

Transactions are recognised on their settlement dates.

2. Accounting Policies (continued)

(k) Financial Instruments (continued)

(ii) Measurement

Financial assets

IFRS 9 divides all financial assets into three classes: those measured at amortised cost; those measured at fair value through other comprehensive income; and, those measured at fair value through profit or loss.

ATI classifies its financial assets as to be measured at amortised cost as it exclusively invests in financial assets with contractual cash flows that are solely payments of principal and interest and its principal objective is to hold the financial asset to collect the contractual cash flows.

Financial liabilities

Under IFRS 9, financial liabilities are classified either at fair value through profit or loss or at amortised cost. As of 31 December, 2015, all ATI's financial liabilities were measured at amortised cost.

(iii) Impairment of financial assets measured at amortised cost

ATI assesses at the end of each financial year whether there has been a material increase in the probability of the occurrence of a default since the initial recognition of each of its financial assets. Expected credit losses are measured through a loss allowance at an amount equal to either the 12 month expected credit losses or the full lifetime expected credit losses if credit risk has increased significantly since initial recognition of the financial instrument.

(l) Employee Benefits

(i) Post-employment benefits

ATI operates a defined contribution post-employment plan (gratuity plan) for its employees. Under the defined contribution scheme, ATI pays fixed contributions into separate entities on a monthly basis, and its obligation is limited to those contributions. In consequence, actuarial risk (that benefits will be less than expected) and investment risk (that assets invested will be insufficient to meet expected benefits) fall, in substance, on the employees. ATI's contributions to the defined contribution plan are charged to the income statement in the year to which they relate.

ATI also operates a defined benefit post-employment plan (end of service allowance) for its employees. The employees' entitlements under the gratuity scheme depend on each employee's years of service and terminal salary. The liability recognised in the statement of financial position in respect of the defined post-employment plan is the present value of the defined benefit obligation at the reporting date.

2. Accounting Policies (continued)

(l) Employee Benefits (continued)

(ii) Other employee benefits

The estimated monetary liability for employees' accrued annual leave entitlement at the end of the reporting period is recognised as an expense accrual. Other short-term employee benefits are recognised when they accrue to employees.

(m) Taxation

In accordance with the ATI Treaty, ATI and its assets are not subject to any direct or indirect taxation in its Member States..

(n) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in and maintain consistency with the presentation in the current year.

3. Accounting Estimates and Judgments

The area that management views as most critical with respect to the application of estimates and assumptions is the establishment of its claims reserves. The claims reserves for unknown claims (statistical reserves) are determined by product. In 2015, a change in statistical reserves of US$0.6M on ATI's commercial portfolio was recorded in its accounts which brought the total amount of statistical reserves reported on the Statement of Financial Position to US$3.1M as at 31 December, 2015 against US$2.5M as at 31 December, 2014.Provisions for unknown claims have been estimated on a “best estimate” basis using the information available. There can be no assurance that the ultimate liability will not differ from such estimates. ATI has recorded a limited number of claims since its inception. Because of lack of actual claims experience, ATI estimates statistical reserves on its commercial risk portfolio based on buyers' internal credit ratings and market information (historical default rates and average recovery rates). Although no change to the methodology had been made since its first implementation in 2012 to the end of the reporting period, ATI might reassess the methodology in the coming years if needed.

In 2015, ATI's Board of Directors approved the implementation of a new employee benefit (end of service allowance). The determination of the defined benefit obligation requires actuarial assumptions on some factors mainly demographic and financial factors. Changes in these assumptions might require ATI to recognize past service cost in the future financial years. Actual settlements might also differ from the amount of the estimate defined benefit obligation carried in the balance sheet and might require the recognition of any potential gain or loss.

4. Risk Management

ATI recognises the importance of risk management and the fact that strong systems of internal control are essential for effective risk management. It currently has four levels of risk control.

The first level is the operational permanent controls which are governed by ATI's various policies and procedures and are performed by each department.

The second level is the Enterprise Risk Management framework (ERM) which was implemented in 2008 and revised in 2012. The ERM framework involves the staff, the management team and the Board of Directors; and, is designed to identify potential events that may affect ATI, and to manage risks to be within its risk appetite. Quarterly ERM monitoring is conducted to review and assess the framework processes, the key risks and key risk mitigations, and to adjust them if necessary. ATI also revises and updates its ERM framework every 3 to 4 years.

The third level is the internal audits performed by an independent audit firm. The Board has chosen to externalize ATI's internal audit function since 2011. In this regard, a new independent audit firm was appointed in 2015.

The last level is the Board Risk Committee, which was established by the Board of Directors in May 2014, with a mandate to identify, assess, monitor and manage underwriting, financial and non-financial risks faced by ATI.

In addition to its risk management structure laid out above as part of a vast technical assistance program provided by the European Investment Bank, ATI reassessed its overall underwriting risk framework in 2015 and has redefined its underwriting limits.

As an insurance provider, ATI is exposed to two principal types of risks. The first type of risk is the risk inherent to its underwriting activities which encompasses the risk of losses arising from claims and the risk of losses arising from the default of its reinsurers (counterparty risk). The second type of risk is the risk inherent in its investment activities which encompasses market risk (interest rate risk, market price risk, and exchange rate risk), credit risk and liquidity risk.

(a) Underwriting Risk

(i) Risk of losses arising from claims

The insurance policies underwritten by ATI involve the possibility of insured events occurring and the resulting uncertainty of the amount and timing of insurance claims. ATI recognises that adequate control of insurance risk is paramount and central to the integrity of its operation as a credit and investment insurer. In this context, ATI has established underwriting management frameworks and processes designed to effectively identify, measure, control, mitigate, share and monitor risks inherent in its underwriting activities, which include the following:

- Country ratings;
- Use of portfolio risk analysis;
- Prudent credit risk assessment and underwriting on individual insured buyers or obligors;
- Comprehensive technical and contract risk assessment of political risks;
- Purchase of reinsurance; and
- Selection of strongly rated reinsurers.

NOTES TO THE FINANCIAL STATEMENTS

4. Risk Management (continued)

(a) Underwriting Risk (continued)

(i) Risk of losses arising from claims (continued)

In order to prevent excessive risk concentration, ATI sets, in addition to its overall underwriting capacity, exposure limits by country, sector, buyer and project, and monitors its exposures. The table below shows the risk exposure by product and by country as at 31 December, 2015 and 2014:

Risk Exposure by product:

(in thousands of US$)	2015 Gross Exposures	2015 Net Exposures	2014 Gross Exposures	2014 Net Exposures
BONDS	42,281	42,281	36,627	36,613
CRI-SO	496,526	224,424	287,410	118,574
CRI-WTO	93,153	46,576	85,909	42,955
CRI-PRI	37,252	31,002	14,197	14,197
PRI	939,370	317,657	737,317	287,386
PV & TS	82,328	82,328	100,714	100,714
TOTAL	**1,690,910**	**744,268**	**1,262,174**	**600,349**

Exposure by country:

(in thousands of US$)	2015 Gross Exposures	2015 Net Exposures	2014 Gross Exposures	2014 Net Exposures
Benin	4,859	4,859	548	548
Burundi	9,758	9,758	26,131	21,131
DRC	55,212	52,712	30,010	30,010
Kenya	738,512	312,217	607,495	278,333
Madagascar	9,022	6,559	7,907	6,078
Malawi	145,050	80,550	46,342	46,342
Rwanda	110,609	34,309	39,749	14,635
Tanzania	135,777	72,176	129,803	59,038
Uganda	142,628	76,235	134,012	79,977
Zambia	339,483	94,893	240,177	64,347
TOTAL	**1,690,910**	**744,268**	**1,262,174**	**600,349**

ATI's standalone PV & TS portfolio is covered by an excess of loss reinsurance treaty which was implemented in 2014. However, the figures reported in the above tables do not take into account this treaty cover.

4. Risk Management (continued)

(a) Underwriting Risk (continued)

(ii) Reinsurance counterparty risk

ATI uses reinsurance to enhance its capacity but also to cap its risks. A significant portion of its insurance risk is ceded to external reinsurers, through a number of reinsurance arrangements that include quota share and excess of loss treaties; and facultative programs. Most of the reinsurance agreements are renewed and reassessed annually. Reinsurance does not, however, discharge ATI's liability as primary insurer.

If a reinsurer fails to pay a claim for any reason, ATI remains liable for the full payment of that claim to the policyholder. To mitigate the reinsurance counterparty risk, all reinsurers with whom ATI has reinsurance contracts are required to have a minimum credit rating as stated below unless otherwise approved by the Board of Directors:

Moody's, Standard & Poor's or Fitch	A
or	
A.M. Best	A-

The table below shows ATI's reinsurers' rating profile as per Standard & Poor's (S&P) rating as of 31 December, 2015:

S&P Rating	Weight in % of Ceded Exposures
AA	15.6%
AA-	20.5%
A+	23.4%
A	19.5%
A3	2.3%
A- (*)	3.2%
Not Rated (**)	15.5%
Total	**100.0%**

(*) was approved by the Board of Directors; (**) rated by other rating agencies.

The table below shows ATI's reinsurers' rating profile as per A.M. Best rating as of 31 December, 2015:

A.M. Best	Weight in % of Ceded Exposures
A+	21.2%
A	74.0%
Not Rated (*)	4.8%
Total	**100.0%**

(*) rated by other rating agencies.

4. Risk Management (continued)

(b) Investment Risk

ATI's investments are exposed to market risk, credit risk and liquidity risk:

- market risk is the risk of loss from adverse movements in market variables such as interest rates, market prices and currency exchange rates;
- credit risk is the risk of loss resulting from client or counterparty default or downgrade and arises on credit exposure in all forms, including settlement risk; and
- liquidity risk is the risk that ATI is unable to meet its payment obligations when due, at a reasonable cost.

ATI's investment policy defines its broad investment guidelines and strategic asset allocation, which can be amended from time to time subject to the approval of the Board of Directors. One of the main objectives of the investment policy is capital preservation.

The Management Investment Committee (MIC) ensures that investments are allocated within both the investment guidelines and the strategic asset allocation. On a monthly basis, the MIC reviews the portfolio positioning and performance and assesses any new proposed investments. The MIC reports to the Board of Directors through its Finance & Audit Committee on a quarterly basis.

Where ATI externalises the management of its assets, the manager has to strictly abide by the contractual investment guidelines and strategic asset allocation, which are defined in conformity with ATI's investment policy.

(i) Market risk

Market risk is the risk that the value of ATI will be adversely affected by movements in market variables such as interest rates, market prices and currency exchange rates.

The risk of loss due to changes in interest rates is limited:

- As of 31 December, 2015, ATI's investment portfolio was comprised of almost 90% of fixed-rate instruments which largely covered its fixed-rate borrowings (IDA loan - US$9.3M). Therefore, any increase in interest rate should not impact ATI's result negatively.
- LIBOR rates remained at very low levels in 2015. Hence the risk of further decrease is limited. The US Federal Reserve also seems to have embarked on an interest rate hike cycle as it first increased its key rate in December 2015 after several years of loose monetary policy. An improvement of the LIBOR rates would allow ATI to improve its interest income on the floating rate instruments it holds. The following table shows the potential effects of changes in LIBOR rates on ATI's interest income and net result.

4. Risk Management (continued)

(b) Investment Risk (continued)

(i) Market risk (continued)

US$3M LIBOR (in bps)	Expected Improvement of ATI's Income (in thousands of US$)
25	-
50	3
75	7
100	16
150	53
200	118

None of ATI's financial instruments are measured at fair value through profit or loss, therefore changes in market prices should not have any impact on ATI's financial position or income statement unless the assets are sold before their maturity dates. Apart from the time deposits, ATI's funds are exclusively invested in money market instruments, notes and debt securities, which are measured at amortised cost. In addition, ATI's investment policy does not permit any speculative investments.

ATI's functional and reporting currency is the US Dollar (US$). As ATI carries out the majority of its transactions in US$, it has chosen to allocate more than 98% (2014: more than 95%) of its investments in this currency to minimise exposure to currency risk.

(ii) Credit risk

ATI recognises the importance of having a diversified portfolio. To minimise the chances that a default by a counterparty or an adverse event in any particular country might have a disproportionate impact on ATI's financial position or profit or loss, ATI has actively diversified its asset portfolio since 2011 and continues to further diversify its portfolio.

In addition to the portfolio diversification, ATI permanently seeks to maintain the credit quality of its assets. As at 31 December, 2015, 91% of ATI's investment portfolio was rated above A against 94% in 2014.

NOTES TO THE FINANCIAL STATEMENTS

4. Risk Management (continued)

(b) Investment Risk (continued)

(ii) Credit risk (continued)

Apart from its financial investments, ATI also monitors regularly its overall assets. The table below presents ATI's maximum exposure to credit risk as of 31 December, 2015:

(in thousands of US$)	Fully Performing	Past Due	Impaired	**Total**
As at 31 December, 2015				
Cash and Bank Balances	9,614	-	-	9,614
Deposits with Financial Institutions	20,030	-	-	20,030
Money Market Instruments	24,709	-	-	24,709
Security Trust Accounts	919	-	-	919
Insurance and Reinsurance Receivables	7,866	-	(1,694)	6,172
Other Receivables	1,522	-	-	1,522
Other Financial Assets	18,695	-	-	18,695
Investment in Floating Rate Notes	22,350	-	-	22,350
Investment in Bonds	104,032	-	-	104,032
Total	**209,737**	**-**	**(1,694)**	**208,043**
As at 31 December, 2014				
Cash and Bank Balances	9,129	-	-	9,129
Time Deposits with Financial Institutions	17,690	-	-	17,690
Money Market Instruments	36,509	-	-	36,509
Security Trust Accounts	463	-	-	463
Insurance and Reinsurance Receivables	5,988	-	(876)	5,112
Other Receivables	1,477	-	-	1,477
Investment in Floating Rate Notes	40,750	-	-	40,750
Investment in Bonds	95,526	-	-	95,526
Total	**207,532**	**-**	**(876)**	**206,656**

4. Risk Management (continued)

(b) Investment Risk (continued)

(iii) Liquidity risk

Liquidity risk is the risk that ATI is unable to meet its financial obligations as they fall due.

The table below presents the undiscounted remaining contractual maturities of amounts payable by ATI as at year end.

(in thousands of US$)	0-3 Months	3-12 Months	1-5 Years	Over 5 Years	**Total**
As at 31 December, 2015					
Insurance and Reinsurance Payables	4,120	-	-	-	4,120
Other Liabilities	757	-	-	-	757
Claims Reserves	7,526	1,572	1,451	263	10,812
Financial Liabilities - at Amortised Cost	160	159	1,258	8,648	10,225
Total Payable	**12,563**	**1,731**	**2,709**	**8,911**	**25,914**
As at 31 December, 2014					
Insurance and Reinsurance Payables	2,861	-	-	-	2,861
Other Liabilities	774	-	-	-	774
Claims Reserves	1,763	2,353	1,214	817	6,147
Financial Liabilities - at Amortised Cost	90	166	1,307	9,125	10,688
Total Payable	**5,488**	**2,519**	**2,521**	**9,942**	**20,470**

As an insurance provider, in addition to its financial obligations arising from the normal operating activities, ATI is exposed to calls on its available cash for unexpected losses under claims settlement.

Almost 40% of ATI's funds are invested in various instruments with maturities below one year. Consequently, ATI considers its investment portfolio to be sufficiently liquid to cover its operating cash flows and any potential claims it may be required to pay.

NOTES TO THE FINANCIAL STATEMENTS

5. Capital Management

(in thousands of US$)	2015	2014
Current net Exposure (A) (*)	744,268	600,349
Equity (B)	186,173	180,610
Capacity (C)=6*(B) (2014:5*(B))	1,117,038	903,050
Capital Cushion (C-A)	**372,770**	**302,701**

(*) Before the PV & TS excess of loss cover

In 2015, ATI reviewed its risk management framework. The board approved the changes to adjust the capacity to the quality of the underlying risk and to restrict the aggregate exposure on sub sovereign and state owned entities. Finally, following a benchmarking exercise, ATI's overall underwriting capacity (maximum net exposure) was increased to 6 times its capital.

6. Claims Net of Recoveries

(in thousands of US$)	2015	2014
Gross Claims	15,160	7,781
Reinsurance & Recoveries	(13,112)	(5,631)
Claim Net of Recoveries for the Year Ended 31 December	**2,048**	**2,150**

Claims net of recoveries include a change in statistical reserves on ATI's commercial risk portfolios of US$0.6M for the year 2015 against US$0.9M for 2014 bringing the total amount of commercial risk statistical reserves from US$2.5M as at 31 December, 2014 to US$3.1M as at 31 December, 2015.

7. Net Other Income

(in thousands of US$)	2015	2014
Grant	99	46
Net Credit Limit Charges	83	45
Miscellaneous	6	12
Total Net Other Income for the Year Ended 31 December	**188**	**103**

ATI received grants from the African Development Bank's Fund for African Private Sector Assistance (FAPA) amounting to US$1M for the enhancement of its operational effectiveness. The first disbursement was received in 2011 and the second and last disbursement in 2014. This grant is earned when the related expenses are recognized in the accounts. In 2015, an amount of US$99,000 was earned against US$46,000 in 2014 (note 23).

NOTES TO THE FINANCIAL STATEMENTS

8. Operating Expenses

(in thousands of US$)	2015	2014
Salaries & other Short-Term Benefits	3,578	3,450
Defined Contribution Post Employment Plan	328	309
Defined Benefit Post-Employment Plan (note 24)	723	-
General Administration Costs	513	501
Consultancy Fees	267	203
Depreciation on Vehicles and Equipment	94	102
Travel Costs	404	280
Recruitment Expenses	38	23
Annual General Meeting	50	95
Board Expenses	122	146
Marketing Costs	187	164
Amortisation of Intangible Assets	48	35
Provision for Bad Debts Increase / (Decrease)	165	(2)
Total Operating Expenses for Year Ended 31 December	**6,517**	**5,306**

9. Interest Income

(in thousands of US$)	2015	2014
Interest from Time Deposits and Money Market Instruments	1,230	961
Interest from Investments in Notes	202	484
Interest from Investments in Bonds	2,229	2,307
Bond Amortisation (note 21)	(727)	(1,085)
Miscellaneous	108	4
Total Interest Income for the Year Ended 31 December	**3,042**	**2,671**

Investments in bonds are recognised at their fair value at the purchase dates (which correspond to their face value plus any discount, premium, purchased accrued interest and transaction costs, if any). Subsequent to their initial recognition, they are individually carried at amortised cost by using the effective interest rates. The difference between the coupon and the effective interest rate is recognised in profit or loss as 'Bond Amortisation'.

10. Interest Expenses

(in thousands of US$)	2015	2014
IDA Service Charges	70	81
Other Finance Charges	13	11
Total Interest Expenses for the Year Ended 31 December	**83**	**92**

ATI pays a service charge of ¾% per annum on the outstanding principal amount on the IDA Development Credit (note 25).

NOTES TO THE FINANCIAL STATEMENTS

11. Foreign Exchange Losses

(in thousands of US$)	2015	2014
IDA Loan-Foreign Exchange Gains (note 25)	429	625
Other Foreign Exchange Losses	(621)	(657)
Total Foreign Exchange Losses for the Year	**(192)**	**(32)**

The IDA loans (note 25) were issued and are payable in SDR and are translated into US$ using the spot rate as at each reporting period.

12. Cash and Cash Equivalents

(in thousands of US$)	2015	2014
Cash and Bank Balances	9,614	9,129
Deposits with Financial Institutions	20,030	17,690
Money Market Instruments	24,709	36,509
Total Cash and Cash Equivalents as at 31 December	**54,353**	**63,328**

The following table shows the breakdown of the fixed deposits and money market instruments by currency:

	2015		2014	
	Amount (US$'000s)	Weighted Average Interest Rate	Amount (US$'000s)	Weighted Average Interest Rate
Fixed Deposits in USD	16,811	2.91%	13,277	2.10%
Fixed Deposits in EUR	3,219	3.77%	3,463	3.26%
Fixed Deposits in KSH	-	-	950	11.64%
Deposits as at 31 December	**20,030**	**3.05%**	**17,690**	**2.84%**
Money Market Instruments in USD	**24,709**	**1.17%**	**36,509**	**1.34%**
Deposits & Money Market Instruments as at 31 December	**44,739**	**2.01%**	**54,199**	**1.83%**

Included in cash and cash equivalents is an amount of US$2M, which was held at Chase Bank Kenya Limited as at the end of the financial period. This bank was placed under receivership on 7 April, 2016. Please refer to note 30 for disclosures on the post balance sheet event.

13. Security Trust Accounts

(in thousands of US$)	2015	2014
Madagascar – Principal	900	450
Madagascar - Capitalised Interest	19	13
Security Trust Accounts as at 31 December	**919**	**463**

The balances in the Security Trust Accounts represent funds for Madagascar relating to the amount held pending completion of the legal and capital restructuring by Madagascar after which the amounts in the Security Trust Accounts will be transferred to an ATI account. The principal reason for the change compared to 2014 was due to the fact that one of the depository banks erroneously refunded the funds they held through a transfer of the funds to an ATI bank account on 31 December, 2014. This issue was resolved and the funds were transferred back to the same depository bank soon after 31 December, 2014.

Funds held in the Security Trust Accounts are denominated in US$. ATI earns interest on these accounts. The effective interest rate as of 31 December, 2015 was 0.29% (2014 – 0.40%).

14. Insurance and Reinsurance Receivables and Payables

(in thousands of US$)	2015	2014
(a) Insurance and Reinsurance Receivables		
Insurance & Inward Reinsurance Balances Receivable	6,038	5,037
Outward Reinsurance Balances Receivable	134	75
Insurance and Reinsurance Receivables as at 31 December	**6,172**	**5,112**
(b) Insurance and Reinsurance Payables		
Insurance & Inward Reinsurance Balances Payable	1,184	971
Outward Reinsurance Balances Payable	2,936	1,890
Insurance and Reinsurance Payables as at 31 December	**4,120**	**2,861**

NOTES TO THE FINANCIAL STATEMENTS

15. Other Assets

(in thousands of US$)	2015	2014
Pre-payments	99	125
Deposits	32	35
Staff Loans and Advances	173	129
Interest Receivable	1,225	1,289
Others	92	24
Total Other Assets as at 31 December	**1,621**	**1,602**

16. Claims Reserves

(in thousands of US$)	2015	2014
(a) Recoveries & Reinsurers' Share of Claims Reserves		
Recoveries & Reinsurers' Share of Claims as at 1 January	(4,499)	(4,696)
Change in Ceded Claims Paid	30	9
Change in Provisions for Recoveries	(12,685)	978
Change in Reinsurance Share of Incurred Claims	(131)	(30)
Change in Reinsurers' Share of Claims Provisions	(889)	(760)
Recoveries & Reinsurers' Share Of Claims Reserves as at 31 December	**(18,174)**	**(4,499)**
(b) Claims Reserves		
Claims Reserve as at 1 January	9,801	8,795
Change in Claims Paid	(1,025)	1,048
Change in Outstanding Claims	5,691	(1,282)
Change in Claims Reserves	1,529	1,240
Claims Reserve as at 31 December	**15,996**	**9,801**

NOTES TO THE FINANCIAL STATEMENTS

17. Vehicles and Equipment

(in thousands of US$)	Motor Vehicles	Computers & Office Equipment	Furniture & Fittings	Total
As at 31 December, 2015				
Cost				
As at 1 January, 2015	148	602	558	1,308
Additions	28	97	-	125
Disposals	-	(1)	-	(1)
As at 31 December, 2015	**176**	**698**	**558**	**1,432**
Depreciation				
As at 1 January, 2015	120	464	541	1,125
Charge for the Year	12	76	6	94
Eliminated on Disposals	-	(1)	-	(1)
As at 31 December, 2015	**132**	**539**	**547**	**1,218**
As at 31 December, 2014				
Cost				
As at 1 January, 2014	148	486	538	1,172
Additions	-	134	20	154
Disposals	-	(18)	-	(18)
As at 31 December, 2014	148	602	558	1,308
Depreciation				
As at 1 January, 2014	109	424	508	1,041
Charge for the Year	11	58	33	102
Eliminated on Disposals	-	(18)	-	(18)
As at 31 December, 2014	**120**	**464**	**541**	**1,125**
Net Book Value				
As at 31 December, 2014	28	138	17	183
As at 31 December, 2015	**44**	**159**	**11**	**214**

NOTES TO THE FINANCIAL STATEMENTS

18. Intangible Assets

(in thousands of US$)	2015	2014
Cost		
As at 1 January	329	103
Addition	92	226
As at 31 December	**421**	**329**
Amortisation		
As at 1 January	127	92
Charge for the Year	48	35
As at 31 December	175	127
Net Book Value		
As at 31 December	**246**	**202**

The intangible assets represent computer software's book value.

19. Other Financial Assets (at amortised cost)

These represent US$ fiduciary deposits placed with various financial institutions with an average yield of 1.20% and an average maturity period of 14 months.

20. Investments in Floating Rate Notes (at amortised cost)

(in thousands of US$)	2015	2014
Outstanding Value as at 1 January	40,750	39,961
New Placements	13,600	17,250
Maturities	(32,000)	(16,461)
Total Floating Rate Notes as at 31 December	**22,350**	**40,750**

The effective interest rate on the floating rate notes as at 31 December, 2015 was 1.46%.

21. Investments in Bonds (at amortised cost)

(in thousands of US$)	2015	2014
Outstanding Value as at 1 January	95,526	87,800
New Purchases	43,599	32,616
Sales and Redemptions	(34,367)	(23,799)
Amortisation (note 9)	(727)	(1,085)
Change in Accrued Interest on Bonds Purchased	1	(6)
Total Investments in Bonds as at 31 December	**104,032**	**95,526**

21. Investments in Bonds (at amortised cost) (continued)

The following table shows the maturity profile of the bonds by face value:

Maturity	2015 Face Value (in US$'000)	2015 Weight (%)	2014 Face Value (in US$'000)	2014 Weight (%)
2015	-	-	25,924	27.5%
2016	19,382	18.8%	19,456	20.7%
2017	24,310	23.6%	26,210	27.8%
2018	28,950	28.1%	14,350	15.2%
2019	19,382	18.8%	5,792	6.2%
2020	6,695	6.5%	2,215	2.4%
2021	4,265	4.2%	215	0.2%
Total as at 31 December	**102,984**	**100%**	**94,162**	**100%**

The following table shows the average maturity and yield of ATI's bond portfolio:

(in thousands of US$)	2015	2014
Bond Portfolio's Average Maturity	2.21 years	2.05 years
Bond Portfolio's Gross Average Yield	1.56%	1.37%

22. Other Liabilities

(in thousands of US$)	2015	2014
Accrued Expenses	513	616
Personnel Gratuity (Provident Fund) Payable	-	106
Non-Trade Accounts Payable	244	51
IDA Commitment and Service Charges	20	22
Total Other Liabilities as at 31 December	**777**	**795**

23. Unearned Grant Income

(in thousands of US$)	2015	2014
Unearned Grant as at 1 January	555	601
Expenditure Incurred	(99)	(46)
Unearned Grant as at 31 December	**456**	**555**

NOTES TO THE FINANCIAL STATEMENTS

24. End of Service allowance Provision

In 2015, ATI's Board of Directors approved the implementation of a new defined benefit post-employment plan with a retroactive effect from 1 January, 2011. Therefore, ATI recognised in its Statement of Financial Position the present value of the defined benefit obligation related to past and current service involving a total amount of US$0.723M.

25. Financial Liabilities - IDA Development Credit (Loan)

(in thousands of US$)	2015	2014
As at 1 January	9,938	10,713
Foreign Exchange Gains (note 11)	(429)	(625)
Repayments	(189)	(150)
IDA Loan as at 31 December	**9,320**	**9,938**

Under the Development Credit Agreement (DCA) between IDA and ATI dated 8 June, 2001, the Agreement Amending the Development Credit Agreement dated 19 July, 2005, and the Agreement providing for the Amendment and Restatement of the Development Credit Agreement dated 23 March, 2007, IDA granted ATI a development credit amounting to SDR 7.2M to finance ATI's operational costs. This amount includes: (a) an original Credit of SDR 3.9M and (b) a supplemental Credit of SDR 3.3M. The full development credit amounting to SDR 7.2M has been fully disbursed. The principal amount is repayable in semi-annual installments over a 25 year period, effective with respect to: (a) the original credit, from 15 September, 2012 to 15 March, 2036; and (b) the supplemental credit, from 15 September, 2015 to 15 March, 2040.

26. Share Capital

In accordance with the ATI Treaty, ATI has an open-ended capital stock based on an initial authorized nominal capital stock of US$1bn divided into 10,000 shares with a par value of US$100,000 each, which are available for subscription by Members.

Each fully paid up share held by a Member shall carry one vote at any ordinary or extraordinary General Meeting. All decisions of any ordinary and extraordinary General Meeting shall be by way of simple majority of the representatives of the Members present and voting save as expressly provided by the ATI Treaty.

In 2015, ATI recorded a capital increase of US$ 0.9M (US$2.3M in 2014) from the African Reinsurance Corporation which bought 9 new shares in addition to the share it already held.

26. Share Capital (continued)

The status of the issued and called share capital at 31 December, 2015 is shown below:

(in thousands of US$)	2015		2014	
Member/ Shareholder	Number of Shares	Paid up Capital	Number of Shares	Paid up Capital
Benin	72	7,200	72	7,200
Burundi	153	15,300	153	15,300
DRC	192	19,200	192	19,200
Kenya	283	28,300	283	28,300
Madagascar	1	100	1	100
Malawi	172	17,200	172	17,200
Rwanda	87	8,700	87	8,700
Tanzania	169	16,900	169	16,900
Uganda	229	22,900	229	22,900
Zambia	169	16,900	169	16,900
Total Country Members	**1,527**	**152,700**	**1,527**	**152,700**
Kenya Reinsurance Corporation	10	1,000	10	1,000
Total Public Entities	**10**	**1,000**	**10**	**1,000**
African Development Bank	150	15,000	150	15,000
African Reinsurance Corporation	10	1,000	1	100
Atradius	1	100	1	100
COMESA	1	100	1	100
PTA Bank Limited	10	1,000	10	1,000
PTA Reinsurance Company	5	500	5	500
SACE SpA	100	10,000	100	10,000
Other Shareholders	**277**	**27,700**	**268**	**26,800**
TOTAL SHARES	**1,814**	**181,400**	**1,805**	**180,500**

NOTES TO THE FINANCIAL STATEMENTS

26. Share Capital (continued)

The following is the breakdown of the share premium:

(in thousands of US$)	2015			2014		
Country Member	Paid up Capital	Nominal Value of Shares Allotted	Share Premium	Paid up Capital	Nominal Value of Shares Allotted	Share Premium
Benin	7,210	7,200	10	7,210	7,200	10
Burundi	15,390	15,300	90	15,390	15,300	90
DRC	19,244	19,200	44	19,244	19,200	44
Kenya	28,315	28,300	15	28,315	28,300	15
Madagascar	100	100	-	100	100	-
Malawi	17,275	17,200	75	17,275	17,200	75
Rwanda	8,779	8,700	79	8,779	8,700	79
Tanzania	16,971	16,900	71	16,971	16,900	71
Uganda	22,937	22,900	37	22,937	22,900	37
Zambia	16,960	16,900	60	16,960	16,900	60
TOTAL	**153,181**	**152,700**	**481**	**153,181**	**152,700**	**481**

27. Net Cash from Operating Activities

(in thousands of US$)	2015	2014
Profit for the Year	**4,663**	**3,439**
Adjustments for:		
Depreciation - Vehicles and Equipment (notes 8 & 17)	94	102
Amortisation - Intangible Assets (notes 8 & 18)	48	35
Amortisation - Bonds (notes 9 & 21)	727	1,085
Gain on Disposal of Vehicles and Equipment	(1)	(18)
Foreign Exchange Gains on IDA Loan (note 25)	(429)	(625)
Movements in Working Capital items:		
Increase in Insurance and Reinsurance Receivables	(1,060)	(3,542)
Increase in Other Assets	(19)	(369)
(Increase)/Decrease in Recoveries & Reinsurers' Share of the Claims Reserve	(13,675)	197
Increase in Employee End of Service Allowance Provision	723	-
Increase in Reinsurers' Share of Unearned Premiums	(2,594)	(2,118)
Increase in Deferred Brokerage Commissions	(155)	(9)
Increase in Insurance and Reinsurance Payables	1,259	1,798
(Decrease)/Increase in Other Liabilities	(18)	261
Increase in Claims Reserves	6,195	1,006
Increase in Unearned Premiums	4,085	2,457
Increase in Unearned Ceding Commissions	770	376
(Decrease) in Unearned Grant Income (note 23)	(99)	(46)
NET CASH GENERATED FROM OPERATING ACTIVITIES	**514**	**4,029**

NOTES TO THE FINANCIAL STATEMENTS

28. Fair Value of Financial Instruments Carried at Amortised Cost

Except as detailed in the following table, the carrying amounts of any other financial instruments carried at amortised cost are assumed to be close to their fair value.

(in thousands of US$)	2015	2014
Fair Value of Bonds	103,770	95,696
Book Value of Bonds	104,032	95,531
Unrealised (Loss) / Gains as at 31 December	**(262)**	**165**

29. Related Party Disclosures

(in thousands of US$)	2015	2014
Key Management Compensation;		
– Salaries and Other Short-Term Benefits	948	927
– Defined Contribution Post Employment Plan	115	113
– Defined Benefit Post-Employment Plan	262	-
Total Key Management Compensation	**1,325**	**1,040**
Directors - Sitting Allowances & Per Diem	95	101
TOTAL RELATED PARTY TRANSACTIONS	**1,420**	**1,141**

30. Post Balance Sheet Event

On 7 April, 2016, The Central Bank of Kenya (CBK) placed Chase Bank Kenya Limited under receivership. The bank re-opened on 27 April, 2016 under the management of Kenya Commercial Bank, the largest bank by assets in the Kenya banking industry. However, the moratorium on some transactions has not yet been lifted by the CBK. ATI's exposure to this bank as at 31 December, 2015 was US$2M, which represents less than 1% of ATI's total assets. As at the date of issuing these financial statements, adequate information was not available to enable the directors to determine whether the deposits held with this bank will be recovered in full on their respective maturity dates.

CORPORATE INFORMATION

Corporate Governance

As outlined by the ATI Treaty, the highest policy organ is the General Assembly Meeting of the shareholders. The company is governed by a Board of Directors who, in 2015, met three times. Board members are appointed for a term of three years by the General Assembly, which meets annually. The term of office of the Chairman and the Vice-Chairman can be renewed by the Board members.

The Directors are responsible for setting policies for business and general operations. In addition, the Board has established these three working committees to better support ATI:

- The Finance and Audit Committee
- The Board Risk Committee; and
- The Human Resources Committee.

The committees meet separately prior to board meetings or as business dictates. Each committee is guided by individual terms of reference.

The Finance and Audit Committee

This committee supports the Board of Directors in fulfilling its supervisory and monitoring duties with respect to the assurance of the integrity of the company's state of affairs, financial statements and the performance of internal and external auditors. It monitors, independently and objectively, the financial reporting process within ATI and the system of internal controls. The committee met three times in 2015.

The Board Risk Committee

This committee is responsible for adopting policies and to determine and govern the nature and extent of any significant risk that ATI is willing to take in achieving its strategic objectives. The purpose of the committee is to identify, assess, monitor and manage risk. The committee met twice in 2015.

The Human Resources Committee

This committee proposes sound human resource policies including terms and condition of employment in line with international best practice. The committee met once in 2015.

ATI Board Evaluation Exercise

In 2015, the Board of Directors retained the services of Deloitte to facilitate a self-evaluation with the objective of helping the group continue to play an effective role as a change agent within ATI by improving its governance structures, systems, processes and practices. The evaluation was in the form of self and peer assessments conducted in-house by the Board members and facilitated by Deloitte. The overall assessment was that ATI has an effective Board.

CORPORATE INFORMATION

Current Members & Shareholders

Membership to ATI is open to all African Union member states, non-African states, private corporations and other regional and international institutions.

Full Member States
(where ATI is able to conduct business)
(As of 31 December, 2015)

Benin
Burundi
Democratic Republic of Congo
Kenya
Madagascar
Malawi
Rwanda
Tanzania
Uganda
Zambia

Other Members
African Development Bank
African Reinsurance Corporation (Africa Re)
Atradius (Gerling Credit Emerging Markets SA)
Kenya Reinsurance Corporation
The Common Market of Eastern and Southern Africa (COMESA)
The Eastern and Southern African Trade and Development Bank (PTA Bank)
The PTA Re Insurance company (Zep Re)
SACE

CORPORATE INFORMATION

BOARD OF DIRECTORS

Israel L. Kamuzora
Chair and Director, Tanzania

Dr. Mathias Sinamenye
Director, Burundi

Josephine Winnie Birungi
Director, Rwanda

Mohamed Kalif
Director, Class E Shareholders

Irene Kego Oloya
Director, Uganda

Daniel Stausberg
Director, Class C Shareholders

CORPORATE INFORMATION

Arnaud Dornel
The World Bank (Observer)

H.E. Sindiso Ngwenya
Vice Chair and Director,
Class D Shareholders

Gerome Kamwanga
Director, Democratic Republic of Congo

Michael Creighton
Director, Class D Shareholders

NOT INCLUDED

Onésime Nduwimana
Alternate Director, Burundi

Isaac Awuondo
Alternate Director, Kenya

Robert Bayigamba
Alternate Director, Rwanda

Basil Anthon Saprapasen
Alternate Director, Tanzania

Michael Olupot-Tukei
Alternate Director, Uganda

Gerard van Brakel
Alternate Director, Class C Shareholders

Corneil Karakezi
Alternate Director, Class D Shareholders

Rajni Varia
Alternate Director, Class D Shareholders

Dr. Kamau Thugge
Director, Kenya

CORPORATE INFORMATION

CORPORATE INFORMATION

ATI'S Products

Trade Credit Insurance
This insurance protects against non-payment risks. As an added benefit, you can also receive valuable credit information on buyers, access to financing on improved terms, help in debt collection and bringing discipline in the credit management process.

There are two types of Trade Credit Products:

1. For multiple buyers we can insure your entire portfolio of buyers or debtors. Typically this is a one-year policy that covers business-to business sales with credit terms of up to 180 days.
2. For single buyers we can cover one buyer or debtor but it is flexible in terms of the type of transactions it covers. This policy covers an average credit period of one to two years.

For lenders, ATI offers protection against borrowers' default on loans and other lending facilities and it also includes political risk cover for cross border transactions.

Risks Covered:

- A corporate buyer/borrower who refuses to pay or is unable to pay due to insolvency
- A corporate buyer/borrower who fails to pay due to deteriorating financial circumstances
- A corporate buyer/borrower who delays your payment beyond the agreed credit period (protracted default)
- Public buyers (public institutions) can also be included

Political Risk / Investment Insurance
This insurance protects your investments, projects, assets and contracts against unfair political action or inaction by a government that could deprive you of investments, ownership benefits or use, causing financial loss in any of our member countries. It can also cover loss due to war & civil disturbance.

Risks Covered:

- Expropriation of your assets
- Inability to transfer money out of the country or to convert local funds into freely convertible currency such as US dollars
- Inability to operate or damage to your assets due to war or civil disturbance
- Breach of contract by a host government
- Unilateral cancellation of your operating contract or license
- Non-payment by host governments or public institutions
- Default by a host government on an arbitration award
- A host government or a public institution unfairly refuses to reimburse you for a performance, bid or other pre-paid project bond
- Trade embargoes or any other sanctions imposed by the Security Council of the United Nations

Political Violence, Terrorism & Sabotage Insurance
This insurance protects you against financial losses directly resulting from politically motivated violence or terrorism and sabotage events. We can insure you directly on a stand-alone basis or through an insurer under a reinsurance contract.

Risks Covered:

- Damage to property
- Loss of income or revenues due to business interruption
- Third party liability

Surety Bonds
This product protects employers, which includes government agencies and contracting companies, to ensure that contracts are completed according to mutually agreed terms. ATI's role is to support issuers of bonds (banks and insurance companies) with counter guarantees, in the event that a bond is called and the contractor is unable to perform or reimburse the issuer.

Current Offerings:

- Advance Payment Bonds
- Bid Bonds
- Customs and Warehousing Bonds
- Performance Bonds
- Retention and Maintenance Bonds

Reinsurance
Reinsurance is insurance for insurance companies. It allows the primary insurer to increase its capacity and to share liability when a loss occurs. ATI offers this product to insurance companies supporting business in any of our African member states.

Eligibility
For Political Risk Insurance or Reinsurance:
The investment/project must be located in at least one of our African member countries (visit our website for a current list of our member countries).

For Credit Insurance Involving Trade Transactions:

- Either the seller or buyer must be located in one of our African member countries.
- Whole Turnover: ATI can, under certain conditions, insure clients based outside of our member countries for risks that are also external to our member territories.

For Trade Credit Insurance Involving Financing Transactions:

- Either the lender, borrower or project must be located in one of our African member countries (for international and domestic trade).

Get Started
The first step is to submit an insurance enquiry form, which is available on ATI's website. Once the enquiry is approved, we will issue a Non-Binding Indication (NBI). If the terms and conditions quoted on the NBI are acceptable to you, we will ask to receive an application for insurance which we will review together with other documents, including an Environmental Information Note (EIN), where applicable. Once we receive all relevant documents, we strive to underwrite deals and issue policies promptly. To submit an enquiry form online, visit our website.

ABBREVIATIONS

ATI	African Trade Insurance Agency
CRI	Credit Risk Insurance
CRI/PRI	Combined policies
CRI-SO	Credit Risk Insurance-Single Obligor
CRI-WTO	Credit Risk Insurance-Whole Turnover
DCA	Development Credit Agreement
FAPA	Fund for African Private Sector Assistance
IDA	International Development Association
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
PRI	Political Risk Insurance
PV&TS	Political Violence and Terrorism & Sabotage Insurance
S&P	Standard & Poor's
SDR	Special Drawing Rights
STA	Security Trust Account
STAA	Security Trust Account Agreement

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