

MEMORANDUM TO PARLIAMENT

MINISTER:

**KEN OFORI-ATTA
MINISTER FOR FINANCE**

TITLE:

**REQUEST FOR THE RATIFICATION OF THE
AGREEMENT ESTABLISHING THE AFRICAN
TRADE INSURANCE AGENCY
(ATI TREATY)**

DATE: 22ND.....OCTOBER, 2018

1. ACTION REQUIRED

Parliament is respectfully requested to consider and ratify the Agreement Establishing the African Trade Insurance Agency (ATI Treaty). This Agreement is expected to be concluded between the Government of Ghana and the Agency as part of the requirements of becoming a member of the African Trade Insurance Agency (ATI).

2. BACKGROUND

It would be recalled that in 2008, Government applied for ATI membership and was admitted during the 9th Annual General Meeting of the Agency on May 19, 2009 in Nairobi, Kenya. As part of the Regional Trade Facilitation Project (RTFP) to support the Agency's African Member States (AMS), Government was granted a loan facility of SDR12.8 million (US\$20.0 million equivalent) by the World Bank to enable Ghana pay for its shares. The facility was eventually cancelled in 2013 after a three times extension of the deadline by the World Bank due to Government's inability to sign various related agreements including the non-ratification and subsequent signing of the Agreement Establishing ATI.

The Participation Agreement between Government and ATI was signed on November 30, 2012 (Copy of the signed Participation Agreement is attached as **Annex 1**). Therefore, Ghana is required to ratify and sign the Agreement Establishing the Agency and subscribe to ATI capital to complete its membership. (Chronology of the process of joining ATI during the period is attached as **Annex 2**).

The Economic Community of West African States (ECOWAS) in its quest to set up an Investment Guarantee Agency that will provide political risk cover for investors in the region, in November, 2013 decided to partner with ATI and has therefore advised member States to join ATI. ECOWAS is assisting member states to access funding from the World Bank, the African Development Bank and other financing institutions to pay for their shares in ATI.

3. RATIONALE FOR THE ESTABLISHMENT OF ATI

The African Trade Insurance Agency was established in 2001 as an initiative by the Common Market for Eastern and Southern Africa (COMESA) to provide political and credit risk insurance for the promotion of trade and investments in member countries. The establishment treaty is registered as a multilateral institution by the United Nations under Article 102 of the United Nations Charter.

The Agency possesses international legal personality and is deemed to be a legally constituted corporate body. Per Article 4 (1) of the Agreement Establishing the Agency, the object of the Agency is to facilitate, encourage and develop the provision of, or the support of insurance, coinsurance, reinsurance, guarantees and other financial instruments and services for purposes of trade, investments and other productive activities in African States to supplement what the public or private sector offers.

The functions of the Agency include:

- Facilitating the development of trade, investments and other productive activities in African States through the provision or support of insurance, coinsurance, reinsurance or guarantees against political, non-commercial and commercial risks.
- Mobilization of financial resources necessary to achieve its object and purpose.

Membership in the Agency is open to any African State, Non-African State, Regional Economic Organization, International Development Financial organization, Export Credit Agencies and Private Corporations. ATI's products and services are mainly accessed by entities that are resident in or trade with member countries of the Agency. (A detailed Brief on ATI is attached as **Annex 3**). The membership processes into ATI entails the following steps:

- Application for membership of ATI in writing;
- Acceptance into membership by a resolution of the General Meeting of Members of ATI.
- Signing a Participation Agreement with ATI
- Ratification and signing of the Agreement Establishing the African Trade Insurance Agency (the "ATI Treaty")
- Subscribing for the capital stock of ATI

4. THE AGREEMENT ESTABLISHING ATI

The Agreement Establishing the Agency sets out the object and purpose of the Agency, operations of the Agency, rights, responsibilities and obligations of member countries. It also outlines membership procedures, suspension and withdrawal from membership. Highlights of the rights and obligations of member countries are as follows:

- **Article 15: Immunities, Exemptions and Privileges.**
Each Member State shall accord to the Agency in its territory the status, immunities exemptions and privileges in the agreement including, immunity of property and assets, immunity of archives, freedom from restrictions, freedom from taxes and personal immunities.
- **Article 11: General Meeting**
Each Member State of the Agency shall appoint one representative and one alternate to represent it at General Meetings.
- **Article 7 (2): Minimum Share Subscription**
The minimum share subscription for each Member State is 75 shares with a par value of US\$7.5 million. The Board of Directors may increase the minimum share depending on the Gross National Product (GNP) of a member country during the application process.
- **Article 20 (1): Supplementary Agreements between Members**
Members have the right to enter into multilateral or bilateral agreements that supplements this agreement.
- **Article 20 (2): Supplementary Agreement between Members and the Agency**
A member or group of members has the right to enter into agreements with the Agency to the extent necessary to achieve the object and purpose of this Agreement.

5. JUSTIFICATION FOR GOVERNMENT ACTION

One of Africa's main challenges is the perception of high risk of doing business in the region. This has resulted in low levels of investments especially foreign direct investment, difficulties in accessing affordable finance and low economic growth of African economies. Political risk insurance from commercial insurers or export credit agencies is generally not available for many African countries including Ghana and where available, they are usually very costly and offered on unfavourable terms and conditions. ATI therefore exists to help African economies address these challenges and correct this significant market failure.

Providing regional solution to political and commercial risk through insurance has several advantages when compared with stand-alone institutions in each country. The regional approach presents economies of scale that translates into lower transaction costs for users (investors, lenders, exporters and importers). The Multilateral Investment Guarantee Agency (MIGA) and the African Guarantee Fund (AGF) are comparable institutions to ATI that provide guarantees to investors to protect their investments. Ghana is a member of these institutions and benefits from their services. While MIGA provides political risk insurance guarantees to private sector investors and lenders to protect their investments, AGF, on the other hand, provides commercial/credit risks guarantees in support of loans offered by lending institutions to Small and Medium-Scale Enterprises (SME's) and equity capital financing.

Covering both political risk and commercial/credit risk by single entities is most advantageous and the most preferred option for most investors and this is consistent with the operations of ATI. The Agency also considers short term guarantees for trade and investments (less than 12 months), while MIGA concentrates on medium (minimum of 3 years) to long term. We are of the view that ATI will help promote investments especially foreign direct investment in Ghana. Investors seeking to invest in Ghana will have at their disposal another strong investment-grade rated institution to offload their sovereign and commercial risks concerns.

Foreign Direct Investment (FDI) in the country increased from US\$0.55 billion in 2009 to US\$2.4 billion in 2016. It is expected that Ghana's membership to ATI will enhance Ghana's attractiveness as an investment destination. Information provided by ATI indicates that as at September, 2017, various investors both local and foreign have approached ATI for protection on a number of projects worth over **US\$7.02 billion** from sectors such as Power and Energy, Oil & Gas, Construction, Financial services, Health and Agriculture. Details of projects that have requested ATI support are attached as **Annex 4**. This will support Government efforts in closing our infrastructure gap, increasing trade and investment and diversifying the economy.

6. EXPECTED BENEFITS FROM BECOMING MEMBER OF ATI

Key benefits that Ghana as a country and the business community will derive from becoming a member of ATI are as follows:

- Minimize or completely avoid the issuing of Sovereign guarantees for state funded projects by providing cover to banks against the non-honouring of Sovereign and sub-Sovereign obligations.
- Ghanaian exporters, investors and financial institutions will be provided with products and services that do not exist in Ghana.
- Increase availability of affordable project and trade finance by using a minimum equity investment.
- Increases exports (regionally and internationally) by providing export credit insurance to allow exporters to sell safely to the end-user buyers on open account, thereby cutting out the middle men and increasing profitability by moving up the value chain as well as protecting and creating employment.
- Generates additional tax revenues from increased economic activity and employment.

- Allow exporters access to affordable lines of credit from their commercial banks for pre- and post-export finance secured only against the insured receivables which now carry an “A”/Stable credit rating by virtue of ATI’s insurance.
- Access to credit is one of the key challenges facing local companies in the country, thereby making them unable to compete favourably on the global stage. ATI can cover their risks making it easy for financial institutions to extend credit terms to them. In 2016, ATI supported US\$1.9 billion worth of investments into its African member countries. These investments helped to build roads, improve energy and water infrastructure, construct housing and finance African based small and medium scale enterprises.
- Helps source project funding from international lenders, institutional investors such as pension funds and life insurers, through risk mitigation provided by ATI.

7. FINANCIAL IMPACT

Membership into ATI has financial implications, as members are required to subscribe for the capital stock of ATI. The minimum capital contribution for any African country is **US\$ 7.5 million (75 shares)**. However, the level of required capital for Ghana has been estimated at **US\$20 million (200 shares)** based on the size of the economy and the anticipated demand for the Agency’s products and services in Ghana. The Government of the Federal Republic of Germany has committed a grant of **EUR 16.00 million (US\$18.4 million)** to the Government of Ghana to enable it pay for the ATI shares. The remaining amount of **US\$1.6 million** will be paid by the Government of Ghana.

8. COMMUNICATION

ATI has carried out consultations with key stakeholders both in the private and public sectors regarding Ghana’s membership to ATI. These stakeholders include the Ghana Investment Promotion Centre (GIPC), Private Enterprise Federation (PEF), National Insurance Commission (NIC), Ghana Insurers Association (GIA) and Ghana Insurance Brokers Association (GIBA) and this Ministry. The consensus is that Ghana joining ATI and benefiting from ATI services and products could be a catalyst in our economic transformation process.

9. NEXT STEPS FOR GHANA

After securing Parliamentary Ratification, the next steps would entail:

- (i) The signing of the Agreement Establishing ATI (ATI Treaty);
- (ii) Signing the Grant Agreement between Government of Ghana and Government of the Federal Republic of Germany;
- (iii) Subscription to ATI capital and payment for allotted shares.

10. Conclusion

Considering the immense benefits to be derived from becoming a member of ATI, it is recommended that Parliament ratifies the Agreement Establishing the Agency (ATI Treaty).



KEN OFORI-ATTA
MINISTER FOR FINANCE

CONFIDENTIAL

In case of reply the
number and date of this
letter should be quoted.

My Ref. No OPCA.3/3/030718

Your Ref. No.....



REPUBLIC OF GHANA

OFFICE OF THE PRESIDENT
P.O. BOX 1627
ACCRA
TEL: 0302-201000/2

3rd July, 2018

REQUEST FOR CABINET APPROVAL FOR THE RATIFICATION
OF THE AGREEMENT ESTABLISHING
THE AFRICAN TRADE INSURANCE AGENCY (ATI TREATY)

Cabinet at its Thirty-sixth meeting held on Thursday, 28th June, 2018 considered the above Memorandum submitted by the Minister for Finance.

2. The Memorandum requested Cabinet to consider, approve and recommend to Parliament the ratification of the Agreement establishing the African Trade Insurance Agency (ATI Treaty).

3. Cabinet approved the Memorandum and recommended same to Parliament for consideration.

4. I should be grateful if you could take requisite action on the decision by Cabinet.

MERCY DEBRAH-KARIKARI
SECRETARY TO THE CABINET

THE HON. MINISTER FOR FINANCE

cc: Chief of Staff
Secretary to the President
Secretary to the Vice President
Hon. Minister for Parliamentary
Affairs

Tersch-keh
F7A
4/7/18

Hon. Collins Ampofo

[Handwritten mark]

**AGREEMENT ESTABLISHING
THE AFRICAN TRADE INSURANCE AGENCY**

Adopted at Grand Bay in the Republic of Mauritius on the Eighteenth Day of May in the Year 2000.

Amended:

1. On the 20th day of January in the Year Two Thousand and Seven, following the entry into force of Resolution 7 adopted by the General Assembly in Nairobi, Republic of Kenya on the Twenty-Eighth day of July in the Year Two Thousand and Six.
2. On the 1st day of July in the Year Two Thousand and Nine, following the entry into force of Resolutions 4 and 9 adopted by the Ninth Annual General Meeting in Nairobi, Republic of Kenya on the Nineteenth day of May in the Year Two Thousand and Nine.
3. On the 16th day of May in the year Two Thousand and Twelve, following the entry into force of Resolution 6 adopted by the Twelfth Annual General Meeting in Nairobi, Republic of Kenya.
4. On the 11th day of May in the year Two Thousand and Seventeen, following the entry into force of Resolution 4 (3) adopted by the Seventeenth Annual General Meeting, in Nairobi, Kenya.

The Agreement and the Agency are registered with the Secretariat of the United Nations in accordance with Article 102 of the Charter of the United Nations under Certificate of Registration Number 49593 and as a multilateral No. 39012 respectively.

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PREAMBLE

THE PARTIES TO THE PRESENT AGREEMENT,

COGNIZANT of the fact that lack of adequate political, non-commercial and commercial risk insurance is a significant impediment to the availability of finance for investments in Africa and the expansion of African foreign trade and intra-Africa trade,

ACKNOWLEDGING previous multilateral efforts made by African States towards regional economic integration through co-operation in trade liberalization and development so as to attain sustainable growth, promote economic activity and create an enabling environment for foreign trade, as well as cross-border and domestic investments,

RECALLING the economic objectives and aims of the African Union, the Treaty Establishing the African Economic Community and the other several African Treaties on regional economic integration, including the Treaty Establishing the Common Market for Eastern and Southern Africa, the Treaty Establishing the Southern African Development Community and the Treaty Establishing the Economic Community of West African States,

RECOGNIZING the significant role played by both the private sector and multilateral development institutions in trade, investments and other productive activities in Africa,

DESIROUS of the economic and social benefits, more particularly poverty reduction, which increased partnership among African States, multilateral development institutions and the private sector regarding trade, investments and other productive activities, would bring to African peoples,

CONVINCED that the establishment of an African trade insurance agency would increase the availability of financial resources for trade, investments and other productive activities and reduce the cost of trade finance in Africa by mitigating the associated political, non-commercial and commercial risks,

HAVE HEREBY AGREED AS FOLLOWS:

ARTICLE 1

Interpretation

1. General

- (a) Any reference to this Agreement shall include any amendments or modifications thereto as may be made after the date on which this Agreement enters into force.
- (b) Words signifying the singular number only shall include the plural number and vice versa. Words importing the masculine gender include the feminine gender.
- (c) The use of headings in this Agreement is for convenience of reference only. The headings do not confer any special meaning or emphasis whatsoever and this Agreement is to be read in its entirety. This Agreement is divided into Articles, paragraphs, sub-paragraphs and clauses, in hierarchical order.

2. Definitions

Except where the context otherwise requires, the following terms shall have the following meanings:

"African State" means any State which is, or which is qualified to become, a member of the African Union;

"Agency" means the African Trade Insurance Agency established under paragraph 1 of Article 2 of this Agreement;

"Alternate Director" means a person appointed by the General Meeting under paragraph 3 of Article 12 of this Agreement to be an alternate to the member of the Board of Directors of the Agency for the time being;

"Annual General Meeting" means the meeting of the Members convened at the end of each Financial Year for the purposes of considering the accounts prepared in accordance with sub-paragraph 7 (b) (vi) of Article 12 of this Agreement and the election of Directors and Alternate Directors under sub-paragraphs 1 and 3 of Article 12 of this Agreement;

"Articles of Association of the Agency" means the Articles of Association of the Agency as adopted by the General Meeting and as may be amended from time to time;

"Board of Directors" mean the board of directors of the Agency composed in accordance with Article 12 of this Agreement;

"Chief Executive Officer" means the person appointed by the General Meeting under Article 13 of this Agreement to be the chief executive officer of

the Agency for the time being;

“Depository” means the Chairman of the Commission of the African Union or such other Person to whom the power to act as depository may be delegated pursuant to paragraph 1 of Article 29 of this Agreement;

“Director” means a person appointed by the General Meeting under paragraph 2 of Article 12 of this Agreement to be a member of the Board of Directors of the Agency for the time being;

“Export Credit Agency” means an entity duly established or registered under the laws of a Member State or in any other State and mandated to support the exports and investments of the parent State by: (i) providing insurance or guarantees against political and commercial risks associated with payments to exporters for goods and services and credits extended by banks or other financial institutions under export related transactions; or (ii) providing direct lending facilities to the foreign buyers of goods and services from exporters of the parent State;

“Extraordinary General Meeting” means a meeting of the Members other than an Annual General Meeting;

“Financial Year” means, in respect of the Agency, the period between the first day of the month of January and the last day of the month of December in each calendar year or such other period as may be determined by a General Meeting;

“Founding Member or Founding Members” means individually or collectively, as the case may be, the Republic of Burundi, the Republic of Kenya, the Republic of Malawi, the Republic of Rwanda, the United Republic of Tanzania, the Republic of Uganda and the Republic of Zambia;

“General Meeting” means the organ established under Article 10 of this Agreement and includes any meetings of the Members, whether ordinary or extraordinary as the context requires, as set out under paragraph 5 of Article 11 of this Agreement, ;

“Governor” means a senior government official nominated by an African State under a Participation Agreement;

“International Development Financial Institution” means a multilateral organization or institution constituted by sovereign states under a treaty to facilitate projects and programs to promote economic and social development;

“Member State” means an African State or a Non-African State which is a Member of the Agency in good standing;

“Member or Member of the Agency” means an African State or a Non-African State, a Regional Economic Organization, an International

Development Financial Institution, an Export Credit Agency or a Private Corporation, which is a member of the Agency in good standing under the terms of this Agreement;

"Non-African State" means any state which is, or which is qualified to become, a member of the United Nations but which is not an African State;

"Participation Agreement" means each agreement, as more fully described in paragraph 4 of Article 5 of this Agreement, between the Agency and any African State and signed by that African State as a condition for membership of the Agency pursuant to sub-paragraph 1(b)(iv) of Article 5 of this Agreement;

"Person" means any natural or juridical person, and includes, without limitation, an International Development Financial Institution and a Regional Economic Organization;

"Private Corporation" means a corporation duly established or registered under the laws of any State and which is majority owned and controlled by private persons;

"Regional Economic Organization" means a multilateral organization or institution constituted by sovereign States of a given region upon which those member States have conferred competence in respect of matters relating to economic and social development within the region;

"State" means any state which is, or which is qualified to become, a member of the United Nations; and

"UNCITRAL Arbitration Rules" means the United Nations Commission on International Trade Law Arbitration Rules adopted by the General Assembly of the United Nations on December 15, 1976, as amended from time to time.

ARTICLE 2

Establishment of the Agency

1. Establishment

An organization to be known as the African Trade Insurance Agency is hereby established with international legal personality.

2. Autonomy

The Agency shall be autonomous and shall enjoy administrative and financial independence in the discharge of its functions.

ARTICLE 3

Legal Capacity of the Agency

1. International and Corporate Character

The Agency possesses international legal personality and is deemed to be a legally constituted body corporate with perpetual succession and a common seal under the national laws of each Member State.

2. Legal Capacity

The Agency has all the powers necessary or expedient for the performance of its functions and is possessed of full juridical personality and, in particular, it has the legal capacity to:

- (a) institute and be a party to judicial, arbitral or any other legal or administrative proceedings;
- (b) acquire and dispose of any property by any means;
- (c) enter into contracts and conclude agreements;
- (d) borrow funds in the manner that the Board of Directors, guided by sound and prudent financial principles, may consider appropriate to achieve its object and purpose;
- (e) open and maintain accounts in any bank or other financial institution, in any State or elsewhere, in domestic or foreign currency;
- (f) accept gifts, grants, donations or benefactions from any Person;
- (g) act as an agent for any Member or Person or authorize any Person to act as its agent;
- (h) take such steps and do all such things as may appear to it necessary or desirable to protect its interests; and
- (i) generally do all such things as are incidental or conducive to the attainment of its object and purpose, the exercise of its powers and the conduct of its business as are conferred or prescribed by this Agreement.

ARTICLE 4

Object and Purpose of the Agency

1. Object and Purpose

The object and purpose of the Agency is 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.

The Agency shall be guided in all its decisions by the provisions of the preceding paragraph.

2. Functions

To serve its object and purpose, the Agency shall:

- (a) facilitate the development of trade, investments and other productive activities in African States through the provision of, or support for, insurance, coinsurance, reinsurance or guarantees against political, non-commercial and commercial risks;
- (b) establish and administer, on behalf and with the concurrence of Member States, whether jointly or severally, insurance, coinsurance, reinsurance or guarantee schemes and facilities for promoting trade, investments and other productive activities in African States;
- (c) mobilize financial resources necessary or useful to achieve its object and purpose; and
- (d) undertake such other activities and provide such other services as it may consider incidental or conducive to the attainment of its object and purpose.

3. National Legislative and Administrative Action

Each Member State shall, within a reasonable period, take all legislative action under its national law and all administrative measures necessary to enable the Agency to fully and effectively fulfil its object, purpose and functions. To this end, each Member State shall, whenever requested by the Agency, promptly inform the Agency in writing of the specific action which it has taken for the aforementioned purpose.

ARTICLE 5

Membership

1. Membership

- (a) Membership in the Agency is open to any:
 - (i) African State or any public entity nominated or designated by such African State to be a Member on its behalf;
 - (ii) Non-African State or any public entity nominated or designated by any such Non-African State to be a Member on its behalf;
 - (iii) Regional Economic Organization;
 - (iv) International Development Financial Institution;
 - (v) Export Credit Agency; or
 - (vi) Private Corporation.
- (b) Membership in the Agency shall be acquired by:
 - (i) a resolution of the General Meeting approving the application for membership;
 - (ii) in the case of a Founding Member, signature and ratification of this Agreement;
 - (iii) in the case of a State other than a Founding Member, depositing with the Depository an instrument of accession to this Agreement;
 - (iv) in the case of an African State, entering into a Participation Agreement with the Agency;
 - (v) in the case of a Regional Economic Organization, an International Development Financial Institution, an Export Credit Agency or a Private Corporation, executing and depositing with the Depository a letter of acceptance of the provisions of this Agreement ; and
 - (vi) subscribing for the capital stock of the Agency on such terms and conditions as may be prescribed by the resolution of the General Meeting approving the application for membership (or as may be prescribed by the Board of Directors under authority delegated to it by the General Meeting) and by paying in full:

- a. the par value of all the shares allotted/allocated to the member; or
 - b. where such resolution is in respect of a Class "A" Shareholder and it provides for the shares to be issued to such shareholder by way of instalments of whole shares, the par value of the shares comprising each such instalment.
- (c) Membership in the Agency may be held in:
- (i) the name of a State;
 - (ii) the name of a public entity nominated or designated by a State as having the authority and power to bind the State and act on its behalf; or
 - (iii) the official or corporate name of a Regional Economic Organization, an International Development Financial Institution, an Export Credit Agency or a Private Corporation.

2. Separate Memberships

With the exception of where a public entity is nominated under sub-paragraph 1 (c)(ii) of Article 5 of this Agreement to act on behalf of a State, nothing in this Article shall be deemed to restrict the ability of a State, a Regional Economic Organization, an International Development Financial Institution, an Export Credit Agency, or a Private Corporation to acquire and hold separate memberships in the Agency.

For the avoidance of doubt, where membership is held in the name of a Member State, such Member State shall not also nominate or designate a public entity to hold its membership.

3. State Guarantee of the Obligations of a Public Entity

Where a Member State has nominated or designated a public entity under sub-paragraph 1 (c) (ii) of Article 5 of this Agreement to be a Member of the Agency, that Member State shall be deemed to be a guarantor, as principal and not merely as a surety, of all the obligations of such public entity towards the Agency.

4. Participation Agreement

- (a) Any African State admitted into membership of the Agency shall, within thirty days of paying in full, or in instalments of whole shares in accordance with sub-paragraph 1(b)(vi) of Article 5 of this Agreement, the par value of any of the Class "A" shares allotted/allocated to it, execute and deliver to the Agency a

Participation Agreement in form and substance satisfactory to the Agency;

- (b) The Participation Agreement shall, among other things, provide for the following:
- (i) the obligation of the African State as a Member of the Agency to reimburse the Agency for any and all losses (before the application of any reinsurance recoveries or recoveries under contracts of insurance or guarantees) paid by the Agency under contracts of insurance or guarantees relating to transactions within the jurisdiction of the relevant African State except for losses caused by War or Civil Disturbance, Civil Commotion, Embargo (as those terms are defined in that Participation Agreement) or the financial default of the private obligor which is not proximately or directly attributable to the actions or inactions of the governing authority of the relevant African State or any of its organs, including but not limited to the legislature, revenue authorities, police department, armed forces, regulatory authorities, central bank and other similar institutions;
 - (ii) that where a claim has been paid out and a loss incurred by the Agency (before the application of any reinsurance recoveries or recoveries under contracts of insurance or guarantees), the African State within whose jurisdiction the loss has occurred, shall automatically forfeit to the Agency without any compensation a portion of its shares proportionate to the loss. The forfeited shares may only be reinstated on full reimbursement of the loss to Agency;
 - (iii) that any reimbursement to the Agency following a payment of a claim shall not amount to a new share subscription by the relevant African State;
 - (iv) nominating by office a senior official (at cabinet level) of the relevant African State for purposes of attending to matters relating to claims avoidance, reimbursement to the Agency of any loss; and
 - (v) that the Participation Agreement shall subsist and continue in full force and effect until the later of: (i) the date the relevant African State withdraws from the membership of the Agency under the terms of this Agreement and the Articles of Association of the Agency; and (ii) the date on which all liabilities the Agency may have to third parties under contracts of insurance or guarantees for which the relevant African State may be liable under the Participation Agreement have been extinguished.

ARTICLE 6

Authorized Capital Stock of the Agency and Allocation of Shares

1. Authorized Capital Stock

The Agency has an open-ended capital stock based on an initial authorized nominal capital stock of United States Dollars one billion (US Dollars 1,000,000,000) divided into ten thousand (10, 000) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000) each, which is available for subscription by Members in accordance with this Agreement.

2. Classes of Shares

Shares of the Agency are divided into five classes as follows:

- (a) Class "A" shares, which are to be offered, allotted and issued to African States or their duly nominated or designated public entities;
- (b) Class "B" shares which are to be offered, allotted and issued to Non-African States or their duly nominated or designated public entities;
- (c) Class "C" shares which are to be offered, allotted and issued to Private Corporations; and
- (d) Class "D" shares which are to be offered, allotted and issued to Regional Economic Organizations and Export Credit Agencies, and;
- (e) Class "E" shares which are to be offered, allotted and issued to International Development Financial Institutions.

3. Increase of Authorized Capital Stock

The initial authorized nominal capital stock and any subsequent authorized capital stock of the Agency may be increased by a resolution of the General Meeting adopted by a two-thirds majority vote of the Members who are present and eligible to vote. Any increase of the authorized capital stock of the Agency shall be undertaken in compliance with the relevant provisions of this Agreement. No member shall be obliged to subscribe for additional shares following an increase of the capital stock of the Agency.

4. Limitation of Members' Liability

No Member shall be liable for the obligations of the Agency by reason of its membership in the Agency.

5. Shares not to be Pledged or Encumbered

A Member shall not, except as provided for in sub-paragraph 4 (b) (ii) of Article 5 of this Agreement, pledge or cause to be encumbered in any manner whatsoever the shares of the Agency's capital stock. Any pledge or other

encumbrance made in contravention of this paragraph shall be null and void *ab initio*.

ARTICLE 7

Subscription for Shares

1. Determination of Subscriptions

Subject to this Agreement, the Board of Directors shall determine the allotment of and subscription for shares of the capital stock of the Agency by its Members.

2. Minimum Share Subscriptions

- (a) The minimum share subscriptions to qualify for membership in the Agency shall be as follows:
 - (i) for African States, a minimum of seventy five (75) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000) each;
 - (ii) for Regional Economic Organizations, a minimum of one (1) share having a par value of United States Dollars one hundred thousand (US Dollars 100,000);
 - (iii) for International Development Financial Institutions, a minimum of one hundred (100) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000) each;
 - (iv) for Non-African States, a minimum of one hundred (100) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000) each;
 - (v) for Export Credit Agencies, a minimum of one (1) share having a par value of United States Dollars one hundred thousand (US Dollars 100,000); and
 - (vi) for Private Corporations, a minimum of one hundred (100) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000).
- (b) The requirement to comply with sub-paragraph (2)(a)(i) or sub-paragraph (2)(a)(vi) of this Article 7, as applicable, may be postponed or deferred by the General Meeting, or the Board of Directors under authority delegated to it by the General Meeting, for such period as may be considered reasonably necessary for that Member to comply. Notwithstanding such postponement or deferral, such Member shall have the full rights and obligations of membership under this Agreement.

- (b) set the terms and conditions of policies of insurance, coinsurance and reinsurance or contracts of guarantee issued or supported by the Agency;
- (c) establish the rates of premiums, fees and other charges, if any, applicable to each policy of insurance, coinsurance and reinsurance, and each contract of guarantee, issued or supported by the Agency; and
- (d) bind the Agency under contracts of insurance, coinsurance, reinsurance and contracts of guarantee and to deal with all matters relating to claims under such contracts.

3. Political Interference Prohibited

The Agency, its officers and staff shall not interfere in the political affairs of any Member State; nor shall they be influenced in their decisions by the political character of the Member State or States concerned.

ARTICLE 9

Financial Management of the Agency

1. Reserves, Dividends and Investments

- (a) The Agency shall carry out its activities in accordance with sound business and prudent financial management practices with a view to maintaining under all circumstances its ability to meet its financial obligations.
- (b) The General Meeting shall, based on the recommendations of the Board of Directors, decide whether, and to what extent, the Agency's net income shall be allocated to reserves, be distributed to the Agency's Members or be used otherwise.
- (c) Any distribution of net income to the Agency's Members shall be made only after the Agency has fully provisioned for its liabilities, and shall be in proportion to the fully paid up shares of each Member in the issued capital stock of the Agency.
- (d) The management of the Agency may, with the approval of the Board of Directors or, in accordance with and subject to the Agency's investment policy as may be determined by the Board of Directors from time to time, invest funds not immediately needed in its operations, provided that such investments shall:
 - (i) not be speculative in nature;
 - (ii) be such that the capital thereof is not susceptible to depreciation or otherwise at risk of loss; and

- (iii) be liquid in nature so as to ensure that funds are available to meet the financial obligations of the Agency.

2. Budget

The Chief Executive Officer shall prepare an annual budget of revenues and expenditures of the Agency for approval by the Board of Directors.

3. Annual Report and Financial Statements

The Agency shall publish an annual report which shall include statements of its accounts, as audited by independent external auditors. The Agency shall circulate to Members at appropriate intervals a summary statement of its financial position and a profit and loss statement showing the results of its operations.

ARTICLE 10

Organization and Management of the Agency

The Agency has a General Meeting, a Board of Directors, and it may create such other organs as the General Meeting may determine. It shall also have a Chief Executive Officer and such other officers and staff as the Board of Directors may determine are necessary for the Agency to carry out its functions efficiently.

ARTICLE 11

General Meeting

1. Composition

Every Member of the Agency shall be a member of the General Meeting. Each Member of the Agency shall appoint one representative and one alternate to represent it at General Meetings.

2. Functions and Powers

- (a) Subject to the provisions of this Agreement, all the powers of the Agency shall be vested in the General Meeting.
- (b) In addition to the other functions and powers set out and conferred upon it by this Agreement, the General Meeting shall have the power to:
 - (i) admit new Members and, in the case of Members other than African States, determine the conditions of their admission;
 - (ii) determine the remuneration of the Directors;

3. The Board of Directors with respect to an application for membership by an African State may prescribe an amount larger than the minimum share subscription required under sub-paragraph 2(a)(i) of Article 7 of this Agreement in proportion to the gross national product of such African State.

4. Extent of Shareholding by Member States

- (a) the aggregate number of Class "A" shares held by all African States shall at all times represent not less than fifty-one per cent (51%) of the Agency's issued capital stock;
- (b) the aggregate number of Class "A" shares indirectly held by a single African State through its duly nominated or designated public entity shall not at any time exceed twenty-five per cent (25%) of the Agency's issued capital stock; and
- (c) no single Member of Class "B" or Class "C" or Class "D" or Class "E" shares shall hold shares representing more than fifteen per cent (15%) of the Agency's issued capital stock.

5. Payment of Subscriptions for Class "A" Shares

Subject always to the application of sub-paragraph 1(b)(vi) of Article 5 of this Agreement payment for Class "A" shares subscribed for by an African State shall be made in United States Dollars, or in any convertible currency acceptable to the Agency at the rate of exchange prevailing on the date of payment for the shares as may be determined by the Board of Directors: (a) within sixty (60) days of depositing an instrument of ratification with the Depository, in the case of a Founding Member; and (b) within sixty (60) days of depositing an instrument of accession with the Depository, in the case of an African State other than a Founding Member.

6. Payment of Subscriptions for Class "B", Shares

Payment for the Class "B" shares subscribed for by a Non-African State shall be made in United States Dollars, or in any convertible currency acceptable to the Agency at the rate of exchange prevailing on the date of payment for the shares as may be determined by the Board of Directors, within sixty (60) days of depositing an instrument of accession with the Depository.

7. Payment of Subscriptions for Class "C", Class "D", and Class "E" Shares

Payment for Class "C", Class "D" and Class "E" shares subscribed for by a Regional Economic Organization, an International Development Financial Institution, an Export Credit Agency or a Private Corporation shall be made in United States Dollars, or in any convertible currency acceptable to the Agency at the rate of exchange prevailing on the date of payment for the shares as may be determined by the Board of Directors, within sixty (60) days of depositing a letter of acceptance of this Agreement with the Depository.

8. Payment of Subscriptions Following Increase of Authorized Capital Stock

The requirements of, paragraphs 2, 3, 4, 5, 6 and 7 of Article 7 of this Agreement shall apply with the necessary modifications to any shares allotted and issued following an increase in the authorized capital stock of the Agency.

9. Regulation of Shares

Matters relating to share registers and certificates, the Agency's lien on shares, the transfer of shares and other matters related to shares in general shall be regulated by the Board of Directors in accordance with the provisions of the rules and regulations contained in the Articles of Association of the Agency.

ARTICLE 8

Operations of the Agency

1. General

- (a) The resources and the facilities of the Agency shall be used exclusively to achieve the object, purpose and functions specified in paragraphs 1 and 2 of Article 4 of this Agreement.
- (b) To this end, the Agency shall operate in accordance with the provisions of this Agreement and the rules and regulations, including internal operational procedures approved by the Members in General Meeting or the Board of Directors pursuant to this Agreement and the Articles of Association of the Agency.

2. Business Procedures

Subject always to such policies as the Board of Directors shall adopt from time to time, the management of the Agency shall have the authority to:

- (a) determine what risks, transactions and persons are eligible for support by the Agency;

- (iii) appoint and remove, on the recommendation of the Board of Directors, the Chief Executive Officer and determine his or her remuneration and terms and conditions of service,;
- (iv) appoint the external auditors of the Agency and determine their mandate and remuneration;
- (v) consider, approve or reject the annual accounts of the Agency;
- (vi) subject always to sub-paragraphs 1(b) and (c) of Article 9 of this Agreement, determine and authorize, on the recommendation of the Board of Directors, the allocation and distribution of net income;
- (vii) suspend or terminate the operations of the Agency and determine the distribution of the assets of the Agency in the event of dissolution;
- (viii) consider and determine any matter which the Board of Directors may refer to it;
- (ix) generally provide guidance to the Board of Directors in the discharge of its functions; and
- (x) perform such other functions and exercise such other powers as may be incidental or conducive to the discharge of any of the functions or exercise of any of the powers provided under this Agreement.

3. Delegation of Powers

- (a) Subject to this Agreement, the General Meeting may, by a resolution, either generally or in any particular case, delegate to the Board of Directors the exercise of any of its powers or the performance of any of its functions under this Agreement with the exception of the powers and functions set out in paragraph 2(b) (ii) through (x) of Article 11 of this Agreement.
- (b) The General Meeting shall retain full power to exercise authority over any matter delegated to the Board of Directors under paragraph 3(a) of Article 11 of this Agreement.

4. Officials of the General Meeting

- (a) The officials of the General Meeting shall include a chairman, a vice chairman and a secretary, elected by the Members at an ordinary meeting, who collectively shall be the bureau of the General Meeting.
- (b) The officials of the General Meeting elected at an ordinary meeting shall remain in office until they are re-elected, or their successors are elected at the next ordinary General Meeting and they shall serve in that capacity at any intervening extraordinary General Meeting.

- (c) The officials of the General Meeting shall be eligible to stand for re-election for only one further term.

5. Meetings

An ordinary General Meeting shall be held at least once in every Financial Year and extraordinary General Meetings may be held at the request of any Member, provided that such a request is supported by at least one-third of all Members. All General Meetings shall be held at the permanent or temporary headquarters of the Agency.

6. Quorum

For the purposes of transacting any business under this Agreement, a quorum for the General Meeting, whether the meeting is ordinary or extraordinary, shall consist of not less than fifty (50) percent plus one of all representatives of Members eligible to vote, provided always that of those representatives of Members present and eligible to vote, not less than fifty (50) percent shall be representatives of Members holding Class "A" shares.

7. Voting

- (a) Each fully paid up share held by a Member shall carry one vote at any ordinary or extraordinary General Meeting.
- (b) Save as expressly provided by this Agreement, all decisions of any ordinary or extraordinary General Meeting, shall be by way of simple majority of representatives of the Members present and voting.

8. Articles of Association, Rules, Regulations and Procedure

Subject to this Agreement, the General Meeting is hereby empowered, either on its own motion or on the recommendation of the Board of Directors, to establish the Articles of Association of the Agency, and make any other rules and regulations prescribing for matters that are required or permitted by this Agreement to be prescribed or are necessary or convenient to be prescribed in order to give full effect to the provisions of this Agreement, including, without limiting the generality of the foregoing, its own procedure.

ARTICLE 12

Board of Directors

1. Composition of the Board of Directors

- (a) The Board of Directors shall comprise of eleven (11) Directors. In the event that the Members of the Agency reach twenty seven (27) in number, the General Meeting may by a resolution increase the number of Directors up to a maximum of fifteen (15).
- (b) The eleven (11) Directors shall be comprised as follows
 - (i) Six (6) of the eleven (11) Directors shall be nominated by Members holding fully paid up Class "A" shares for appointment by the General Meeting;
 - (ii) Three (3) of the six (6) Directors shall be nominated by the Members holding fully paid up Class "A" shares under subparagraph 1(b) of Article 12 of this Agreement shall be from the private sector;
 - (iii) One (1) of the eleven Directors shall be nominated by Members holding fully paid up Class "B" shares for appointment by the General Meeting;
 - (iv) One (1) of the eleven Directors shall be nominated by Members holding fully paid up Class "C" shares for appointment by the General Meeting;
 - (v) Two (2) of the eleven Directors shall be nominated by Members holding fully paid up Class "D" shares for appointment by the General Meeting, and;
 - (vi) One (1) of the eleven Directors shall be nominated by Members holding fully paid up Class "E" shares for appointment by the General Meeting.
- (c) Upon the increase in the number of Directors to fifteen (15), the Class "A" shareholders shall be entitled to nominate two (2) additional Directors while the Members holding Class "B", Class "C" Class "D" or Class "E" shares shall be entitled to nominate the other two (2) additional Directors.
- (d) The Board of Directors may exercise the functions and powers conferred upon it by this Agreement notwithstanding any vacancy in their body provided that their number is not reduced below the number determined under paragraph 9 of Article 12 of this Agreement in relation to quorum.

2. Tenure of Directors

- (a) Each Director shall be appointed by an ordinary General Meeting for a term of up to three (3) years and shall be eligible for re-election for further periods of up to three (3) years each. At each Annual General Meeting at least one-third of the Directors shall retire by rotation in the manner to be prescribed in the Articles of Association.
- (b) A Director may vacate office before the expiry of their term if they resign, become disqualified to continue to be a Director under this Agreement or if the Member or Members of the Agency who nominated the Director so decides and notifies the Agency in a manner to be prescribed in the Articles of Association.
- (c) Where a Director vacates office before the expiry of their term by resignation, by reason of death, becomes disqualified to continue to be a Director under this Agreement, or if the Member or Members of the Agency who nominated the Director so decide, then the Member or Members of the Agency who nominated the concerned Director may nominate a person to be appointed by the next ordinary General Meeting to serve for the remainder of the original Director's term.
- (d) At the expiry of the term of service of a Director, the concerned Director shall continue to serve on the Board of Directors pending renewal of their tenure or appointment of a successor by the next ordinary General Meeting.

3. Alternate Directors

- (a) Each Director shall have an Alternate Director who shall be appointed by the General Meeting (at an ordinary General Meeting) for a term of up to three (3) years renewable for further periods of up to three (3) years each.
- (b) An Alternate Director shall have full power to act for the Director to whom that person is an alternate if such Director is not present at a meeting of the Board. Any Alternate Director may participate in the meetings of the Board of Directors but may vote only in the absence of the Director to whom that person is an alternate.

4. Qualifications of Directors

The chairman, the Directors and the Alternate Directors shall be persons with internationally recognized qualifications and extensive practical experience in at least one of the following fields: insurance; trade finance and banking; commercial law; or economics.

5. Disqualification of Directors

- (a) No person shall be appointed as the chairman, a Director or an Alternate Director if the person:

- (i) does not have the qualifications prescribed by paragraph 4 of Article 12 of this Agreement;
 - (ii) has been convicted of any offence in which dishonesty is an element, or of any offence for which they are sentenced to a term of imprisonment without the option of a fine; or
 - (iii) has been declared financially insolvent or bankrupt by a court of competent jurisdiction.
- (b) No person shall continue in office as the chairman, a Director or an Alternate Director if the person:
- (i) is unable to perform the functions of their office by virtue of mental or physical infirmity;
 - (ii) is declared financially insolvent or bankrupt by a court of competent jurisdiction;
 - (iii) is convicted of any offence in which dishonesty is an element, or of any offence for which they are sentenced to a term of imprisonment without the option of a fine;
 - (iv) is absent without valid reason from three consecutive meetings of the Board of Directors of which they have received notice and without the consent of the chairman;
 - (iv) fails to comply with the requirements of paragraph 11 of Article 12 of this Agreement; or
 - (v) was nominated for appointment under paragraph 1 of Article 12 of this Agreement by a Member who for the time being is suspended from exercising any rights attaching to its shares in the Agency or otherwise ceases to be a Member of the Agency.

6. Chairman and Vice -chairman of the Board

The Board of Directors shall elect a chairman and a vice-chairman from among the Directors.

7. Functions and Powers of the Board

- (a) The Board of Directors shall be responsible for managing the business and general operations of the Agency and for this purpose shall discharge all the functions and exercise all the powers conferred upon it under this Agreement or delegated to it by the General Meeting.
- (b) Without limiting the generality of sub-paragraph 7(a) of this Article, the Board of Directors shall have the power to:

- (i) subject to the provisions of the Agency's staff manual, suspend for due cause the Chief Executive Officer for a period up to three months and make appropriate recommendations to the General Meeting;
- (ii) administer the organizational structure of the Agency;
- (iii) oversee and approve the recruitment process, appointment, terms and conditions of service and termination of employment contracts of senior management
- (iv) cause the Chief Executive Officer to control, supervise and administer the property and other assets of the Agency in such manner as best promotes the object and purpose for which the Agency is established;
- (v) approve the annual budget of revenues and expenditures of the Agency prepared by the Chief Executive Officer;
- (vi) cause to be kept all proper books and records of accounts of the income, expenditure and assets of the Agency;
- (vii) cause to be prepared within a period of three months from the end of each Financial Year and to be submitted to the General Meeting within a period of six months from the end of each Financial Year for approval, the annual accounts of the Agency together with a statement of the income and expenditure of the Agency during the year in reference and a statement of the assets and liabilities of the Agency on the last day of the year in reference;
- (viii) consider and recommend to the General Meeting for approval the annual report of the Agency prepared by the Chief Executive Officer; and
- (ix) provide secretarial services to the General Meeting and any other services that the General Meeting may require.

8. Meetings

The Board of Directors shall meet as often and in such places within Africa as the business of the Agency may require, but not less than two times in any Financial Year. The Chief Executive Officer shall attend the meetings of the Board of Directors, but shall have no vote in respect of any matter before the Board of Directors.

9. Quorum

The quorum for the transaction of any business by the Board of Directors shall consist of a simple majority of the members of the Board including the chairman, provided always that of those Directors, or their Alternates, present and eligible to vote representing Members holding Class "A" shares, shall consist of at least two (2) (while the total number of Directors remains at eleven (11)), or three (3) (when the total number of Directors increases to fifteen (15)), in accordance with Article 12(1)(c), from each of the public and private sectors.

10. Voting

- (a) Each Director shall be entitled to cast the number of votes of those Members whom he represents, which votes need to be cast as unit. Each share shall carry one vote.
- (b) All decisions of the Board of Directors shall be by resolution passed by a majority of the Directors present and voting. In the case of an equality of votes, the chairman shall have a casting vote.

11. Disclosure of Personal Interest

A member of the Board of Directors who has a direct or indirect personal interest in a matter being considered or to be considered by the Board of Directors shall, as soon as possible after the relevant facts concerning the matter have come to his or her knowledge, disclose the nature of his or her interest to the Board of Directors, and shall not be present during any deliberations on the matter by the Board of Directors or vote on such matter. Any disclosure under this paragraph shall be recorded in the minutes of the meeting in question.

12. Procedure

Subject to this Agreement and any directives of General Meeting, the Board of Directors shall regulate its own procedure.

13. Transitional Arrangements

Until such time as the membership of the Agency is fully representative of the five classes of shareholders under paragraph 2 of Article 6 of this Agreement, the provisions of Article 12 of this Agreement relating to the composition of the Board of Directors shall apply with such modifications as the Board of Directors may deem necessary and expedient for the constitution of the Board of Directors and the performance of its functions

ARTICLE 13

Chief Executive Officer

1. Qualifications of the Chief Executive Officer

The Chief Executive Officer shall be a person of integrity and of the highest competence with internationally recognized qualifications and extensive practical experience in at least one of the following fields: insurance, banking, or trade finance.

2. Conduct of the Chief Executive Officer

The Chief Executive Officer shall not, while in office, engage in any activities that in the opinion of the Board of Directors are incompatible with his or her office in the Agency.

3. Responsibilities of the Chief Executive Officer

- (a) The Chief Executive Officer shall be the chief executive officer of the Agency and shall, subject to this Agreement, be responsible to the Board of Directors for the day-to-day management of the affairs of the Agency.
- (b) Subject to Article 12 (7)(b)(iii) above, the Chief Executive Officer shall be responsible for the appointment, discipline and dismissal of all staff members of the Agency, in accordance with the Agency's staff manual or other regulations prescribed by the Board of Directors. The Chief Executive Officer shall ensure the highest standards of efficiency, technical competence and integrity of the staff of the Agency, who shall also be required to refrain from engaging in any activities that, in the opinion of the Chief Executive Officer, are incompatible with their functions.
- (c) The Agency shall, in the exercise of its legal personality, be represented by the Chief Executive Officer.

The Chief Executive Officer shall perform such functions as are conferred by this Agreement and such additional duties as the Board of Directors may direct.

4. Tenure of Office for the Chief Executive Officer

The Chief Executive Officer shall hold office for a term of five years and shall be eligible for reappointment by the General Meeting of Shareholders, at the recommendation of the Board of Directors, for one further term of five years. However, no person shall serve as Chief Executive Officer for more than two successive terms of five years each.

5. Independence

The Chief Executive Officer, the officers and staff of the Agency, in the discharge of their functions, owe their duty exclusively to the Agency and shall neither seek, nor receive instructions in regard to the discharge thereof from any authority external to the Agency. Each Member shall respect the international character of this duty and shall refrain from any action to influence the Chief Executive Officer, the officers or the staff in the discharge of their functions.

6. Disqualification

The provisions of paragraph 5 of Article 12 of this Agreement, regarding disqualification of Directors shall, with the necessary modifications and in compliance with the staff manual, apply to the Chief Executive Officer.

ARTICLE 14

Permanent Headquarters and Offices

1. Permanent Headquarters

- (a) The permanent headquarters of the Agency shall be located within the territory of an African State selected by the General Meeting.
- (b) Any transfer of the permanent headquarters temporarily to the territory of another African State shall not constitute a removal thereof unless there is an express decision by the General Meeting to that effect.
- (c) The African State hosting the permanent or temporary headquarters shall recognize its extraterritoriality. The permanent and temporary headquarters shall be inviolable.

2. Headquarters Agreement

The African State selected by the General Meeting to host the permanent headquarters of the Agency shall, as soon as practicable following notification of its selection and, in any event, within thirty days of such notification, conclude a headquarters agreement with the Agency, and take all necessary measures to render the headquarters agreement effective.

3. Branch or Representative Offices

- (a) In discharging its functions under this Agreement, the Agency may establish branch or representative offices in any State, whether or not that country is a Member State, as the Board of Directors may deem necessary for the fulfilment of the Agency's object and purpose.
- (b) The Member State in whose territory a branch or representative office of the Agency is located shall, as soon as practicable following notification of the decision to locate a branch or representative office

in its territory, conclude appropriate agreements with the Agency in respect of such branch or representative office, taking into account the provisions of Article 15 of this Agreement.

ARTICLE 15

Immunities, Exemptions and Privileges

1. Immunities, Exemptions and Privileges

Each Member State shall take all legislative action and all administrative measures under its national laws necessary to enable the Agency to fully and effectively fulfil its object and purpose, and to carry out the functions entrusted to it. To this end, each Member State shall accord to the Agency, in its territory, the status, immunities, exemptions and privileges set forth in this Agreement, and shall promptly inform the Agency in writing of the specific action which it has taken for that purpose.

2. Immunity of Property and Assets

The property and other assets of the Agency, wherever located and by whomsoever held, shall be immune from:

- (a) search, requisition, confiscation, expropriation, nationalization or any other forms of seizure, taking or foreclosure by executive or legislative action; and
- (b) seizure, attachment or execution before the delivery of final judgement or award against the Agency in any proceedings.

3. Immunity of Archives

The archives of the Agency and, in general, all documents belonging to, or held by it shall be inviolable and immune from seizure wherever they may be located, except that the immunity provided for in this paragraph 3 of Article 15 of this Agreement shall not extend to documents required to be produced in the course of judicial or arbitral proceedings to which the Agency is a party or proceedings arising out of transactions concluded by the Agency.

4. Freedom from Restrictions

- (a) To the extent necessary to fulfil the object and purpose of the Agency and carry out its functions, each Member State shall waive, and refrain from imposing, any administrative, financial or other regulatory restrictions that would hinder in any manner the efficient functioning of the Agency or impair its operations.
- (b) To this end, the Agency, its property, other assets, operations and activities shall be free from restrictions, regulations, supervision or controls, moratoria and other legislative, executive, administrative and monetary restrictions of any nature.

5. Freedom from Taxation

- (a) The Agency, its property, other assets, income, and its operations and transactions, shall be exempt from all taxation.
- (b) The Agency, and any of its receiving, fiscal and paying agents, shall also be exempt from any obligation relating to, or liability for, the payment, withholding or collection of any tax or duty.
- (c) Articles imported and exported by the Agency for official purposes shall be exempt from all custom duties and other levies, and from prohibitions and restrictions on imports and exports.
- (d) The exemptions hereby granted shall be applied without prejudice to the right of the Member States to tax their legal persons in the manner each Member State deems appropriate provided that a Member State shall not levy any form of taxation in respect of the salaries, emoluments, indemnities and pensions received by such legal persons solely in their capacity as officers or servants of the Agency.

6. Privilege for Communications

Official communications of the Agency shall be accorded by each Member State the same treatment it accords to the official communications of other international institutions of which it is a member.

7. Waiver of Immunities, Exemptions and Privileges of the Agency

The immunities, exemptions and privileges granted to the Agency in this Agreement are in the interest and for the benefit of the Agency. The Board of Directors may waive, to such extent and upon such conditions as it may determine, such immunities, exemptions and privileges in cases where such waiver would, in its opinion, further the interests of the Agency.

8. Personal Immunities, Exemptions and Privileges

All Directors, Alternate Directors, the Chief Executive Officer, staff of the Agency and their spouses, their dependent children and other members of their households shall enjoy within and with respect to Member States the following immunities, exemptions and privileges:

- (a) immunity from legal process of any kind in respect of words spoken or written, and of acts performed, by them in their official capacity, such immunity to continue notwithstanding that the persons concerned may have ceased to be officials of the Agency;
- (b) immunity from seizure of their personal and official baggage;
- (c) exemption from taxation in respect of the salaries, emoluments, indemnities and pensions paid to them by the Agency for services past and present or in connection with their service to the Agency;

- (d) exemption from any form of taxation on income derived by them from sources outside a Member State;
- (e) exemption, with respect to themselves, their spouses, their dependent relatives and other members of their households from immigration restrictions and alien registration requirements and national service obligations, and the same facilities as regards exchange regulations as are accorded by each Member State to representatives, officials and employees of comparable rank of other states or international organizations;
- (f) freedom to acquire or maintain within a host Member State or elsewhere foreign securities, foreign currency accounts, and other movables and the right to take or transfer the same out of a host Member State through authorized channels without prohibition or restriction;
- (g) the same protection and repatriation facilities with respect to themselves, their spouses, their dependant relatives and other members of their households as are accorded in time of national or international crisis to members having comparable rank of the missions accredited to the concerned Member State; and
- (h) immunity from personal arrest or detention, except that this immunity shall not apply to civil liability arising from a road traffic accident or a traffic offence.

9. Representatives, Experts, Consultants and others

The representatives of Members to a meeting of or convened by the Agency, technical experts or advisors (other than officials of the Agency) performing missions authorized by or serving on committees or other subsidiary organs of, or consulting at its request in any way with the Agency, shall, while exercising their functions within a Member State, enjoy the following immunities, exemptions and privileges:

- (a) immunity in respect of themselves, their spouses, their dependent children and other members of their households from personal arrest or detention and from seizure of their personal and official baggage;
- (b) immunity from legal process of any kind with respect to words spoken or written, and of acts done, by them in the performance of their official functions, such immunity to continue notwithstanding that the persons concerned may no longer be employed on missions or serving on committees of, or acting as consultants for the Agency, or may no longer be present at the permanent or temporary headquarters or attending meetings convened by the Agency;
- (c) inviolability for all papers and documents relating to the business or functions of the Agency;

- (d) exemption with respect to themselves, their spouses, their dependent children and other members of their households from immigration restrictions, alien registration requirements and national service obligations;
- (e) the same protection and repatriation facilities with respect to themselves, their spouses, their dependent relatives and other members of their households as are accorded in time of national or international crises to members, having comparable rank, of the staffs of chiefs of diplomatic missions accredited to a host Member State;
- (f) the same privileges with respect to currency and exchange restrictions as are accorded to representatives of foreign Governments on temporary official missions; and
- (g) the same exemptions from taxes and customs duties, including exemption from income tax in respect of emoluments received by them for services rendered in performing services past and present for or on behalf of the Agency, as are accorded to representatives of foreign Governments on temporary official missions, save that the relief allowed from customs and excise duties shall be limited to goods imported as part of their personal baggage.

10. Waiver of Personal Immunities

The Chief Executive Officer shall have the right and duty to waive the immunity of any officer, employee, representative, expert, advisor, or consultant of the Agency in cases where in his or her opinion the immunity would impede the course of justice and can be waived without prejudice to the interests of the Agency. In similar circumstances and under the same conditions, the Board of Directors shall have the right and duty to waive the immunity of the Chief Executive Officer of the Agency.

11. Nationals of Member States

Nothing in this Article shall be construed as requiring any Member State to accord any of the immunities, privileges, or exemptions provided for under paragraphs 8 and 9 of Article 15 of this Agreement to any of its nationals or persons ordinarily resident within its jurisdiction, except solely for the purpose of being an employee of, or working exclusively for, the Agency.

ARTICLE 16

Legal Process and Regime

1. Actions against the Agency

Actions may be brought against the Agency only in a court of competent jurisdiction in the territory of a Member State in which the Agency has its permanent or temporary headquarters or an office, or in the territory of any State where it has appointed an agent for the purpose of accepting service or notice of process, or has otherwise agreed to be sued. No such action against the Agency may be brought:

- (a) by a Member or a former Member of the Agency or persons acting for, or deriving claims from, a Member or a former Member; or
- (b) in respect of personnel matters.

2. National Treatment

Member States shall ensure that parties suing the Agency within their territories have right of access to judicial and administrative proceedings, including redress and remedy, under conditions at least equal to that afforded their nationals or permanent residents.

ARTICLE 17

Relations with other Organizations and Institutions

1. Co-operation

Subject to approval by the General Meeting, the Agency may, in furtherance of its object and purpose, and within the limits of its functions as set forth in this Agreement, cooperate with private and public organizations or institutions of national, regional or international character engaged in the fields of development, insurance, coinsurance, reinsurance, financing and guarantees. Without limiting the generality of the foregoing, the Agency may cooperate with the African Development Bank, the African Export-Import Bank, the Eastern and Southern Africa Trade and Development Bank, the PTA Re-insurance Company (ZEP-Re), the European Commission, the European Investment Bank, the European Bank for Reconstruction and Development, the Asian Development Bank, the International Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency and the International Centre for the Settlement of Investment Disputes.

2. Agreements of Co-operation

For the purposes of paragraph 1 of Article 17 of this Agreement, the Agency may conclude agreements of co-operation with the organizations or institutions aforementioned or approved there under and the Chief Executive Officer shall promptly advise the Board of Directors of all such agreements entered into.

3. Delegation of Non-core Functions

The Agency may, on a competitive basis entrust some of its non-core functions to private or public organizations or institutions. In this respect the Agency shall formally appoint the concerned organization or institution by way of a written agreement and the Chief Executive Officer shall promptly advise the Board of Directors of all such agreements entered into.

ARTICLE 18

Suspension or Termination of Operations

1. Duration of Agreement

This Agreement shall have indefinite duration.

2. Suspension of Operations

- (a) The Board of Directors may, whenever it deems it justified, suspend the issuance of new policies of insurance, coinsurance and reinsurance, or new contracts of guarantee, or suspend the provision of new support for such policies or contracts, for a specified period.
- (b) In an emergency, the Board of Directors may suspend all activities of the Agency for a period not exceeding the duration of such emergency, provided that necessary arrangements shall be made for the protection of the interests of the Agency and of third parties.
- (c) The decision to suspend operations shall have no effect on the obligations of the Members under this Agreement or on the obligations of the Agency towards holders of an insurance, coinsurance or reinsurance policy, or a contract of guarantee, or towards third parties.

3. Termination of Operations

- (a) Notwithstanding the provisions of paragraph 1 of Article 18 of this Agreement, the General Meeting may, by resolution approved by a vote of not less than two-thirds of the Members holding fully paid up shares, decide to terminate operations and to liquidate the Agency.
- (b) A resolution by the General Meeting to terminate the operations of the Agency shall be accompanied by a written agreement between the Members providing clear details as to how the Members shall,

collectively and individually, meet all their financial obligations to the Agency as may be outstanding at the material time.

- (c) A resolution by the General Meeting to terminate the operations of the Agency shall provide that while the termination of operations would prevent the Agency from issuing new contracts of insurance, reinsurance or coinsurance, or contracts of guarantees, such termination will not take effect and would not discharge any Member from its accrued or contingent liabilities to the Agency and it will not take effect until all actual and contingent liabilities attaching to any contracts of insurance, reinsurance or coinsurance, or contracts of guarantee issued by the Agency have been terminated with or without the payment of a valid claim, and issues relating to recoveries have been conclusively determined in accordance with the terms of such contracts or in such a manner as may be agreed in writing by the Agency, its Members and the concerned counterparty and/or loss payees, as the case may be, and such counterparty and/or loss payee, as the case may be, shall have provided written confirmations releasing the Agency from all and any liability under the relevant contracts, where upon the operations of the Agency shall be deemed to have terminated.

4. Cessation of Activities

Upon decision of the General Meeting to terminate operations taken in accordance with the provisions of paragraph 3 of Article 18 of this Agreement, the Agency shall cease all activities, except those incidental to the orderly realization, conservation and preservation of its property and other assets and the settlement of its obligations. Until final settlement and distribution of property and other assets, the Agency shall remain in existence and all rights and obligations of Members under this Agreement shall continue unimpaired.

5. Discharge of Liabilities

No distribution of property or other assets shall be made to Members until all liabilities to holders of insurance, coinsurance and reinsurance policies and to holders of contracts of guarantee and all other creditors shall have been discharged or provided for and until the General Meeting shall have decided to make such distribution. No Member shall be entitled to share in the property or assets of the Agency unless that Member has settled all outstanding claims by the Agency against it.

6. Distribution of Assets

Subject to the preceding paragraphs of this Article, the property and other assets of the Agency shall be distributed amongst its Members in accordance with the rules and regulations made by the General Meeting. Every distribution of property and other assets shall be made at such times as the General Meeting shall determine and in such manner as it shall consider fair and equitable.

ARTICLE 19

Settlement of Disputes

1. Disputes Avoidance

Members shall fully comply with their obligations as stipulated herein and shall endeavour to avoid disputes.

2. Settlement of Disputes between Members

- (a) Members shall settle disputes concerning the interpretation or application of this Agreement by peaceful means, such as by negotiation, enquiry, mediation, conciliation, resort to regional agencies or arrangements, or by any other peaceful means of their own choice.
- (b) If the Members who are party to a dispute do not reach an agreement on a solution or on a dispute settlement arrangement within six calendar months from the date of notification by one party to the other with a copy to the bureau of the General Meeting, chairman of the Board of Directors and the Chief Executive Officer that a dispute exists, the dispute shall, at the request of one of the concerned parties, be submitted for final and binding decision by :
 - (i) a regional judicial body associated with a Regional Economic Organization to which all the parties to the dispute are members; or
 - (ii) arbitration under UNCITRAL Rules, in which case the forum shall be Brussels, Belgium, the applicable law shall be the laws of England and Wales and the proceedings shall be held in the English language. The parties to the dispute may select a different forum for the arbitral proceedings, solely for reasons of cost and convenience; or
 - (iii) subject to the approval of the Board of Directors, arbitration under an alternative forum mutually agreed to by all parties to the dispute under procedural rules substantively similar to UNCITRAL Rules.

ARTICLE 20

Supplementary Agreements

1. Supplementary Agreements Between Members

Members may enter into multilateral or bilateral agreements that supplement this Agreement.

2. Supplementary Agreements Between Members and the Agency

A Member or a group of Members may enter into agreements with the Agency to the extent necessary to achieve the object and purpose of this Agreement.

ARTICLE 21

Amendments

1. Proposals for Amendments

Any Member may propose amendments to this Agreement. The text of any such proposed amendment shall be submitted to the chairman of the General Meeting who shall promptly provide a copy to the Board of Directors. The chairman of the General Meeting shall, within one calendar month following receipt of the text of any such proposed amendment(s), transmit the proposed amendment(s) to all the Members together with a specific request that each Member indicates whether or not an extraordinary General Meeting should be convened to consider the proposed amendment. At the request of one-third of the Members, the chairman of the General Meeting shall call an extraordinary General Meeting to consider the proposed amendment.

2. Adoption of Amendments

The Members shall make every effort to reach agreement on any proposed amendment by consensus. If all efforts at reaching a consensus have been exhausted and no agreement reached, the amendment shall, subject to the requirements of paragraph 6 of Article 11 of this Agreement and as a last resort, be adopted by a two-thirds majority vote of the representatives of the Members who are present and eligible to vote at the ordinary or extraordinary General Meeting, as the case may be. The adopted amendment shall be communicated by the chairman of the General Meeting, who shall circulate it to all Members. For purposes of this Article "present and voting" means representatives of the Members present and casting an affirmative or negative vote.

3. Entry into Force of Amendments

Any amendment shall enter into force for all Members fifteen days after the date of communication to the Members of the resolution adopting the amendment by the chairman of the General Meeting.

ARTICLE 22

Signature

This Agreement shall be open for signature from the eighteenth (18th) day of May, 2000.

ARTICLE 23

Ratification

This Agreement shall be subject to ratification by Founding Members. Instruments of ratification shall be deposited with the Depository.

ARTICLE 24

Accession or Acceptance

1. Accession

This Agreement shall be open for accession by any State after its entry into force. Instruments of accession shall be deposited with the Depository.

2. Acceptance

(a) This Agreement shall be open for acceptance by International Development Financial Institutions, Regional Economic Organizations, Export Credit Agencies and Private Corporations. Letters of acceptance of the provisions of this Agreement shall be executed and deposited with the Depository.

(b) In their letters of acceptance, International Development Financial Institutions and Regional Economic Organizations shall declare the extent of their competence with respect to the matters governed by this Agreement.

ARTICLE 25

Entry into Force

1. Entry into Force on Ratification

This Agreement entered into force on the twentieth (20th) day of January 2001 which was the fifteenth (15th) day after the deposit of the third instrument of ratification.

2. Entry into Force on Accession

For each State that accedes to this Agreement after the date upon which it shall have entered into force, this Agreement shall enter into force on the fifteenth day after the deposit by such State of its compliant instrument of accession.

3. Entry into Force on Acceptance

For each International Development Financial Institution, Regional Economic Organization, Export Credit Agency or Private Corporation that accepts this Agreement after the date upon which it shall have entered into force, this Agreement shall enter into force on the fifteenth day after the deposit by such International Development Financial Institution, Regional Economic Organization, Export Credit Agency or Private Corporation of its compliant letter of acceptance.

ARTICLE 26

Reservations

No reservations may be made to this Agreement.

ARTICLE 27

Suspension and Withdrawal from Membership

1. Suspension from Membership

- (a) If it appears to the General Meeting, on the recommendation of the Board of Directors, that a Member has failed to fulfil any or all of its obligations to the Agency, that Member may be suspended from membership by resolution of the General Meeting approved by a vote representing not less than two-thirds of the total voting power of the Members of the Agency.
- (b) The decision to suspend a Member shall be subject to review by the General Meeting at any time. The General Meeting may rescind the suspension by the same majority as provided for in paragraph 1 of Article 27 of this Agreement.
- (c) A Member so suspended shall not, from the date of suspension, be entitled to exercise any rights under this Agreement or attaching to its shares but shall remain subject to all obligations hereunder.
- (d) A Member who remains suspended for a period of thirty six (36) calendar months shall at the end of that period automatically cease to be a Member of the Agency.

2. **Withdrawal from Membership**

- (a) At any time after three years from the date on which this Agreement has entered into force for a Member State, International Development Financial Institution, Regional Economic Organization, Export Credit Agency or Private Corporation, that Member may withdraw from this Agreement by giving ninety (90) days written notification to the Depository.
- (b) Any such withdrawal shall become effective only upon the expiry of one calendar year from the date on which the written notification of intention to withdraw was received by the Depository, or on such later date as may be specified in the notification of the withdrawal provided that the concerned Member shall have fully discharged all of its accrued or contingent liabilities to the Agency as may be outstanding at the material time.
- (c) A Member holding Class "C", Class "D" or Class "E" shares and who is placed under a process of liquidation, is dissolved, or is wound up, or whose members have taken any action for its dissolution or disestablishment or for the suspension or termination of its operations shall automatically cease to be a Member of the Agency

3. **Effects of Suspension or Notice of Withdrawal from Membership**

Following the suspension or receipt of the withdrawal notice of an African State from the membership of the Agency, the Agency shall immediately bring to an orderly close all of its underwriting activities within the jurisdiction of that African State. Any subsequent dealings involving the transfer of the shares of the concerned African State in the stock of the Agency shall be in accordance with the rules prescribed in the Articles of Association.

ARTICLE 28

Depository

1. Name of Depository

The Chairman of the Commission of the African Union shall be the Depository of this Agreement. The Depository shall have the power to delegate its power to another body based in Africa.

2. Functions and Powers of the Depository

In addition to its other functions under this Agreement, the Depository shall:

- (a) upon the request of any African State, arrange for signature of this Agreement;

- (b) pronounce this Agreement to have entered into force in relation to a new Member;
- (c) register this Agreement and any amendments thereto with the Secretariat of the United Nations in accordance with Article 102 of the Charter of the United Nations ; and
- (d) notify all Members, of the following:
 - (i) signatures of this Agreement;
 - (ii) deposits of instruments of ratification, accession and acceptance of this Agreement;
 - (iii) the date on which any amendment to this Agreement enters into force; and
 - (iv) any suspension or withdrawal of a Member from this Agreement and the Agency.

ARTICLE 29

Authentic Texts

The original of this Agreement, of which the English and French texts are equally authentic, shall be deposited with the Chairman of the Commission of the African Union. The original of this Agreement shall be translated into Arabic, Portuguese and Spanish, which, following their authentication, shall be regarded as equally authentic to the English and French texts, and shall be deposited with the Chairman of the Commission of the African Union.

DONE at Grand Bay in the Republic of Mauritius on the Eighteenth Day of May in the Year 2000.

IN FAITH WHEREOF the undersigned have placed their signatures at the end of this Agreement.

THE REPUBLIC OF GHANA

The President of the Republic of Ghana

Participation Agreement

(Regional Trade Facilitation Project-Phase II)

... between ...

REPUBLIC OF GHANA

and

AFRICAN TRADE INSURANCE AGENCY

Dated NOVEMBER 30, 2012

AGREEMENT, dated November 30, 2012, between THE REPUBLIC OF GHANA (the Recipient) and AFRICAN TRADE INSURANCE AGENCY (ATI),

WHEREAS (A) the Recipient is a member of ATI in good standing;

(B) by a Financing Agreement dated 7th of August, 2012, Credit Number 5007-GH (the "Financing Agreement"), the International Development Association (the "Association") has agreed, on the terms and conditions set forth or referred to therein, to make available to the Recipient an amount in various currencies equivalent to twelve million seven hundred thousand Special Drawing Rights (SDR 12,700,000) (variously, the "Credit" and "Financing") to assist in financing the Insurance Facility under the Regional Trade Facilitation Project-Phase II (the "Project");

(C) The Project will be carried out by ATI with the Recipient's assistance and, as part of such assistance, the Recipient will make the proceeds of the Credit available to ATI, as set forth in the Financing Agreement, and in this Participation Agreement; and

(D) by a Project Agreement dated SEPTEMBER 21, 2011, 2012, ATI has agreed to undertake certain obligations toward the Association in respect of the implementation of the Project;

NOW, THEREFORE, in consideration of the mutual benefits to be derived and the conditions and promises herein contained, the parties hereto hereby agree as follows:

ARTICLE I

Definitions, Interpretation and Construction

Section 1.01. Wherever used in this Participation Agreement, except as otherwise expressly provided or unless the context otherwise requires, the several terms defined in the Preamble and the General Conditions (as that expression is defined below) have the respective meanings therein set forth and the following additional terms have the following meanings:

(a) "Adjusted Net Exposure" means the Net Exposure (as hereinafter defined) minus the aggregate amount of the outstanding policy limits of all Cash Collateralized Policies;

(b) "Agreement Establishing ATI" means that certain Agreement Establishing the African Trade Insurance Agency adopted by the Fifth Summit of Heads of State and Government of the Common Market for Eastern and Southern Africa in Grand Baie, Republic of Mauritius on May 18, 2000, and as amended from time to time;

(c) "ATI Bank Account" means one or more accounts, denominated in a Convertible Currency opened at a Rated Bank by ATI in the name of ATI on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure and attachment;

(d) "ATI Development Credit Agreement" means the Amended and Restated Development Credit Agreement contained in the Annex to the Agreement Providing for the Amendment and Restatement of the Development Credit Agreement dated March 23, 2007, as previously amended and restated on August 16, 2004 and August 11, 2003, between ATI and the Association, as such agreement may be amended from time to time, and such term includes all schedules and agreements supplemental to the ATI Development Credit Agreement;

(e) "ATI Investment Income Accounts" means the accounts, denominated in a Convertible Currency opened and maintained by ATI at any commercial bank acceptable to the Association in the name of ATI, into which all or part of the Investment Income may be transferred;

(f) "ATI Sub-Account" means or more interest-bearing accounts denominated in a Convertible Currency opened at a Rated Bank (as hereinafter defined), by ATI in the name of ATI, on terms and conditions satisfactory to the Association, including appropriate protection against set-off, seizure and attachment, into which all or part of the proceeds of the funds in the ATI Bank Account may be transferred;

(g) "Available Equity Capital" is ATI's available paid-in share capital attributable to the Class A shareholders of ATI who are beneficiaries of Financing from the association;

(h) "Banking Mandate " means a banking agreement, in the form and substance satisfactory to the Association, between ATI and a Rated Bank pursuant to which an ATI Bank Account or, ATI Sub-Account, as the case may be, is opened and maintained by ATI or between ATI and a commercial bank pursuant to which an ATI Investment Income Account is opened and maintained by ATI;

(i) "Board of Directors" means the Board of Directors of the Agency composed in accordance with Article 12 of the Agreement Establishing ATI.

(j) "Cash Collateralized Policies" means the Insurance Contracts issued and in force which remain collateralized pursuant to the Security Trust Account Agreement;

(k) "Civil Commotion" has the meaning given to such expression in the Operations Manual or in the general conditions of an Insurance Contract or a Contract of Guarantee that may be issued by ATI from time to time;

(l) "Claim" means the amount claimed by an Insured as payable by ATI or an Insurer, pursuant to an Insurance Contract or a Contract of Guarantee;

(m) "Contract of Guarantee" means any contract for the provision of a guarantee against Covered Risks issued to an Insured by ATI or an Insurer;

(n) "Corrupt Practice" means the offering, giving, receiving, or soliciting of any thing of value to influence the action of: (i) a public official of the Recipient, including, without limiting the generality of the foregoing, any official of any organ of executive, legislative or judicial power or function of the Recipient; and (ii) a director (or equivalent position), officer, employee, agent or representative of ATI, as the case may be;

(o) "Covered Risks" means the risks specified in the Operations Manual (as hereinafter defined) or defined in the relevant general conditions that form part of an Insurance Contract or a Contract of Guarantee that may be issued by ATI to an Insured from time to time and includes such other risks as may be agreed upon by the Association and ATI at any time;

(p) "Eligible Investments" means investments permitted under the approved Investment Guidelines ;

(q) "Embargo" has the meaning given to such expression in the Operations Manual or in the ~~general~~ conditions that form a part of an Insurance Contract or a Contract of Guarantee ~~that~~ may be issued by ATI to an Insured from time to time;

(r) "Excluded Event" means War, Civil Disturbance or Embargo;

(s) "First Trigger Date" means the first day occurring on the last date of a calendar month on which the Available Equity Capital is equal to an amount less than the Required Capital, as determined by the Association on the basis of documentation satisfactory to the Association provided by ATI, in accordance with the World Bank Disbursement Guidelines ;

(t) "Fraudulent Practice" means a misrepresentation of facts in order to influence a process, the execution of a contract, or the provision of funds, including, without limiting, the generality of the foregoing: (i) the assessment of any application for an Insurance Contract or a Contract of Guarantee; (ii) the provision of any Insurance Contract or a Contract of Guarantee; (iii) the assessment of any Claim; or (iv) the making of any Payment, in any case to the detriment of the Recipient or ATI, as the case may be;

(u) "General Conditions" means the "International Development Association General Conditions for Credits and Grants" dated July 1, 2005 (as amended through October 15, 2006), with the modifications set forth in the Financing Agreement and that constitute an integral part of this Participation Agreement;

(v) "Governor" means the senior government official referred to in paragraph (a) of Section 4.05 of this Participation Agreement;

(w) "Gross Exposure" means the aggregate amounts of outstanding contingent liabilities assumed by ATI in its own name under all Insurance Contracts and Contracts of Guarantees, as calculated on the last day of each calendar month;

(x) "Insurance Contract" means any contract for the provision of insurance against Covered Risks issued by ATI or an Insurer;

(y) "Insurance Facility" means the insurance facility specified in Schedule 1 to the Financing Agreement;;

(z) "Insured" means a natural or juridical person to whom ATI or an Insurer has issued an Insurance Contract or a Contract of Guarantee in accordance with the Operations Manual;

(aa) "Insurers" mean, collectively, the insurers, whether acting alone or participating in a syndicate of insurers, that benefit from a reinsurance contract issued by ATI;

(bb) "Investment Guidelines" mean the Investment Policy and the General Investment Authorization of ATI that were adopted by resolution of the Board of Directors on July 27, 2006, as amended from time to time;

(cc) "Investment Income" means the income generated as interest and other earnings from the Eligible Investments made by ATI from time to time and includes interest and other earnings generated from the Investment Income;

(dd) "Loss" " means the gross amount paid by ATI to an Insured or an Insurer in settlement of a Claim by an Insured under an Insurance Contract or Contract of Guarantee, and includes any costs and expenses (including professional fees and disbursements) incurred by ATI directly associated with or arising out of the investigation of; or the resolution of a dispute concerning a Claim, but such term shall not include any costs or expenses associated with or arising out of the litigation or arbitration involving a Claim";

(ee) "Net Exposure" means Gross Exposure less Reinsurance as calculated on the last day of each calendar month;

(ff) "Notice of Potential Loss" has the meaning given to such expression in the Operations Manual or in the general conditions of an Insurance Contract or a Contract of Guarantee that may be issued by ATI to an Insured from time to time;

(gg) "Operations Manual" means the manual, dated September 13, 2007 as amended from time to time and approved by ATI and the Association, which sets out the operating policies, rules and procedures to be applied and observed by ATI in connection with the operation of the Insurance Facility and related matters, as said manual may be amended by ATI with the approval of the Association;

(hh) "Payment" means any payment on account of a Loss made to an Insured or an Insurer by ATI;

(ii) "Person" means an individual, a partnership, a corporation, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, or a governmental entity (or any department, agency, or political or administrative subdivision thereof);

(jj) "Project Agreement" means the agreement between the Association and ATI dated _____ ;

(kk) "Project Documents" means, collectively, the Participation Agreement, the Financing Agreement, the Project Agreement and the Agreement Establishing ATI, as amended from time to time;

(ll) "Rated Bank" means a commercial bank of recognized standing enjoying not less than Aa3 for Senior Unsecured Issuer Rating and P1 for Short Term Issuer Rating, respectively, by Moody's; Minimum AA - for Senior Unsecured Issuer Rating and minimum A1 Short term Issuer Rating, respectively, by Standard & Poor's; and A1+ and AA- for Short Term Bank Deposit Rating and Senior Unsecured Issuer Rating, respectively, by Fitch Ratings, appointed by ATI with the approval of the Association to hold the ATI Bank Account and any ATI Sub-Accounts and includes any successor thereto or assignee thereof acceptable to the Association;

(mm) "Reinsurance" means the aggregate amount of outstanding contingent liabilities assumed by all reinsurers of ATI for exposure under reinsurance contracts entered into between ATI and the relevant reinsurers as calculated on the last day of each calendar month;

(nn) "Required Capital" means the product of the following formula: (Adjusted Net Exposure multiplied by 43%) plus (Reinsurance multiplied by 4%) plus fifteen million dollars (USD 15 million), as of the last day of each calendar month;

(oo) "Second Trigger Date" means the first day occurring on the last date of a calendar month following the occurrence of the First Trigger Date on which the Available Equity Capital is equal to an amount less than the Required Capital, as determined by the Association on the basis of documentation satisfactory to the Association provided by ATI, in accordance with the World Bank Disbursement Guidelines;

(pp) "Security Trust Accounts" means the interest-bearing, Dollar denominated trust accounts opened at the Security Trust Account Trustee, on terms and conditions satisfactory to the Association, by ATI;

(qq) "Transit Country" means, in relation to any transaction in respect of which an Insurance Contract or a Contract of Guarantee has been issued to a beneficiary

thereof, a State through which the relevant goods are transported by land, water or air in accordance with the terms of such transaction;

(rr) "War or Civil Disturbance" has the meaning given to such expression in the Operations Manual or in the general conditions of an Insurance Contract or a Contract of Guarantee that may be issued by ATI to an Insured from time to time;

(ss) "World Bank Disbursement Guidelines" means the World Bank Disbursement Guidelines for Projects dated May 2006, as revised from time to time by the Association.

Section 1.02. For all purposes of this Participation Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the Article and Section headings herein are for convenience only and shall not affect the construction or interpretation hereof;

(b) references to Articles, Sections, paragraphs, clauses, or Schedules, without further identification of the document to which the reference is made, are references to provisions and parts of this Participation Agreement;

(c) the words "herein", "hereof", "hereto", "hereunder" and other words of similar import when used in this Participation Agreement refer to this Participation Agreement as a whole and not to any particular Article, Section, paragraph, clause or individual part of this Participation Agreement, unless otherwise expressly provided herein; and

(d) the singular includes the plural and vice versa, and words importing any gender include the other gender.

ARTICLE II

The Project

Section 2.01. (a) ATI acknowledges having taken cognizance of the Financing Agreement and the General Conditions, and declares its commitment to the objective of the Project as set forth in Schedule 1 to the Financing Agreement.

(b) To this end, ATI shall carry out the Project with due diligence and efficiency and in conformity with the provisions of the Project Documents to which it is a party or by which it is bound.

(c) Without limitation upon the provisions of paragraph (b) of this Section 2.01 and except as the Association and ATI shall otherwise agree, ATI shall carry out the Project in accordance with:

- (i) the Operations Manual; and
- (ii) the Implementation Arrangements set forth in the Schedule to the Project Agreement.

Section 2.02. The Recipient acknowledges and confirms that ATI has and shall have full right, power and authority to carry out the Project in accordance with, and subject to the terms and conditions of, the Agreement Establishing ATI, this Participation Agreement and the other Project Documents to which ATI is a party or by which it is bound.

ARTICLE III

The Credit

Section 3.01. For the purposes of the Project ATI shall open and maintain ATI Bank Account(s), ATI Sub-Accounts and ATI Investment Income Accounts as provided for in the Financing Agreement.

Section 3.02. (a) Applications for withdrawal of the Credit may only be made on behalf of the Recipient by the Chief Executive Officer of ATI or any person or persons whom he or she shall designate in writing pursuant to Section 2.02 of Article II of the Financing Agreement:

- (i) shall be in an amount equal to the equivalent of:
 - sixty-four percent (64%) of the total Credit promptly after the Effective Date;
 - eighteen percent (18%) of the total Credit on the First Trigger Date;
 - eighteen percent (18%) of the Total Credit on the Second Trigger Date;
- (ii) shall include the documentation required pursuant to Article II of the General Conditions;
- (iii) where only one ATI Bank Account has been opened at the relevant date, each request shall state that the Association transfer to the ATI Bank Account the entire proceeds of the amount of the Credit applied to be withdrawn hereunder or, in the event that there is more than one ATI Bank Account at the relevant date, the proportion of such proceeds that is to be deposited into each one of the ATI Bank Accounts, and;

- (iv) shall, with respect to the first such application for withdrawal, be delivered to the Association promptly following confirmation by the Association that the conditions of disbursement specified or referred to in the Financing Agreement have been fulfilled.
- (b) ATI shall provide the Recipient with a copy of the application for withdrawal delivered to the Association in accordance with paragraph (a) of this Section 3.02, concurrently with the delivery of such application.
- (c) As soon as practicable following the transfer by the Association and the receipt by ATI of any part of the Credit Amount ATI shall allot to the Recipient a number of Class "A" shares of its capital stock with a value equivalent to the amount of the Credit withdrawn issue to the Recipient the relevant share certificates all in accordance with the provisions of the Agreement Establishing ATI.

ARTICLE IV

The Insurance Facility

Section 4.01. Within 60 days following the date of receipt by the Recipient of a written notice from ATI:

- (a) that a Payment has been made by ATI pertaining to a Claim relating to a transaction covered by ATI within the territory of the Recipient;
- (b) that such Claim was in respect of either:
 - (i) a Loss for Political Risk Insurance, not arising from an Excluded Event; or
 - (ii) a Loss arising from the non-honouring of any financial obligation of a sovereign entity of the Recipient, or a sub-sovereign or parastatal entity for which the sovereign entity of the Recipient is legally liable for such sub-sovereign's or parastatal's entity's financial obligations;
- (c) that in the reasonable opinion of ATI such Claim occurred as a result of the action or omission of the Recipient; and
- (d) providing reasonable details of such Payment and Claim including, without limitation, if the relevant transaction was concluded with another member state of ATI, confirmation by ATI whether such transaction was covered as an import transaction or as an export transaction, as the case may be, and the basis for such determination in accordance with the Operations Manual;

the Recipient shall fully reimburse ATI the gross value of the Payment (before the application of any reinsurance recoveries or recoveries under contracts of insurance or guarantees) made in accordance with the relevant payment instructions as provided by ATI to the Recipient in the said written notice .

Section 4.02. For the avoidance of doubt and for the purposes of this Participation Agreement, ATI may deliver to the Recipient a written notice referred to in Section 4.01 if the relevant Claim pertains to a transaction:

(a) involving the import of goods or services into the Recipient's territory from:

(i) a state other than another Member State of ATI; or

(ii) another Member State of ATI, but only if such transaction was covered by ATI as an import transaction into the Recipient's territory in accordance with the Operations Manual;

(b) involving the export of goods or services from the Recipient's territory to the territory of another state, whether a Member State of ATI or not, it being understood and agreed, however, that if the relevant transaction was concluded between two Member States of ATI then the written notice under Section 4.01 may only be sent to the Recipient if such transaction was covered by ATI as an export transaction from the Recipient's territory in accordance with the Operations Manual;

(c) concluded entirely within the Recipient's territory, where such transaction was covered by ATI as a local transaction in accordance with the Operations Manual; or

(d) where the Recipient's territory was a Transit Country and in the reasonable opinion of ATI the relevant Covered Risk occurred on the territory of the Recipient and such Claim occurred as a result of the action or omission of the Recipient.

Section 4.03. Except as provided under this Participation Agreement and the Agreement Establishing ATI or as the Recipient shall otherwise agree, ATI shall use its best efforts to ensure that the Recipient shall not have any liability, contingent or otherwise, to any Insured or Insurers in respect of any Payment which relates to an Insurance Contract or a Contract of Guarantee to be concluded with the Insured or Insurers.

Section 4.04. At the request of the Recipient, ATI shall cause the Rated Bank to provide to the Recipient and to the Association written confirmation of the date and amount of:

(i) each withdrawal from the relevant ATI Bank Account by ATI for the purpose of making transfers to any ATI Sub-Account; and

- (ii) each withdrawal from the relevant ATI Sub-Account by ATI for the purpose of making Eligible Investments or Payments, as the case may be.

Section 4.05. As soon as reasonably possible following the signature of this Participation Agreement and, in any event, within 60 days thereafter, the Recipient shall:

- (a) nominate by office a senior official (at Cabinet level) in the Government of the Recipient in order to act as Governor for all purposes of the Insurance Facility, the Insurance Contracts and Contracts of Guarantee against Covered Risks relating to the Recipient including, without limitation, to attempt to remedy the occurrence of an event or circumstance that might give rise to the submission of a Claim and a related Payment, and the reimbursement to ATI of any Payment; and

- (b) provide written confirmation to ATI and the Association of the name, title and telephone, fax and electronic mail coordinates, as applicable, of such person; and

for so long as there are Insurance Contracts or Contracts of Guarantee against Covered Risks relating to the Recipient in effect and outstanding, the Recipient shall at all times maintain in force the appointment of the senior official (at Cabinet level) in the Government of the Recipient in order to act as its Governor.

Section 4.06. Promptly following the receipt of a Notice of Loss or Potential Loss from ATI, the Recipient shall cause and permit, and shall not take any action or omit to take any action which would prevent or otherwise interfere with the Governor investigating the matter alleged by the Insured in the Notice of Loss or Potential Loss and, where necessary, using his or her best efforts in accordance with the national laws and regulations of the Recipient to remedy such matter within the period specified in the relevant Insurance Contract or Contract of Guarantee in order to avoid the submission of a Claim and payment of compensation for the Loss.

Section 4.07. Any investigation conducted by the Governor pursuant to Section 4.06, or any investigation conducted by any other Person for or on behalf of the Recipient, shall be without prejudice to:

- (a) the obligations of ATI, as the case may be, under any Insurance Contract or Contract of Guarantee to make a Payment in full in respect of the relevant Claim when due and payable; or

- (b) the Recipient's obligations under Section 4.01;

which shall apply notwithstanding that any of the Recipient's subjects or any other Person disputes the validity of any such Claim or any determination by ATI in respect of any such Claim, or the finality, accuracy or correctness of any documentation, fact or figures referred to or stated therein.

Section 4.08. Any reimbursement made under Section 4.01 of this Article by the Recipient to ATI following a Payment pertaining to a Claim relating to a transaction

covered by ATI shall not be construed to mean a share subscription under Article 7 of the Agreement Establishing ATI.

Section 4.09. Where a Payment has been made by ATI pertaining to a Claim relating to a transaction within the jurisdiction of the Recipient covered by ATI, an equal value of the shares in the capital stock of ATI held by the Recipient shall be automatically forfeited to ATI until the full reimbursement of the amounts so withdrawn to the relevant ATI Bank Account(s) by the Recipient. Pending such reimbursement in full, the Recipient shall not be entitled to exercise any rights or privileges attaching to the shares so forfeited and shall be suspended from membership of the Agency. Where the Recipient remains suspended from the membership of the Agency for a period of thirty six (36) calendar months the Recipient shall at the end of that period automatically cease to be a Member of the Agency.

ARTICLE V

Financial Covenants

Section 5.01. ATI shall:

(a) have each ATI Bank Account, ATI Sub-Account, ATI Investment Income Account and any other commercial bank accounts audited for each fiscal year in accordance with the auditing standards and by the independent auditors used for purposes of Section II (B) (3) of the Schedule to the Project Agreement;

(b) furnish to the Recipient as soon as available, but in any case not later than six (6) months after the end of each such year, the report of such audit by said auditors; and

(c) furnish to the Recipient such other information concerning each ATI Bank Account, ATI Sub-Account, ATI Investment Income Account and other commercial bank accounts and the audit thereof as the Recipient shall have reasonably requested.

Section 5.02. Within forty-five (45) days following the end of each calendar quarter commencing after the date of the first withdrawal of the Financing, ATI shall deliver a written report to the Recipient and to the Association specifying, on an aggregate basis, as at the last business day of the preceding calendar quarter, the status of Eligible Investments, including, without limitation, those Eligible Investments made and sold, if any, by ATI during the preceding calendar quarter, and providing reasonable particulars as to the nature, principal amount, and term (if any) thereof, as well as the interest rate applicable thereto, and the principal amount of any proceeds of disposition, as well as the costs and expenses related to such disposition, if any, as the case may be.

ARTICLE VI

Effective Date; Termination

Section 6.01. This Participation Agreement shall come into force and effect on the Date upon which the Financing Agreement becomes effective.

Section 6.02. (a) This Participation Agreement and all obligations of the Recipient and of ATI hereunder shall terminate on the earlier of the following two dates:

- (i) the date on which the Recipient shall cease to be a Member of ATI in accordance with the terms of the Agreement Establishing ATI; and
- (ii) the termination and cessation of operations by ATI in accordance with the terms of the Agreement Establishing ATI.

ARTICLE VII

Enforceability of the Participation Agreement; Failure to Exercise Rights; Arbitration

Section 7.01. The rights and obligations of the Recipient and ATI under this Participation Agreement shall be valid and enforceable in accordance with their terms notwithstanding the law of any state, or political subdivision thereof, to the contrary. Neither the Recipient nor ATI shall be entitled in any arbitration proceeding pursuant to this Participation Agreement to assert any claim that any provision hereof is invalid or unenforceable because of any provision of the Agreement Establishing ATI, as amended.

Section 7.02. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Participation Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default. No action of such party in respect of any default, or any acquiescence by it in any default, shall affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

Section 7.03. (a) Any controversy between the parties to this Participation Agreement and any claim by either party against the other arising under this Participation Agreement which has not been settled by agreement of the parties shall be submitted to arbitration as provided for under sub-paragraph 2 (b) (i) of Article 19 of the Agreement Establishing ATI.

(b) Notwithstanding paragraph (a) of this Section 7.03 or any other provision of this Participation Agreement, any other Project Document or the Agreement Establishing ATI, in the absence of any manifest error, neither the Recipient, nor any of its subjects or any of its political or administrative subdivisions may question the validity of any Claim or any determination by ATI, in respect of any such Claim.

(c) Notwithstanding paragraph (a) of this Section 7.03, any dispute concerning the validity of any reimbursement obligation of the Recipient pursuant to Section 4.02 shall be submitted to arbitration by the Recipient in accordance with subparagraph 2 (b) (i) of Article 19 of the Agreement Establishing ATI, as soon as possible, but in any event not later than 60 days following the date of any Payment, failing which the Recipient shall forfeit the right to make such submission to arbitration in respect of the relevant reimbursement obligation.

ARTICLE VIII

Miscellaneous Provisions

Section 8.01. The Recipient shall furnish to ATI evidence of the authority of the person or persons, who will, on behalf of the Recipient, take any action or execute any documents required or permitted to be taken or executed by the Recipient under this Participation Agreement, and the authenticated specimen signature of each such person.

Section 8.02. Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Participation Agreement on behalf of the Recipient may be taken or executed by the representative of the Recipient designated in Section 6.01 of the Financing Agreement or any other person authorized in writing by such representative. Any modification or amplification of the provisions of this Participation Agreement may be agreed to on behalf of the Recipient by written instrument executed on behalf of the Recipient by the representative so designated or any other person authorized in writing by such representative, provided that, in the opinion of such representative, such modification or amplification is reasonable in the circumstances and will not substantially increase the obligations of the Recipient under this Participation Agreement. ATI may accept the execution by such representative or other person of any such instrument as conclusive evidence that in the opinion of such representative any modification or amplification of the provisions of this Participation Agreement effected by such instrument is reasonable in the circumstances and will not substantially increase the obligations of the Recipient hereunder.

Section 8.03. This Participation Agreement may be executed in several counterparts, each of which shall be an original and all collectively but one instrument.

Section 8.04. This Participation Agreement represents the entire understanding between the parties in relation to the subject matter thereof and supersedes any or all previous agreements or arrangements between the parties in respect of the operation of the Insurance Facility, whether oral or written.

Section 8.05. All additions, amendments or variations to this Participation Agreement shall be binding only if in writing and signed by the duly authorized representatives of both parties.

Section 8.06. Any notice or request required or permitted to be given or made under this Participation Agreement and any agreement between the parties contemplated by this Participation Agreement shall be in writing. Such notice or request shall be deemed to have been duly given or made when it shall be delivered by hand or by mail, telegram, cable, telex or facsimile to the party to which it is required or permitted to be given or made at such party's address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. Deliveries made by facsimile transmission shall also be confirmed by mail. The addresses so specified are:

For the Recipient:

Ministry for Finance and Economic Planning
P.O. Box MB40
Accra, Ghana

Cable address:	Telex:	Facsimile:
Accra	2205 MIFAEP	233-21-667069
Ghana		233-21-663854

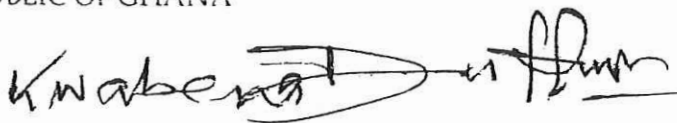
For African Trade Insurance Agency:

African Trade Insurance Agency
Kenya Re Towers 5th Floor,
Upper Hill
P.O. Box 10620-00100 GPO
Nairobi
Kenya

Facsimile: +254 (0) 20 271 9701
Email: info@ati-aca.org

IN WITNESS WHEREOF, the parties hereto, acting through their duly authorized representatives, have caused this Participation Agreement to be signed in their respective names as of the day and year first above written.

REPUBLIC OF GHANA

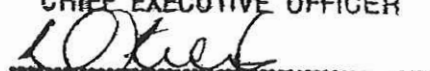


By

Authorized Representative

AFRICAN TRADE INSURANCE AGENCY

MR. GEORGE O. OTIENO
CHIEF EXECUTIVE OFFICER



By

AFRICAN TRADE INSURANCE AGENCY

Authorized Representative



African Trade Insurance Agency
 Agence pour l'Assurance du Commerce en Afrique

**THE REPUBLIC OF GHANA'S MEMBERSHIP IN THE
 AFRICAN TRADE INSURANCE AGENCY**

CHRONOLOGY OF EVENTS

DATE	ACTIVITY
3 rd Dec 2008	Ghana submits membership application to ATI
23 rd Dec 2008	Ghana requests financial support from World Bank's International Development Association
19 th May 2009	ATI Annual General Meeting held in Nairobi, Kenya considers & approves Ghana's application for membership
22 nd May 2009	Resolution of AGM admitting Ghana communicated to Minister of Finance & Economic Planning Ghana indicating remaining conditions to be fulfilled as follows: <ul style="list-style-type: none"> a) Ghana to sign and ratify ATI Treaty b) Ghana to sign Participation Agreement c) Negotiation of Financial support with World Bank, Subscription and payment of per value shares allotted
9-12 Feb 2010	African Development Bank/ATI team visit Ghana to discuss with authorities and stakeholders Ghana entry into ATI
22 nd July 2010	Technical negotiations between Ghanaian Ministry of Finance, the World Bank and other interested parties. Following documents reviewed: <ul style="list-style-type: none"> • Project Appraisal Document • Financing Agreement • Project Agreement
15 th March 2011 20 th April 2011	Formal negotiation of a financing agreement amounting to US\$20 million held and concluded
14 th June 2011	World Bank Executive Board of Directors approves financing agreement
7 th August 2012	Ghana signs financing agreement, the effectiveness of which was subject to: <ul style="list-style-type: none"> ➤ Ghana signing and ratifying the agreement ➤ Ghana signing and ratifying the ATI Treaty or issuing an instrument of ratification of the ATI Treaty or issuing an instrument of accession to the ATI Treaty ➤ Ghana signing the Participation Agreement ➤ Ghana submitting legal opinions to International Development Association
7 th Nov 2012	90 days deadline after the signing of financing agreement expires
1 st Feb 2013	World Bank grants Ghana a second chance to take required action. Extended deadline for a further 90 days.
23 rd April 2013	Ghana request World Bank to further extends deadline by 90 days (this was the 3 rd extension) The World Bank did not agree to this 3 rd extension and subsequently the financing agreement was cancelled.
3 rd May 2013	Second deadline extension granted Ghana by World Bank expires

• Africa's Export Credit Agency •

Brief on African Trade Insurance Agency (ATI)

African Trade Insurance Agency (ATI) was established in 2001 as an initiative by the Common Market for Eastern and Southern Africa to provide political and credit risk insurance for the promotion of trade and investments in member countries. ATI's mandate is to help increase investment into Africa and to facilitate more trade within the continent. Currently, ATI conducts business in ten (10) countries including Benin, Burundi, Kenya, Uganda, Tanzania and Zambia. The establishment treaty is registered as a multilateral institution by the United Nations under Article 102 of the United Nations Charter. The Agency possesses international legal personality and is deemed to be a legally constituted corporate body.

Per Article 4 (1) of the Agreement Establishing the Agency, the object of the Agency is to facilitate, encourage and develop the provision of, or the support of insurance, coinsurance, reinsurance, guarantees and other financial instruments and services for purposes of trade, investments and other productive activities in African States to supplement what the public or private sector offers.

Functions

The functions of the Agency include:

- Facilitating the development of trade, investments and other productive activities in African States through the provision or support of insurance, coinsurance, reinsurance or guarantees against political, non-commercial and commercial risks.
- Mobilization of financial resources necessary to achieve its object and purpose.

Membership

Membership in the Agency is open to any:

- (i) African State which is, or is qualified to become a member of the African Union or any public entity nominated or designated by such African State to be a Member on its behalf;
- (ii) Non-African State which is, or is qualified to become, a member of the United Nations, or any public entity nominated or designated by such Non-African State to be a member on its behalf;
- (iii) Regional Economic Organization;
- (iv) International Development Financial organization;
- (v) Export Credit Agency, and;

(vi) Private Corporation.

Membership Processes

The membership processes into ATI entails the following steps:

1. Application for membership of ATI in writing;
2. Acceptance into membership by a resolution of the General Meeting of Members of ATI.
3. Signing a Participation Agreement with ATI.
4. Ratification and signing of the Agreement Establishing the African Trade Insurance Agency (the "ATI Treaty")
5. Subscribing for the capital stock of ATI.

The Agency's Authorized Capital

The Agency has an open-ended capital stock based on an initial authorized nominal capital stock of United States Dollars one billion (US Dollars 1,000,000,000) divided into ten thousand (10,000) shares having a par value of United States Dollars one hundred thousand (US Dollars 100,000) each, which is available for subscription by Members in accordance with the ATI Treaty.

Minimum Share Subscription

The size of an economy and the anticipated level of activity are the two main factors that are taken into consideration to determine the minimum level of capital investment. The minimum equity contribution for any African state is US\$7.5 million (75 shares).

The level of required capital for Ghana has been estimated at US\$20 million (200 shares) on the basis of a combination of the size of economy and the anticipated demand for the Agency's products and services in Ghana.

Class of Shares

Shares of the Agency are divided into five classes as follows:

- a) Class "A" shares, are issued to African States or their duly nominated or designated public entities.
- b) Class "B" shares are issued to Non-African States or their duly nominated or designated public entities.
- c) Class "C" shares are issued to Private Corporations.
- d) Class "D" shares are issued to Regional Economic Organizations and Export Credit Agencies.

- e) Class "E" shares are issued to International Development Financial Institutions.

Payment of Dividends

ATI is authorized to distribute dividends as stated in Article 9 of its Treaty. The Board of Directors has approved payment of dividends, starting from the year 2017.

The range of products and services offered by ATI

The range of ATI product and services include the following:

- Political Risk guarantees (Insurance) for Trade Transactions and Investment Projects.
- Comprehensive Non-payment Insurance for investors, lenders and suppliers
- Structured Single Credit Non-payment Insurance on Sovereign, Sub-Sovereign, Public and Private Obligors (sovereign guarantees offered on behalf of member countries to contractors, government lenders and suppliers)
- Whole Turnover Credit Insurance on Private Buyers in favour of exporters to and from Africa.
- Foreign Direct Investment Insurance for projects in Africa
- Project Loan Insurance
- ~~Mobile Assets Insurance~~
- ~~Insurance cover for Terrorism & Sabotage~~

ATI Investment and Credit Rating

ATI is a trusted institution rated by Standard & Poors. The Agency's capacity to support more trade and investment was further enhanced when it was assigned for the last 7 consecutive years by Standard & Poor's a long term A, Strong, investment and credit rating for both its Counterparty and Insurer Financial Strength Ratings, with a 'Stable' outlook. ATI is the second highest rated institution in Africa after the African Development Bank.

Rationale for the Establishment of ATI

One of Africa's main challenges is the negative perception that doing business in Africa is a high risk and this has resulted in low levels of foreign direct investment, difficulties in accessing affordable finance and low economic growth of the African economy.

Political risk insurance from commercial insurers or export credit agencies is generally not available for many African countries and where the cover is available, it is usually very costly and is offered on unfavourable terms and conditions. ATI was therefore created to meet these challenges and correct this significant market failure. This regional solution to the provision of political and commercial risk insurance has several advantages when compared with stand-alone institutions in each member state. These include:

(i) Economies of scale in operating costs and marketing initiatives: the relatively small volume of trade and investment in individual countries does not allow for the establishment of viable national investment and credit insurance agencies. The pooled regional approach presents economies of scale that translate into lower transactions costs for users (investors, lenders, exporters and importers).

(ii) Underwriting skills: the regional approach also makes more effective and efficient use of scarce underwriting skills in the region and provides an effective platform for developing new specialised skills and capacity for the region that could not be effectively replicated in individual country schemes. As such, ATI becomes a centre of excellence for all African Member States.

(iii) Reduction of the cost of doing business in Africa as a whole: Through the pooled approach ATI has the potential to help reduce the “costs of doing business” in Africa by providing guarantees against political and commercial risks to promote trade and investment, thereby creating a level playing field for all investors, banks, contractors, manufacturers, exporters and importers to compete internationally.

Ghana’s membership in the ATI

On December 3, 2008 the Republic of Ghana applied for ATI membership and was admitted during the 9th Annual General Meeting of the Agency on May 19, 2009 in Nairobi, Kenya. As part of the Regional Trade Facilitation Project (RTFP) to support the Agency’s African Member States (AMS), the World Bank granted a loan facility of SDR12.8 million (US\$20.0 million equivalent) to the Government of Ghana to enable it subscribe to ATI shares. Cabinet and Parliament both approved the credit agreement and the credit agreement was signed in August, 2012. The Participation Agreement between Government of Ghana and ATI was also signed on November, 2012. The ratification and subsequent signing of the Agreement Establishing ATI could not be executed and this resulted in the cancellation of Credit Facility after three (3) times extension of the deadline by the World Bank. To complete membership into ATI, Ghana is therefore required to ratify and sign the Agreement Establishing the Agency and source funding to pay the ATI shares.

ECOWAS-ATI Partnership

ECOWAS in pursuant to Article 51-e of the ECOWAS Revised Treaty directed the ECOWAS Commission to set up an investment guarantee agency that will provide political risk cover for investors in the region.

A feasibility study was conducted in 2012 and the report recommending the need to set up the investment guarantee agency was adopted by the Ministers of Finance and Economic Planning. The Finance Ministers recommended its implementation to the Council of Ministers, who at their 123rd Ordinary Session in November, 2013 directed ECOWAS Commission to partner with ATI which is an already established institution. The Council

also directed the constitution of a Project Implementation Committee (PIC) comprising representatives from Nigeria, Ghana, Cote d'Ivoire, ECOWAS Commission, EBID, West African Insurance Companies Association (WAICA) and ATI to define procedures for the ECOWAS-ATI partnership.

The PIC was inaugurated in May, 2014 with the mandate to define the procedures for the establishment of the ECOWAS-ATI partnership which will provide an investment guarantee mechanism for the region. A due diligence was conducted on ATI by EBID and the report was adopted by the PIC at its 2nd meeting in Lome, Togo in November, 2014. The Ministry of Finance participated in the meeting. The PIC recommendation for the establishment of the ECOWAS-ATI partnership was approved by the Council of Ministers in December, 2014. The 3rd PIC meeting was held in Nairobi, Kenya in February, 2015. The meeting discussed the content and structure of the draft ECOWAS-ATI Partnership Agreement and outlined modalities for sourcing funding from member states to subscribe to ATI shares. ECOWAS has advised its member states to join ATI and is assisting them source funding from the World Bank, African Development Bank and other financial institutions to enable them pay ATI share.

Rationale for Ghana becoming member of ATI

The high risk of doing business in Africa has resulted in low levels of foreign direct investment, difficulties in accessing affordable finance and low economic growth as compared to other regions. Political risk insurance from commercial insurers or export credit agencies is generally not available for many African countries including Ghana and where available, it is usually very costly and offered on unfavourable terms and conditions. ATI was therefore created to meet these challenges and correct this significant market failure. The regional solution to the provision of political and commercial risk insurance has several advantages when compared with stand-alone institutions in each member state as it presents economies of scale that translates into lower transaction costs for users (investors, lenders, exporters and importers).

The Multilateral Investment Guarantee Agency (MIGA) and the African Guarantee Fund (AGF) are comparable institutions to ATI that provide guarantees to investors to protect their investments. Ghana is already a member of these institutions and benefits from their services. While MIGA provides political risk insurance guarantees to private sector investors and lenders to protect their investments, AGF, on the other hand, provides commercial/credit risks guarantees in support of loans offered by lending institutions to Small and Medium-Scale Enterprises (SME's) and equity capital financing.

Providing Political risk insurance or Commercial/Credit risk insurance as a stand-alone product is not sufficient as rational investors prefer single entities capable of covering both risks for their investments. ATI as an institution provides Comprehensive Cover (political and commercial risk) for private sector companies in Member Countries to attract

international banking support and finance. In addition, ATI considers short term tenor guarantees for trade and investments (less than 12 months), while MIGA concentrates on medium (minimum of 3 years) to long term tenors. ATI can therefore play a pivotal role in attracting more foreign direct investment in Ghana. Foreign investors seeking to invest in Ghana can have another strong investment-grade rated institution to offload their sovereign and commercial risks concerns.

Though there has been a momentous increase of Foreign Direct Investment (FDI) in the country from US\$0.55 billion in 2009 to US\$3.39 billion in 2014, membership into ATI will enhance Ghana's attractiveness as an investment destination. This will support our objective of building new infrastructure, increasing trade and investment and diversification of the economy.

ATI has engaged a number of key stakeholders both in the private and public sectors to seek their view and support of Ghana's membership of ATI. The response has been unanimous that the services and products of ATI can be a catalyst for the positive transformation of the economy. Government has also received the consent major Stakeholders including Ghana Investment Promotion Centre (GIPC), Private Enterprise Federation (PEF), National Insurance Commission (NIC), Ghana Insurers Association (GIA) and Ghana Insurance Brokers Association (GIBA) of our membership of ATI.

To date ATI has received in excess of US\$3.2 billion transaction enquiries for Ghana. Such enquiries originate from sectors such as Power and Energy, Oil & gas, Construction, Financial services, Health and Agriculture. The most common cover type requested has been non-payment, either by sovereign obligor or corporate. There is also a large demand for political risk insurance for actions of the government frustrating a contract. ATI has been approached by Banks in Ghana who wish to limit their exposure on transactions as well as brokers mandated by Banks to seek risk mitigation for transactions based in Ghana. Institutional investors also approach ATI for transactions they wish to entertain.

Performance of ATI in 2016

- Total gross written premium was US\$44.85 million (an increase of 52% over 2015)
- Gross Exposure amount was US\$2.4 billion (an increase of 26% over 2015).
- Net profit was US\$10.4 million (an increase of 31% over 2015).



African Trade Insurance Agency
Agence pour l'Assurance du Commerce en Afrique

ATIA Ghanaian Enquiries as at September 2017

TYPE OF TRANSACTION	APPLICANT COUNTRY	NAME OF COUNTERPARTY	RISK COUNTRY	CONTRACT VALUE	SECTOR	RISK TO BE COVERED
				(USD)		
Construction of Thermal Power Plant	Ghana	Volta River Authority	Ghana	1,000,000,000	Power	Comprehensive Non-payment Risk
Construction of Nine Hospitals with capacity of 1350 bed	South Africa	Ministry of Health and Ministry of Defence	Ghana	612,420,000	Health	Sovereign Obligor Non Payment Risk
Emergency Power Agreement - provision of temporary power to support the country's national grid	To Be Confirmed	MoFEP	Ghana	500,000,000	Energy	Political Risk Insurance (PRI) and CRI
Short-term oil purchase facility	United Kingdom	Volta River Authority	Ghana	413,000,000	Electricity, Gas and Water Supply	Non-Honouring of Sovereign Guarantee
Loan	South Africa	Ghana Airports Company Limited	Ghana	300,000,000	Trade and Transportation	Lenders All Risk
Construction of a 100MW Power Plant	USA	Electricity Company of Ghana	Ghana	200,000,000	Power	Sovereign Obligor Non Payment Risk

Purchase and sale of cocoa beans	Ghana	Ghana Cocoa Board (Cocobod)	Ghana	200,000,000	Agribusiness	Non Payment Risk
Investment into Mine	Cayman Islands	Agbaou Gold Operations SA	Ghana	200,000,000	Mining and Quarrying	Foreign Direct Investment (Equity)
Fuel supply agreement	Switzerland	Ghana National Petroleum Corporation	Ghana	173,000,000	Trade and Transportation	Supplier Credit Insurance Post Shipment
Financing for BOOT	United States	Savenco Cocoa processing Company Limited	Ghana	171,199,897	Agriculture	Foreign Direct Investment (Loan)
Financing the purchase and delivery of aircraft	Italy	Ministry of Defence	Ghana	142,500,000	Transport	Sovereign Obligor Non Payment Risk
Multi-country facility split into separate lines on behalf of six different subsidiaries of Dangote Cement Plc	Egypt	Dangote Cement Ghana	Ghana	105,000,000	Manufacturing	Lenders All Risk
Investment	South Africa	Tema Oil Refinery	Ghana	105,000,000	Trade and Transportation	Foreign Direct Investment (Loan & Equity)
Power project Finance	Ghana	MOF Ghana	Ghana	100,000,000	Energy	Non Payment Risk
Bank Bond, Guarantee Facility	Ghana	Volta River Authority	Ghana	100,000,000	Energy	Counter Guarantee of issued

						Bonds
Build a 1000 MW Wave Energy Park in the Gulf of Guinea, South of Ada, Ghana.	Singapore	Electricity Company Ghana	Ghana	100,000,000	Electricity, Gas and Water Supply	Foreign Direct Investment (Loan)
Supply Armoured Personnel Carrier Vehicles	To Be Confirmed	Ministry of Finance, Ghana	Ghana	100,000,000	Public Administration	Non-Honouring of Sovereign Obligation
Transaction financing the sale of equipment to Ministry of Transport	United States	Ministry of Finance, Ghana	Ghana	100,000,000	Public Administration	Non-Honouring of Sovereign Obligation
Loan to support local mine	United Kingdom	Newmont Mining Corporation	Ghana	100,000,000	Mining and Quarrying	Lenders All Risk
Trade	United Arab Emirates	Various Buyers	Ghana	100,000,000	Services	Full WTO
Advance Payment	Ghana	Volta River Authority	Ghana	100,000,000	Electricity, Gas and Water Supply	Counter guarantee (Bank)
Rehabilitation of water supply	Ghana	TAHAL Ltd	Ghana	92,000,000	Water	Comprehensive Non-payment Risk
Guarantee to Karpowership.	France	Electricity Company Ghana	Ghana	79,000,000	Electricity, Gas and Water Supply	Foreign Direct Investment (Loan)
To Be Confirmed	South Africa	Ministry of Finance	Ghana	75,000,000	services	Political Risk Insurance (PRI)

Term Loan Facility for solar project in Ghana		Electricity Company Ghana	Ghana	65,200,000	Electricity, Gas and Water Supply	Non-Honouring of Sub Sovereign Obligation
Term loan facility	Netherlands	Fidelity Bank Ghana Ltd	Ghana	60,000,000	Financial and Insurance Activities	Lenders All Risk
Delivery of several patrol vessels for the Ministry of Defence	Netherlands	Ministry of Defence	Ghana	56,352,000	Services	Sovereign Obligor Non Payment Risk
To Be Confirmed	South Africa	To Be Confirmed	Ghana	50,000,000	Energy	Comprehensive Non-payment Risk
Non-payment (short term open account/unsecured credit)	United Kingdom	Go Energy Limited	Ghana	50,000,000	Trade and Transportation	Supplier Credit Insurance Post Shipment
Short-term oil purchase facility to the Obligor	Germany	Volta River Authority	Ghana	50,000,000	Electricity, Gas and Water Supply	Non-Honouring of Sovereign Guarantee
Trade	Ghana	Liaoning Huanghai Automobile IMP/EXP Co. Limited	Ghana	50,000,000	Manufacturing	Supplier Credit Insurance Post Shipment
Financing Facility for an IPP	Ghana	Electricity Company of Ghana	Ghana	48,650,000	Energy	Non Payment Risk

Develop 10,000 hectares of uncultivated land in the state of Brong-Ahafo	Cote d'Ivoire	Paragon Agri Limited	Ghana	45,000,000	Agriculture	Lenders All Risk
Term Loan for finance expansion of power plant	Ghana	Volta River Authority	Ghana	42,996,060	Energy	Political Risk Insurance (PRI)
Term loan	Italy	To Be Confirmed	Ghana	40,000,000	Infrastructure	Non Payment Risk
Development of a dual fuel combined cycle thermal power plant in Takoradi	Norway	To Be Confirmed	Ghana	40,000,000	Power	Comprehensive Non-payment Risk
Revolving Credit Facility for Endeavour Mining Corporation - Premier gold producer focusing on high quality mines in West-African region, with prime assets in Ivory Coast, Burkina Faso, Mali and Ghana	Canada	Endeavour Mining Corporation	Ghana	40,000,000	Mining and Quarrying	Lenders All Risk
Oil transaction	Singapore	Ghana Oil Company	Ghana	40,000,000	Trade and Transportation	Non-Honouring of Sub Sovereign Obligation
Export finance contract covering the development of a poultry project by AGCO.	Czech Republic	Ministry of Agriculture, Ghana	Ghana	40,000,000	Public Administration	Non-Honouring of Sovereign Obligation
Loan	United	Tullow Oil	Ghana		Mining and	Lenders All

	States			37,500,000	Quarrying	Risk
Deliveries of the Goods under two prepayment contracts with the Obligor.	Singapore	Cocoa Marketing Company	Ghana	37,335,000	Trade and Transportation	Comprehensive Cover
20MW Solar project in Ghana		Electricity Company Ghana	Ghana	35,500,000	Electricity, Gas and Water Supply	Foreign Direct Investment (Loan)
Term Loan Facility with the Ministry of Finance Ghana to finance the purchase of smart pre-paid meters, which are on lent to Electricity Company of Ghana Ltd.	United Kingdom	Ministry of Finance, Ghana	Ghana	30,000,000	Public Administration	Non-Honouring of Sovereign Obligation
Road contracts	Ghana	ADT Alliance Construction	Ghana	25,000,000	Construction	Non Payment Risk
Investment for purchasing additional trucks to service unmet demand for its services in the region	United Kingdom	Reliance Logistics Ghana	Ghana	25,000,000	Trade and Transportation	Lenders All Risk
sales of goods or services		Ministry of Finance and Economic Planning	Ghana	20,600,000	Healthcare	Political Risk Insurance (PRI)
To Be Confirmed	UK	Ghana State Electricity Board	Ghana	20,000,000	Services	Political Risk Insurance (PRI)
Purchase of buses	China	To Be Confirmed	Ghana	20,000,000	Transportation	Non Payment

						Risk
Poultry Processing Plant to be established in Ghana	South Africa	Various Foreign sources	Ghana	20,000,000	Agribusiness	Non Payment Risk
Loan	OECD	Ghana Broadcasting Corporation	Ghana	20,000,000	Media	Comprehensive Non-payment Risk
To Be Confirmed	UK	Ghanaian importer	Ghana	20,000,000	Oil & gas	Comprehensive Non-payment Risk
Non-payment (short term open account/unsecured credit)	United Kingdom	Bulk Oil Storage and Transportati on Co. Limited	Ghana	20,000,000	Trade and Transportation	Supplier Credit Insurance Post Shipment
Tender issued by GNPC for the supply of 720,000 MT +/- 15% of Heavy Fuel Oil to be supplied under a Power Purchase Agreement agreed between Electricity Company of Ghana to Karpowership Ghana	Switzerland	Electricity Company Ghana	Ghana	20,000,000	Electricity, Gas and Water Supply	Non-Honouring of Sub Sovereign Obligation
Trade	Ghana	MTN Ghana	Ghana	20,000,000	Information and Communication	Supplier Credit Insurance Post Shipment
Loan for Construction of Health facilities	Mauritius	R & H Hospital Centre	Ghana	18,720,000	Services	Lenders All Risk

School seeks to build a new campus to accommodate its increasing student population	Norway	Alpha Beta Educational Centres Limited	Ghana	16,800,000	Services	Lenders All Risk
Commercial Loan to purchase of passenger coaches, and trucks	USA	Mayne Transportati on Limited	Ghana	16,797,500	Transport	Non Payment Risk
Line of Credit	Multilateral	Merchant Bank 55M Syn(Ghana) MBG	Ghana	15,882,353	Finance	Non Payment Risk
General Insurance	Ghana	To Be Confirmed	Ghana	15,000,000	Finance	Non Payment Risk
Telecommunication Products export	Japan	Zain	Ghana	15,000,000	Telecoms	Non Payment Risk
To Be Confirmed	UK	To Be Confirmed	Ghana	15,000,000	Energy	Comprehen sive Non-payment Risk
Rural Electrification Project in Ashanti and Eastern Regions	Finland	Ministry of Energy	Ghana	14,880,000	Energy	Sovereign Obligor Non Payment Risk
4yrs deal to MoF for infrastructure (bridges and roads).	Hungary	Ministry of Finance, Ghana	Ghana	12,400,000	Public Administration	Non-Honouring of Sovereign Obligation
Constructions of an interchange at the Obetsebi Lamprey Circle at the intersection of four major roads	Ghana	Ministry of Finance, Ghana	Ghana	12,000,000	Public Administration	Non-Honouring of Sovereign Obligation

Bilateral loan to the Ghanaian MoF for a hospital redevelopment project	United Kingdom	Ministry of Finance, Ghana	Ghana	11,830,000	Public Administration	Comprehensive Cover
Purchase of transportation Equipment	Ghana	Exim Bank USA & RZB	Ghana	11,700,000	Transport	Non Payment Risk
Financing	South Africa	GNPA	Ghana	10,000,000	Agribusiness	Whole Turnover Credit Insurance Risk
Development, control and hardware exports	Ghana	Ministry of Finance Kenya	Ghana	10,000,000	Export	Political Risk Insurance (PRI)
Setting up of a cluster farm with palm oil plantage and processing facility	Belgium	Africa Product Development Ltd	Ghana	10,000,000	Agribusiness	Non Payment Risk
Loan to purchase transportation equipment	Ghana	Exim Bank USA & CESCE of Spain	USA	10,000,000	Transport	Non Payment Risk
Purchase of trucks and buses	USA & Canada	Mayne Transportation Limited	Ghana	10,000,000	Services	Non Payment Risk
Term Loan	UK	Tree Global Inc	Ghana	10,000,000	Agriculture	Non Payment Risk
Sale of rice	Netherlands	Louis Dreyfuss	Ghana	10,000,000	Agribusiness	Comprehensive Non-payment Risk
sale to BOST Ghana from a US Trader	United States	BOST Co. Limited	Ghana	10,000,000	Trade and Transportation	Supplier Credit Insurance

Trade	United Kingdom	Akuafu Adamfo Marketing Company Ltd	Ghana	10,000,000	Agriculture	Single Debtor Short Term
Design Manufacture supply and setting up of 140km 330 kv transmission line	France	Volta River Authority	Ghana	8,280,000	Energy	Political Risk Insurance (PRI)
Export of vehicles and machineries	China	To Be Confirmed	Ghana	8,000,000	Services	Non Payment Risk
Investing and managing agro-industrial ventures	Belgium	Ghana Oil Palm Development Company Ltd (GOPDC)	Ghana	7,079,675	Agribusiness	Political Risk Insurance (PRI)
Commercial loan to purchase of semitrailer trucks and bus coaches	Canada	Mayne Transport Limited	Ghana	7,044,000	Transport	Non Payment Risk
Trade Finance	USA	To Be Confirmed	Ghana	7,000,000	Finance	Political Risk Insurance (PRI)
Structured trade finance (financing and facilitation)	South Africa	Parastatal	Ghana	6,500,000	Agribusiness	Political Risk Insurance (PRI)
Export of commodities from Ghana	United Kingdom	various buyers	Ghana	6,000,000	Services	Whole Turnover Credit Insurance Risk
Trade	Ghana	To Be Confirmed	Ghana	5,000,000	Finance	Whole Turnover Credit Insurance Risk

Development of a teak plantation	UK	To Be Confirmed	Ghana	5,000,000	Agribusiness	Political Risk Insurance (PRI)
Trade Finance	UK	Akuafo Adamfo Marketing Company Ltd	Ghana	5,000,000	Agriculture	Non Payment Risk
To finance building of computer laboratories	Ghana	Tauspie Intercontinental Limited	Ghana	5,000,000	ICT	Non Payment Risk
Exports from Germany	Germany	To Be Confirmed	Ghana	5,000,000	Finance	Non Payment Risk
Standby L/C	TBC	Access Bank	Ghana	5,000,000	Finance	Lenders All Risk
Confirmation of LC	Mauritius	UniBank Limited	Ghana	4,032,930	Financial and Insurance Activities	Lenders All Risk
Installation of ATM Machines to dispense phone units, electricity units, water units and other amenities	Ghana	To Be Confirmed	Ghana	4,000,000	Finance	Non Payment Risk
Lenders' interest	UK	Continental Commodities Trading Company Limited	Ghana	4,000,000	Agribusiness	Comprehensive Non-payment Risk
Loan guarantee	Ghana	Stanbic Bank	Ghana	4,000,000	Finance	Comprehensive Non-payment
Loan	United Kingdom	Tullow Oil	Ghana	3,500,000	Mining and Quarrying	Lenders All Risk
Supply of equipment	Israel	Ghana Telecoms	Ghana	3,000,000	Telecoms	Comprehensive Non-payment

						Risk
Financiers for the delivery of technology for quarry, project, services associated with the opening of quarry and start of production	Czech Republic	Zenith Bank of Ghana	Ghana	2,832,964	financial and Insurance Activities	Lenders All Risk
Equipment Supply	Kenya	Government of Ghana	Ghana	2,500,000	Telecoms	Sovereign Obligor Non Payment Risk
Import fertilizer	United Kingdom	OmniFert	Ghana	2,500,000	Trade and Transportation	Foreign Direct Investment (Loan)
Developing a 180MW Thermal power plant in Ghana	United Kingdom	Wuta Energy	Ghana	2,300,000	Electricity, Gas and Water Supply	Foreign Direct Investment (Loan)
Sale of Transportation vehicles	USA	GNT	Ghana	2,100,000	Services	Non Payment Risk
To Be Confirmed	South Africa	To Be Confirmed	Ghana	2,000,000	Agribusiness	Whole Turnover Credit Insurance Risk
Vanilla Export to Ghana	USA	Ministry of Finance	Ghana	2,000,000	Agribusiness	Sovereign Obligor Non Payment Risk
Importation of Gold	Ghana	To Be Confirmed	Ghana	2,000,000	Mining	Non Payment

						Risk
To Be Confirmed	Ghana	To Be Confirmed	Ghana	2,000,000	Agribusiness	Comprehensive Non-payment Risk
Loan	Denmark	Golden Star (Wassa) Limited	Ghana	1,768,794	Mining and Quarrying	Lenders All Risk
Manufacturing of crushing and Screening Equipment for the quarry industries	UK	To Be Confirmed	Ghana	1,408,800	Mining	Non Payment Risk
Loan	United Kingdom	Tullow Oil	Ghana	1,250,000	Mining and Quarrying	Lenders All Risk
Importation of frozen meats	Ghana	Various buyers	Ghana	1,000,000	Agribusiness	Whole Turnover Credit Insurance Risk
Loan	Denmark	Justhmo Construction	Ghana	860,726	Construction	Lenders All Risk
Supply fertiliser in Ghana essential for the development of a local agriculture.	Switzerland	Enepa	Ghana	2,000,000	Agriculture	Supplier Credit Insurance Post Shipment
Loan	Netherlands	Ministry of Finance, Ghana	Ghana	40,000,000	Public Administration	Non-Honouring of Sovereign
Export	United Kingdom	Ghana Airport	Ghana	80,000,000	Trade and Transportation	Non-Honouring of Sub Sovereign Obligation

Contract to develop 9,600 social housing units in Ghana	Liechtenste in	Ministry of Water Resources, Works and Housing.	Ghana	20,000,000	Public Administration	Non-Honouring of Sovereign Obligation
Construct an office building for Hoda Group	To Be Confirmed	Hoda Group	Ghana	45,000,000	Services	Foreign Direct Investment (Loan)
Loan	Switzerland	Ghana National Petroleum Corporation (GNPC)	Ghana	79,000,000	Mining and Quarrying	Lenders All Risk
Loan	Switzerland	Ghana National Petroleum Corporation (GNPC)	Ghana	100,000,000	Energy	Lenders All Risk
				<u>7,018,220,699</u>		

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Fax: 233 0302-667448



REPUBLIC OF GHANA

MINISTRY OF FINANCE
P. O. BOX MB 40
ACCRA

30th OCTOBER, 2018

RATIFICATION OF THE AGREEMENT ESTABLISHING THE AFRICAN TRADE INSURANCE AGENCY (ATI)

Please find attached 300 copies of the Memorandum to Parliament on the Ratification of the Agreement Establishing the African Trade Insurance Agency (ATI Treaty) for the consideration and approval of Honourable Members of Parliament.

We count on your usual cooperation.

**PATRICK NOMO
CHIEF DIRECTOR
FOR: MINISTER**

**THE CLERK OF PARLIAMENT
PARLIAMENT HOUSE
ACCRA**

cc: Hon. Minister, MoF
Hon. Deputy Ministers, MoF
Director, FSD, MoF

② DC/PAC-Table

Pl discuss with Chairman of Business Committee and tya

~~BA~~ 31/10