



## 2023 Annual Report



Implemented by:  
**KFW**



# Executive Summary

The Regional Liquidity Support Facility (RLSF) is the African Trade & Investment Development Insurance (ATIDI)'s flagship initiative in the renewable energy sector. A joint initiative with the KfW Development Bank and the Norwegian Agency for Development Cooperation (Norad), RLSF is a guarantee instrument provided by ATIDI to renewable energy Independent Power Producers (IPPs) that sell the electricity generated by their projects to state-owned power utilities; the instrument addresses the short-term payment risks faced by IPPs by providing a revolving guarantee that addresses a key bankability gap.

RLSF is backed by a combination of grants from KfW and Norad, as well as on-demand guarantees from ATIDI. The grant funding serves as first loss cash collateral, with ATIDI's matching commitment serving as the second loss which can be drawn in the event that the cash collateral is fully utilized to settle payment defaults. The day-to-day operational costs of implementing RLSF are largely supported by Technical Assistance from the aforementioned partners, and in-kind contributions by ATIDI staff that dedicate their time towards the success of RLSF alongside their core duties.

As at 31 December 2023, 22 African sovereigns had joined ATIDI as Member States. Of these, nine had signed the RLSF Memorandum of Understanding, making renewable energy power projects in those countries eligible for RLSF support.

Five projects with a total installed capacity of 116.3 MW have benefited from RLSF support across three countries: Burundi, Malawi, and Uganda. The five projects have benefited from RLSF guarantees worth a total of USD11.2M, enabling USD172.5M in total project financing – achieving an impressive leverage or mobilization ratio of 15 times. The five project have been constructed and were operational as at the end of 2023.

Beyond the financing catalyzed, RLSF has immensely contributed towards the attainment of several of the United Nations Sustainable Development Goals (SDGs); in particular, SDG 7 – Affordable and Clean Energy for All; SDG 13 – Climate Action; and SDG 17 – Partnerships for the Goals. This Annual Report includes an outline of the RLSF Results Matrix, which serves as a fixed matrix, agreed with the Funding Partners, to evaluate the effective implementation of RLSF against the set targets.

From the projects that benefit from RLSF support, revenue is earned from fees paid by each of the IPPs, as well as interest earned on the cash collateral received from the Funding Partners and thereafter invested by ATIDI. The total cumulative revenue as at 31 December 2023 amounted to USD1.3M.

This inaugural Annual Report, which covers the period from the launch of RLSF to the end of 2023, has been prepared to share updates for the benefit of internal and external stakeholders. Similar reports will be published by ATIDI on an annual basis going forward.



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# About ATIDI

The African Trade & Investment Development Insurance (ATIDI), legally known as the African Trade Insurance Agency, is Africa's leading multilateral insurer, transforming the perception of risk on the continent into opportunities for growth and development. Established in 2001 by African states, ATIDI was created to mitigate trade and investment risks for companies doing business in Africa. By providing tailored insurance solutions, ATIDI facilitates inward investment and drives economic transformation across the continent.

ATIDI is not just an insurer—it is a strategic enabler of Africa's growth story. By rethinking risk, ATIDI is creating opportunities, driving economic transformation, and helping build a resilient and prosperous future for Africa. As a catalyst for trade and investment, ATIDI plays a pivotal role in advancing the African Continental Free Trade Area (AfCFTA) while supporting African economies in navigating global challenges, including potential economic recessions. The organization continues to serve as the de facto risk mitigation partner for businesses operating in Africa, fostering economic resilience and sustainable growth.

ATIDI specializes in Political Risk Insurance, Credit Insurance and Surety Insurance, offering protection against risks such as non-payment, currency inconvertibility and contract disputes. These solutions reduce uncertainty, unlock capital flows and enable sustainable economic development across its member states. Since its inception, ATIDI has supported over USD85 billion in investments and trade, cementing its role as a trusted partner for both public and private sector stakeholders.

ATIDI's credibility is reinforced by its strong financial ratings. For more than a decade, the organization has maintained an 'A/Stable' rating for Financial Strength and Counterparty Credit from Standard & Poor's (S&P). In 2019, it also achieved an A3/Stable rating from Moody's, which has since been upgraded to A2/Positive, further underscoring its financial stability and market confidence.

[Click here](#) for additional information on ATIDI.

## Summary of ATIDI's Financial Performance in 2023

### Equity



USD699.3M  
(+25%) 2023  
USD558.3M 2022

### Net Profit



USD69.1M  
(204%) 2023  
USD22.7M 2022

### Volume of Cumulative Trade & Investments



USD85B  
(+9%) 2023  
USD78B 2022

### Gross Exposure



USD9.6B  
(+19%) 2023  
USD8.1B 2022

### Insurance Revenue



USD155.7M  
(+14%) 2023  
USD136.3M 2022

### Total Assets



USD837.1M  
(+27%) 2023  
USD657.4M 2022

### Dividends



USD17.3M  
(111%) 2023  
USD8.2M 2022

### Return on Equity



10.7%  
2023  
3.7% 2022



# About RLSF



The Regional Liquidity Support Facility (RLSF) is a guarantee instrument provided by ATIDI to renewable energy Independent Power Producers (IPPs) that sell the electricity generated by their projects to state-owned power utilities, located in ATIDI member states that have signed the RLSF Memorandum of Understanding (MoU).

RLSF supports small and mid-scale renewable energy projects with an installed capacity of up to 100 MW by protecting the IPPs against the risk of delayed payments by public offtakers; in turn, improving project bankability and ensuring that more projects reach financial close. Larger projects can be considered on a case by case basis. The product was jointly launched by ATIDI and the KfW Development Bank in 2017, with the Norwegian Agency for Development Cooperation (Norad) committing additional funding towards the initiative in February 2022.

Government support is crucial to the success of this product. RLSF operates in countries where ATIDI is confident that payment delays to the utility will be resolved in good time. As at 31 December 2023, the ATIDI member states that had signed the RLSF MoU included Benin, Burundi, Côte d'Ivoire, Ghana, Madagascar, Malawi, Togo, Uganda and Zambia.

To be eligible for RLSF cover, projects must meet the following criteria:

- Use a supported technology: solar PV, hydro, onshore wind, geothermal, biomass, or cogeneration
- The project must be located in an ATIDI member state that has signed the RLSF MoU
- Have an installed capacity of up to 100 MW (larger projects can be considered on a case by case basis)
- Have sufficient support of the host government and the state-owned power utility

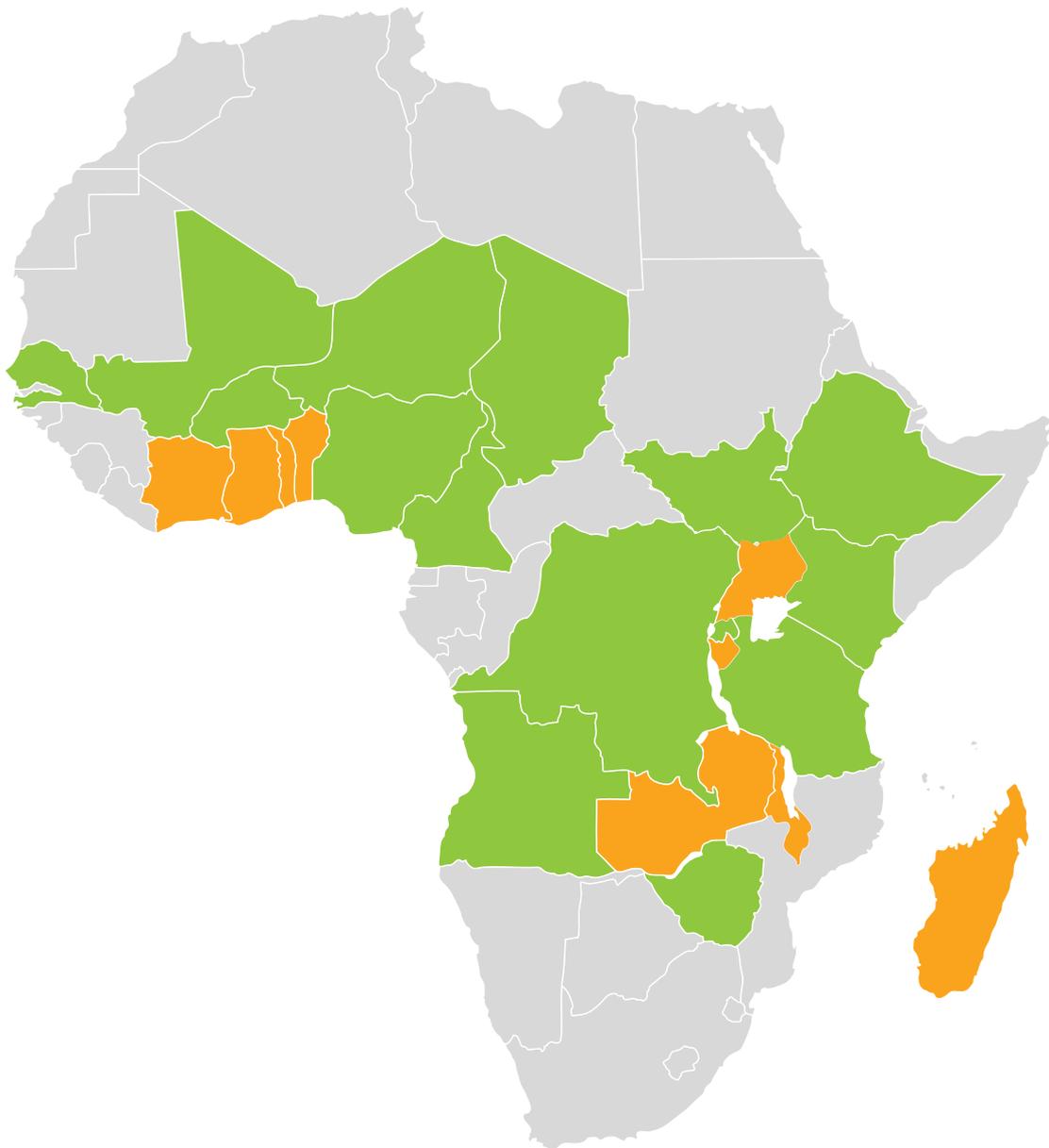
Click [here](#) for additional information on RLSF.



# Project Portfolio

As at 31 December 2023, 22 African states had joined ATIDI as Member States. Of these, nine had signed the RLSF Memorandum of Understanding, making renewable energy power projects in those countries eligible for RLSF support.

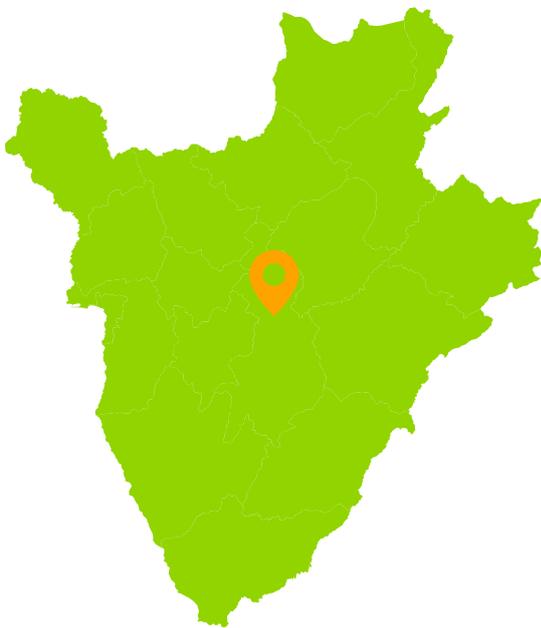
ATIDI had supported five renewable energy projects in three ATIDI member states. The projects, located in Burundi, Malawi and Uganda, include four solar PV projects and one Run-of-the-River Hydro project, with a cumulative installed capacity of 116.3 MW.



 ATIDI Member States that have signed the RLSF MoU

 ATIDI Member States that are yet to sign the RLSF MoU





Project:  
**Mubuga Solar PV**

Country:  
**Burundi**

Project Sponsors:  
**Gigawatt Global**

Lenders:  
**REPP; Inspired Evolution**

Offtaker:  
**REGIDESO**

Capacity:  
**7.5 MW**

Issuance date of the RLSF Policy:  
**17 February, 2021**

Project Status:  
**Operational**





Project:  
**Nkhotakota Solar PV**

Country:  
**Malawi**

Project Sponsors:  
**Serengeti Energy**

Lenders:  
**None**

Offtaker:  
**ESCOM**

Capacity:  
**21 MW**

Issuance date of the RLSF Policy:  
**25 February, 2021**

Project Status:  
**Operational**





Project:  
**Salima Solar PV**

Country:  
**Malawi**

Project Sponsors:  
**JCM Power; InfraCo Africa**

Lenders:  
**None**

Offtaker:  
**ESCOM**

Capacity:  
**60 MW**

Issuance date of the RLSF Policy:  
**17 August, 2021**

Project Status:  
**Operational**





Project:  
**Golomoti solar PV**

Country:  
**Malawi**

Project Sponsors:  
**JCM Power and InfraCo Africa**

Lenders:  
**None**

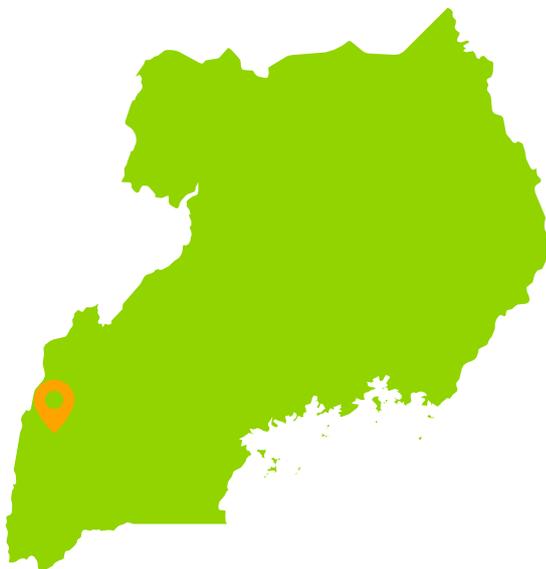
Offtaker:  
**ESCOM**

Capacity:  
**20 MW**

Issuance date of the RLSF Policy:  
**17 December, 2021**

Project Status:  
**Operational**





Project:  
**Nyamwamba II Run-of-the-River Hydro Project**

Country:  
**Uganda**

Project Sponsors:  
**Serengeti**

Lenders:  
**Emerging Africa Infrastructure Fund**

Offtaker:  
**UETCL**

Capacity:  
**7.8 MW**

Issuance date of the RLSF Policy:  
**14 June, 2022**

Project Status:  
**Operational**





## Evaluating the Continued Need for Liquidity Instruments for IPPs as ATIDI Closes Phase 1 of its Regional Liquidity Support Facility (RLSF)

*Obbie Banda  
Underwriter & Acting RLSF Coordinator  
(This article was first published in January 2023)*

The African Trade Insurance Agency (ATIDI) issued the fifth policy under its Regional Liquidity Support Facility (RLSF) in support of the 7.8 MW Nyamwamba II Run-of-the-River hydropower plant in Uganda on 19 May 2022; closing Phase 1 of RLSF, a liquidity instrument jointly founded by ATIDI and the KfW Development Bank with grant funding from the German Federal Ministry of Economic Cooperation and Development (BMZ).

Under Phase 1, the five RLSF policies have been issued for the benefit of renewable energy projects in Burundi, Malawi and Uganda, enabling a total installed capacity of 116.3 MW and USD172.5 million in total project financing. The projects supported in Burundi and Malawi with RLSF cover were the very first solar Independent Power Projects (IPPs) within the two countries – reflecting not only the positive impact of the facility but the nascent nature of power markets across sub-Saharan Africa, in spite of notable progress having been made in recent years.

### The launch of Phase 2 and a new RLSF structure

In February 2022, the Norwegian Agency for Development Cooperation (Norad) committed additional grant funding to ATIDI for the enhancement of RLSF and the development of additional guarantee instruments targeted towards similar renewable energy sector initiatives with distributed forms of renewable energy likely to be a key focus area going forward. The adherence of Norad, alongside the founding partners – ATIDI and KfW – further strengthens the technical capacity of the RLSF Steering Committee, the body that provides strategic guidance for this initiative.

The grant of NOK500 million (around USD56 million) from Norad, will go towards increasing the pool of first loss funding under RLSF – a key product feature that makes this unique instrument work – with the rest of the funding being directed towards technical assistance and first loss funding earmarked for similar guarantee initiatives.

Courtesy of this additional funding and lessons learnt as the first five policies were negotiated and issued, the product structure was revamped with ATIDI set to issue guarantees directly to IPPs without the involvement of an LC Issuing Bank as was the case under Phase 1.

This material change has been positively received by various stakeholders, including IPPs, African power utilities, lenders, and advisors, as it will greatly improve the efficiency of the policy issuance, and allow for greater flexibility in the nature of the contracts to be entered into, whilst also reducing costs.

*"Courtesy of this additional funding and lessons learnt as the first five policies were negotiated and issued, the product structure was revamped with ATIDI set to issue guarantees directly to IPPs without the involvement of an LC Issuing Bank as was the case under Phase 1.*

*This material change has been positively received by various stakeholders, including IPPs, African power utilities, lenders, and advisors, as it will greatly improve the efficiency of the policy issuance, and allow for greater flexibility in the nature of the contracts to be entered into, whilst also reducing costs."*

## **Why RLSF and similar Liquidity Instruments matter**

Between 2013 and 2018, structural reforms were undertaken in Malawi's energy sector thanks to the financial support of the Millennium Challenge Corporation (MCC). The reforms, which were undertaken under the USD350.7 million Malawi Compact Program, resulted in the procurement of four solar power projects with JCM, Phanes and Voltalia being selected as the preferred bidders. Whilst there was increased investor appetite

in the sector, coupled with bankable project documents available to the developers and notable government support for the projects, there was a missing piece to enable the projects advance towards financial close – the requirement for the national power utility, Electricity Supply Corporation of Malawi Limited (ESCOM), to provide Buyer Payment Security for each of the projects.

ATIDI stepped in on behalf of ESCOM, providing liquidity cover amounting to a total of USD8.9 million for the Salima, Golomoti and Nkhotakota projects – reducing the financial burden on ESCOM and providing the projects with a liquidity instrument from an A-rated financial institution that would not only provide assurance that liquidity will be available in the event of any payment delays but a commercially acceptable product that would provide additional comfort to project stakeholders such as international lenders.

In the absence of RLSF, alternative instruments would need to be explored to serve as the form of Buyer Payment Security – likely resulting in project delays, increased costs, and uncertainty on the availability of liquidity throughout the projects life. The RLSF policies issued to the three projects were for tenors of 10 years, a much longer duration than most commercial instruments available to IPPs in many African countries.

## **A Brief Assessment of the African Power Market and what may follow next**

The onset of the Covid-19 pandemic resulted in delays with project development, a deterioration in the financial standing of most power utilities, and an introduction of government policies meant to cushion the cost of buying electricity for end users – both commercial and at household levels. This picture has slowly evolved as government policies shift to return power utilities to some form of financial competitiveness, and additional power generation projects are added to the grid.

Whilst wider sector trends have been well documented, what has become clearer – at least for ATIDI – is that there are notable cycles in the African power market. Most countries are either in phases where they are looking to procure their very first renewable energy projects (understandably, developers and lenders will seek some form of government guarantees to make projects in these countries bankable), others are looking to transition from bilaterally negotiated contracts to some form of auction or Feed-in-Tariff, and lastly those that have gone through these first few phases and are more selective on the additional projects that need to come on board given a possible mismatch between current power supply and demand.



Why understanding each of these phases is important, particularly for newcomers to the market, is that it will undoubtedly guide the type of documentation each of the utilities and host governments will make available to you and the length of time it may take to negotiate and agree on a form of bankable documentation. Whilst it may seem unfair to list countries in either of the first two categories – at least on record – markets such as Côte d'Ivoire, Kenya and Uganda firmly fit within the third and most advanced category of power markets.

North African countries and South Africa should be viewed and assessed in isolation given the unique factors faced by these countries – from high electrification rates (in part due to the dense nature of the North African populations around the Mediterranean Sea to Africa's most industrialized country whose electricity needs far outstrip the type of planning and needs of its neighbours).

What can reasonably be expected is that countries in the first phase of attracting renewable energy IPPs will have the greatest need to provide liquidity guarantees in addition to any government guarantees that address termination payments and other political risks. This is due to the absence of any track record of making payments to IPPs and the need for additional comforts to be in place for investors to view this as an acceptable investment destination relative to other "safer" options in the region. Countries in the second and first phase may still need to make such guarantees available. However (and increasingly), most investors no longer view this as being a deal breaker with an ever-growing number of projects closing without RLSF or similar market alternatives.

## Closer to Home

In December 2022, I had the opportunity to drive through and spend some time in the eastern part of Zambia – along the shores of the Luangwa River – right in the middle of the country's rainy season. The timing of my visit coincided with an announcement that the country's power utility – ZESCO – would start rolling blackouts of up to 6 hours (commonly referred to as load shedding) from 15 December 2022 following a notable reduction in water levels at the country's Kariba Dam, the largest man-made lake in the world whose reservoir serves as the main electricity source for Zambia and Zimbabwe (the latter having announced even longer hours of load shedding given that country's greater dependence on electricity from the lake).

As water levels in the Luangwa River continued to rise with each rainy day – with daily shifts that are visible to the eye, seasonal rivers begin to flow, and

the savannah becomes greener, everyone starts to slowly forget about the dry months and challenges that preceded this period of relative abundance. Similarly short-sighted planning has guided the procurement of power generation projects in many African countries. The dependence on huge hydro dams – whose short comings are immediately forgotten once there is abundant rainfall – has not waned with an imbalance in the generation mix that will likely continue beyond 2023. If we are to make progress and move away from knee jerk reactions once faced with low water levels in our rivers and lakes, resulting in several hours of load shedding, the procurement processes need to be continuous, intentional and efficient.

Whether liquidity instruments such as RLSF will continue to play a role in such procurement should be a secondary consideration – what role each of the stakeholders (including ATIDI) can play in supporting sustainable power generation efforts, coupled with additional investments in transmission and distribution infrastructure, should continue (or start to be) a real focus.

As ATIDI continues to stretch its underwriting pen, the adaptation of RLSF to address financing gaps for transmission infrastructure, could be our next big challenge. Ensuring the availability of bright lights and sustainable electricity to meet growing demand across areas such as eastern Zambia – whether the Luangwa River runs full or dry.

***"As water levels in the Luangwa River continued to rise with each rainy day – with daily shifts that are visible to the eye, seasonal rivers begin to flow, and the savannah becomes greener, everyone starts to slowly forget about the dry months and challenges that preceded this period of relative abundance. Similarly short-sighted planning has guided the procurement of power generation projects in many African countries..."***



# Monitoring, Results and Impact

The RLSF Results Matrix represents the objectives of RLSF and includes a set of targeted outputs and outcomes with associated baseline values and targets. ATIDI is monitoring the achievement of these objectives through several quantitative indicators.

In accordance with the agreements in place with the RLSF Funding Partners, ATIDI is revising the RLSF Results Matrix to reflect the transition to Phase 2 and the entry of Norad as a new Funding Partner. At the same time, the results monitoring system is being upgraded. The new Results Matrix and Monitoring Framework will be introduced in the 2024 reporting period.

## RLSF Results Matrix

Summary	Indicators	ATIDI's Comment
<p><b>Objective of the Project (Outcome)</b></p> <p>Contribution to the expansion of renewable energy sources and thus, an environmentally friendly electrical power supply in the target countries by means of short-term liquidity support.</p> <p>In addition, the project aims to contribute to the following objectives:</p>	<p><b>Electricity generation: Additional provision of 200 MW renewable generation capacity</b></p> <p>Baseline: 0 MW</p> <p>Target: 200 MW</p>	<p>Five projects have closed with an installed capacity of 116.3 MW</p>
<p>Leveraging private investments in renewable energy projects.</p>	<p><b>Leveraging private investments</b></p> <p>RLSF supported financing agreements which resulted in the provision of USD540M. in private investments</p> <p>Baseline: 0</p> <p>Target: USD540M.</p>	<p>RLSF has supported USD172.5M in financing for the first five projects.</p>
<p>Strengthening ATIDI's capacity to provide sustainable solutions for effective risk mitigation.</p>	<p><b>Expansion of ATIDI's portfolio for providing short term liquidity support</b></p> <p>Expansion of the liquidity support instrument across different countries</p> <p>Baseline: 0 countries</p> <p>Target: 3 countries</p>	<p>ATIDI has provided short term liquidity support in three countries: Burundi, Malawi and Uganda.</p>



Summary	Indicators	ATIDI's Comment
<p>Through the support of the RLSF, financing agreements for IPPs with generation capacities of 200 MW have reached financial close.</p>	<p>Conclusion of financing agreements for IPPs by involving RLSF. As a result, increase in generation capacities by 200 MW.</p> <p>Baseline: 0</p> <p>Target: 200 MW</p>	<p>Five projects with an installed capacity of 116.3 MW have reached financial close.</p>
<p>Reduction in CO<sub>2</sub> emissions.</p>	<p>The IPPs which are supported by RLSF contribute CO<sub>2</sub> emission savings of 460,000 tons per year.</p> <p>Baseline: 0</p> <p>Target: 460,000 tons / year</p>	<p>ATIDI currently does not have the internal tools or capacity to independently verify the submissions received from the projects.</p> <p>This section of the report will be updated once such tools are procured and information received from IPPs can be verified by ATIDI. This will be updated as part of the 2024 report.</p>
<p>Increased transparency of payment risks.</p>	<p>An information platform containing statistical data on electricity utilities' actual delays in payments regarding IPPs has been set up.</p> <p>Baseline: 0</p> <p>Target: 1</p>	<p>Target has been achieved.</p> <p>The first Transparency Tool report was published in 2021 – payment information continues to be collected from operational IPPs in Burundi, Malawi, and Uganda.</p>
<p>Capacity development at ATIDI.</p>	<p>Trainings have been performed to develop and implement the insurance product at ATIDI in a sustainable manner. Further, necessary guidelines and processes have been established and are put into practice in ATIDI's day-to-day operations.</p>	<p>The objective has been achieved.</p>



Summary	Indicators	ATIDI's Comment
<p>ATIDI is put in the position to adequately assess and manage environmental and social risks of renewable energy projects.</p>	<p>Trainings have been performed to develop and implement an environmental and social management system in a sustainable manner. Further, necessary guidelines and processes have been established and are put into practice in ATIDI's day-to-day operations.</p>	<p>The objective has been achieved. ATIDI currently has a detailed ESMS managed by a dedicated Senior Environmental, Social and Governance Officer. The Senior ESG Officer reports to ATIDI's Chief Risk Officer.</p>



# RLSF Impact Report

The Regional Liquidity Support Facility (RLSF) contributes to several of the United Nations Sustainable Development Goals (SDGs), particularly those aligned with renewable energy, climate action, and sustainable development. Specifically, it supports the following SDGs:

**7** AFFORDABLE AND CLEAN ENERGY



**SDG 7: Affordable and Clean Energy** - By facilitating investments in renewable energy projects, RLSF promotes access to affordable, reliable, sustainable, and modern energy for all.

**8** DECENT WORK AND ECONOMIC GROWTH



**SDG 8: Decent Work and Economic Growth** - By improving access to energy and fostering renewable energy investments, RLSF supports economic growth and job creation in ATIDI's member states.

**9** INDUSTRY, INNOVATION AND INFRASTRUCTURE



**SDG 9: Industry, Innovation, and Infrastructure** - RLSF enhances infrastructure by enabling the development of renewable energy facilities, improving project bankability, and attracting private sector investment.

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION



**SDG 12: Responsible Consumption and Production** - The focus on renewable energy aligns with the goal of ensuring sustainable production patterns by reducing the environmental footprint of energy generation.

**13** CLIMATE ACTION



**SDG 13: Climate Action** - The product directly tackles climate change by supporting renewable energy projects, reducing reliance on fossil fuels, and contributing to lower greenhouse gas emissions.

**17** PARTNERSHIPS FOR THE GOALS



**SDG 17: Partnerships for the Goals** - The collaboration between ATIDI, KfW Development Bank, and the Norwegian Agency for Development Cooperation exemplifies strong partnerships that mobilize resources and expertise to achieve sustainable development goals.

These contributions reflect the broad impact of RLSF on sustainable development and climate resilience in ATIDI's member states.



# Financial Report

## Sources of Funds

RLSF is a joint initiative of ATIDI and two Funding Partners: the KfW Development Bank and the Norwegian Agency for Development Cooperation (Norad). When it was first launched in 2017, KfW committed total grant funding of EUR32.9M, courtesy of financing from the German Federal Ministry for Economic Cooperation and Development (BMZ), towards RLSF. The grant commitment was split between a Technical Assistance grant of EUR1.3M and cash collateral to support the guarantees to be issued under the RLSF portfolio of EUR31.6M.

Norad joined RLSF as a Funding Party in 2022, committing additional funding of NOK500M, of which up to 10% can be utilized as Technical Assistance.

Funding Party	Year	Allocation	Committed Amount
KfW Development Bank	2017	Cash Collateral	EUR 31,600,000
		Technical Assistance	EUR 1,300,000
Norad	2022	Cash Collateral	NOK 450,000,000
		Technical Assistance	NOK 50,000,000

ATIDI's funding commitments towards RLSF are in the form of in-kind contributions towards the operational expenses and second loss guarantees that match the Committed Funding from each of the Funding Partners.

## Uses of Funds

### Technical Assistance (TA) Funding

The Technical Assistance of EUR1.3M committed by KfW was utilized to cover the initial costs of implementing RLSF between 2017 and 2022; the full commitment was fully utilized as at 31 March 2022.

Since the start of Q2-2022, the day to day costs of implementing RLSF have been covered by the Norad Technical Assistance grant; these costs being part of a 5-year rolling budget prepared by ATIDI with approval from the RLSF Steering Committee, which includes representation from KfW and Norad.

From Norad's committed funding, NOK7M (equivalent to USD715,755) has been disbursed to ATIDI, to meet the eligible technical assistance costs incurred as at 31 December 2023. A summary of the expenses incurred vis-à-vis the budget is provided in the table below.

A relatively small proportion of the Technical Assistance Budget has been utilized as the budget was made on the assumption that a new energy team will be recruited by ATIDI. As at 31 December 2023, the recruitment process was yet to be finalized. In addition, 2023 marked the first full year following the onset of the Covid-19 pandemic; this contributed towards the limited utilization of the available Technical Assistance Funding as some marketing initiatives had only just restarted following a few years of virtual engagement.



## RLSF Technical Assistance Budget (2023 – 2027)

Item	Budget (USD)	Actual (USD)	Balance (USD)
Underwriting & Risk Management	2,100,000	70,378	2,029,622
People	1,200,000	3,015	1,196,985
Marketing & Communication	2,450,000	322,521	2,127,479
Contingency	250,000	-	250,000
<b>Total</b>	<b>6,000,000</b>	<b>395,915</b>	<b>5,604,085</b>

## Cash Collateral Funding

KfW has disbursed EUR16.6M to ATIDI from the total committed cash collateral of EUR31.6M. A portion of these funds have been allocated towards the five projects supported by ATIDI under Phase 1 of RLSF. Norad's first disbursement of cash collateral, amounting to NOK17M was made in December 2023.

## RLSF Revenues

In addition to the funding provided by the funding partners for Cash Collateral and Technical Assistance, ATIDI earns revenue (or "premium", in traditional insurance terms) from each of the RLSF policies issued. The accumulated revenue under the RLSF portfolio as at 31 December 2023 stood at USD827,772; of which USD322,741 was earned in 2023. This revenue, from the five projects supported under Phase 1, is split between ATIDI, Absa South Africa (as the LC issuing bank), and the Funding Partners.

Alongside the revenue from the five projects, interest is earned by ATIDI once the cash collateral received from the Funding Parties as well as revenue earned on behalf of the Funding Partners is invested with money market funds; these investments are made in line with ATIDI's Investment Policy Statement and the RLSF Investment Guidelines. In 2023, USD467,459 was earned as interest income.

The revenue earned on behalf of the funding partners along with the interest go towards increasing the cash collateral available under the RLSF portfolio.





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