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Twenty-Third Meeting of the Council of Bureaux on the  
Regional Third Party Motor Vehicle Insurance Scheme

Lusaka, Zambia  
28 – 30 October 2009

**REPORT OF THE TWENTY-THIRD MEETING OF THE COUNCIL OF  
BUREAUX ON THE REGIONAL THIRD PARTY MOTOR VEHICLE  
INSURANCE (YELLOW CARD) SCHEME**

## **I. INTRODUCTION**

1. The Twenty Third Meeting of the Council of Bureaux of the Regional Third Party Motor Vehicle Insurance (Yellow Card) Scheme was held in Lusaka, Zambia, from the 28<sup>th</sup> to the 30<sup>th</sup> of October, 2009, at the COMESA Secretariat Conference Hall.

## **II. ATTENDANCE, OPENING OF THE MEETING, ELECTION OF THE BUREAU, ADOPTION OF THE AGENDA AND ORGANISATION OF WORK**

### **Attendance**

2. Delegates from the National Bureaux of Burundi, DR Congo, Djibouti, Ethiopia, Kenya, Malawi, Rwanda, Sudan, Tanzania, Uganda, Zambia and Zimbabwe, attended the meeting. Also in attendance were representatives from ZEP-RE (PTA Reinsurance Company), Insurance Supervisory Authorities from Djibouti and Tanzania, Insurance Association of Uganda and the Motor Vehicle Accident (MVA) Funds of Botswana and South Africa. The list of participants is attached as Annex IV to this report.

### **Opening of the Meeting (Agenda item 1)**

3. The meeting was officially opened by Honourable Felix Mutati, MP, Minister of Commerce, Trade and Industry of the Republic of Zambia. In his opening remarks, the Minister, in a statement read on his behalf by Mrs Peggy Mlewa, Director of Foreign Trade at the Ministry of Commerce, Trade and Industry, welcomed the delegates to Zambia on behalf of the Government and people of Zambia and invited them to enjoy the traditional Zambian hospitality.

4. Honourable Mutati expressed satisfaction in the achievements recorded by the Regional Third Party Motor Vehicle Insurance Scheme, popularly known as the COMESA Yellow Card in the facilitation of cross border movement of vehicles, goods and persons in the COMESA region and commended the insurance industry for successfully discharging the responsibilities entrusted to them. He pointed out that the movement of vehicles between COMESA and SADC member countries was subjected to delays and high cost of transport due to the difference between the Yellow Card and Fuel Levy System adopted by the two regional groupings. He then called upon the Motor Vehicle Accident Funds (MVA) and the Council of Bureaux to work together and expedite the harmonization of the systems.

5. Turning to the implementation of the RCTG scheme, Hon Mutati expressed pleasure on the rollout of the RCTG CARNET in the Northern Corridor countries in September 2009 and particularly the participation of the Small and Medium Size Clearing and Forwarding Agents in the issuance of RCTG CARNET. He however, underscored the urgent need to support the SMEs to build capacity and establish a regional network and linkage for them to effectively participate in the regional

operations. Finally, he assured the meeting that the Government of Zambia would step up efforts to ensure the implementation of the scheme in the country.

6. Earlier, the Secretary General of COMESA, Mr Sindiso Ngwenya, also made a statement, read on his behalf by Mrs Victoria M. Mwewa, Officer in Charge and Director of Administration and welcomed all the delegates to Lusaka and to the Secretariat of COMESA.

7. The Secretary General pointed out that the COMESA Yellow Card Scheme had grown two-fold during the last four years and contributed significantly in reducing delays and minimizing costs in cross-border transport. He pointed out that the scheme had saved time and money for transporters and the business community, who had passed on the benefit to producers and consumers in the region.

8. Mr Ngwenya informed the meeting that the COMESA Regional Customs Transit Guarantee (RCTG), popularly known as the COMESA CARNET, had become operational in the Northern Corridor countries, namely Kenya, Uganda, Rwanda and Burundi on 15<sup>th</sup> September 2009. He further informed the meeting that preparations were underway to rollout the scheme in the Southern, Central and other corridors by early 2010. He thanked the Council of Bureaux for the start-up capital of US\$1million advanced to the RCTG scheme and urged the insurance companies, members of the Council of Bureaux to continue their support and fully participate in the operations of the scheme.

9. The Secretary General informed the meeting that COMESA Customs Union was launched and the Regulation on Trade in Services was adopted by COMESA Authorities on 7<sup>th</sup> June 2009 In Victoria falls, Zimbabwe and that this would promote domestic, cross-border and foreign investment to take advantage of the large single market. He then invited Insurers, Reinsurers and Regulatory Authorities to act urgently and strengthen the insurance market by reducing barriers and increase access to the regional market by establishing regional policies and regulatory frameworks and harmonize standards. Finally, he wished the meeting successful deliberations.

### **Vote of thanks**

10. On behalf of all delegations, the leader of the National Bureau of Burundi, Mr Onésime Nduwimana, the Managing Director of Société des Assurances du Burundi (SOCABU), gave a vote of thanks on behalf of participants. In doing so, he thanked the Minister and the government of Zambia for the warm welcome and the Secretariat for the excellent facilities made available to delegates. He thanked the Secretary General for COMESA's achievements since its inception and added that there was room for greater achievement if such regional collaboration like the Council of Bureaux Meetings could continue. Finally, he assured the Minister that the three days meeting would be put to good use and that they would deliberate effectively to make the meeting successful.

**Election of the Bureau** (*Agenda item 2*)

11. The meeting elected the following Bureau for a tenure of one year:

Chairperson	:	Malawi
Vice Chairperson	:	DR Congo
Rapporteur	:	Burundi

**Adoption of the Agenda and Organisation of Work** (*Agenda item 3*)

12. The meeting adopted the following agenda

1. Opening of the Meeting
2. Election of Bureau and Adoption of the Agenda and Organisation of Work
3. Report of the Outgoing Chairperson on the Operations of the Yellow Card Scheme
4. Country Reports by National Bureaux on the Operations of the Yellow Card scheme in their countries
5. Report of the Twenty-Sixth of the Technical Management Committee (TMC) on the Yellow Card Reinsurance Pool
6. Report of the Twenty-Seventh Meeting of the Technical Management Committee (TMC) on the Yellow Card Reinsurance Pool
7. Annual Report and Accounts of the Yellow Card Reinsurance Pool for the year ended 31<sup>st</sup> December, 2008
8. Reinsurance Pool Financial Highlights as at 30<sup>th</sup> August, 2009
9. Draft Investment Policy of the Yellow Card Reinsurance Pool
10. Report on the Implementation of the New Generation of the Yellow Card
11. Report on the Implementation of the Regional Customs Transit Guarantee ( RCTG ) Scheme
12. Election of New Member of the Technical Management Committee (TMC) of the Yellow Card Reinsurance Pool
13. Renewal of Contact of professional staff
14. External Auditors Report on the Accounts of Council of Bureaux 30<sup>th</sup> June 2009

15. Proposed Budget for the Year 2009/10
  16. Date and Venue of Next Meeting
  17. Any Other Business
  18. Adoption of the Report and Closure of the meeting
13. The meeting agreed on the following hours of work

***Wednesday, 28<sup>th</sup> October, 2009***

09.00 hours - 13.00 hours - Morning

15.00 hours – 18.30 hours - Afternoon

***Thursday 29<sup>th</sup> October 2009***

08.30 hours - 13.00 hours - Morning

15.00 hours – 17 hours – Afternoon –Workshop on the YC-MIS

***Friday 30<sup>th</sup> October, 2009***

Free morning for delegates

16.00 – 1740 hours – Adoption of the Report and Closure of the Meeting

### **III. ACCOUNT OF PROCEEDINGS**

#### **Report of the Outgoing Chairperson on the Operations of the Yellow Card Scheme (*Agenda item 3*)**

14. The Outgoing Chairperson of the Council of Bureaux, Mr Bushiri Ramazani, Directeur de la Région SUD/EST Société Nationale d'Assurances (SONAS), the National Bureau of DR Congo, presented document No. CS/TCM/CB/XXIII/2 Report of the Outgoing Chairman on the Operations of the Yellow Card Scheme for the period 1<sup>st</sup> July 2008, to 30<sup>th</sup> June 2009. In his presentation he provided the meeting with an overview of the activities carried out during the period stated and developments on the operations of the Yellow Card Scheme for the year. He informed the meeting that while his report was a summary of activities carried out, detailed reports were going to be presented by individual National Bureaux on the operations of the Scheme in their respective countries. The highlights of the presentation were as follows.

#### **Status of the Yellow Card Production**

15. The meeting was informed that about 85,704 Yellow Cards were issued during the period under review and a gross premium income of US\$4.8million - recorded during the period under review; compared to 63 078 Yellow Cards and an annual premium of US\$ 3.67 million registered in the preceding period. The meeting was further informed that from the statistics submitted, there was an increase in all National Bureaux with the exception of Tanzania and Djibouti, in both the number of Yellow Cards Issued and the premium realized in the year under consideration. A summary of the Yellow Cards issued and premium collected, July 2008/-June 2009 is shown in Annex I to this report.

16. The meeting was informed that the National Bureau of Ethiopia had realized a record US\$ 1,356,579.46, - from the 24 478 Yellow Cards they had issued followed by the National Bureau of Kenya which realized US\$ 1.3 million - from the 11,018 Cards they issued.

17. Regarding the submission of Yellow Card Summaries to both the Pool Managers and the Yellow Card Secretariat, the meeting noted the late submission of reports by some National Bureaux and emphasised that the practice was affecting the quality of the reports presented for the meeting and at the same time making it difficult for the Pool Managers to come up with correct statistics for negotiations with the underwriters participating on the Yellow Card Reinsurance Treaty Programme.

### **Decision**

18. The Council of Bureaux reiterated its earlier decision that all National Bureaux should submit their monthly reports in full as stipulated in the Yellow Card Manual.

19. The Council of Bureaux indicated that the ushering in of the New Generation of Yellow Cards, National Bureaux should use the opportunity to, among other things:

- a) review the premium levels or the cost of the Card to make it even more competitive and affordable;
- b) set up mechanisms to account for the Cards received and distributed to members of the National Bureaux and ensure that members account for the cards they would have sold;
- c) convene regular meetings with members of the Bureau;
- d) aggressively market the New Yellow Card to increase the volumes of Yellow Cards sold;
- e) increase the frequency of outreach programmes with Stakeholders like the Police, Customs Authorities and other government institutions that are involved in the movement of traffic across borders to among other things ensure that they follow developments on the Scheme and support efforts of National Bureaux in the administration of the Scheme;
- f) improve on the accessibility of the Card to the motoring public by putting in place Agents at all entry points to sell the Card; and
- g) effectively utilise the promotional materials made available by the Secretariat and make the necessary orders for any additional materials that may be required to meet this requirement.

### **Status of Yellow Card Claims Activities**

20. On Yellow Card claims activities, the meeting was informed that from the submitted reports from National Bureaux, 428 claims were reported, 77 were

settled and 428 were reported as outstanding as at 30 June 2009. A summary of the claims for the period under review is shown in Annex II to this report.

21. During the discussions on the Yellow Card production and claims activities, several National Bureaux made corrections on the returns submitted and premium and claims amounts shown in the report.

### **Claims between the National Bureaux of Tanzania and Kenya**

The meeting was informed that the issue was still outstanding and the position had not changed since the 27<sup>th</sup> Technical Management Committee Meeting held in the DR Congo in August 2009.

22. During the discussions, the National Bureau of Kenya informed the meeting that the requested documents were sent to the National Bureau of Tanzania. The National Bureaux of Tanzania confirmed receipt of the documents and assured the meeting that the claims would be settled soon.

### **High Number of Claims between the National Bureaux of Ethiopia and Djibouti**

23. The Outgoing Chairperson informed the meeting that an Expert from the Secretariat had recently visited Djibouti and Ethiopia to carry out the study on the high number of claims between the two National Bureaux. The report was under preparation and would be presented for the consideration of the 28<sup>th</sup> Meeting of Technical Management Committee.

### **Yellow Card Accidents Notification Period**

24. The meeting was informed that a number of National Bureaux had raised concerns regarding the late notification of Yellow Card claims to the Handling Bureaux, the Issuing Bureaux and the Pool Managers. This had made the administration of Yellow Card Claims difficult as, in a number of cases, necessary claims investigations were being conducted long after the claims had occurred and resulting in unnecessary court cases:

### **Decisions**

25. In an effort to address the issue of late notification of accidents the meeting decided as follows:

- a) The issue of notification of accident be tabled for consideration by the next Technical Management Committee Meeting; and
- b) The notification of accident condition in the prime motor vehicle insurance policy of the insured should be printed and attached to the Yellow Card at point of issuance; and
- c) The Secretariat should prepare a paper on the practices of member States on the application of the policy condition on the notification of

accident and submit the paper for consideration by the 28<sup>th</sup> Meeting of the TMC.

### **Progress on implementation activities**

26. The Council of Bureaux was informed that progress had been made since the last Council of Bureaux Meeting held in Lubumbashi, DR Congo and separate reports were presented on the implementation of various activities carried out by both the Secretariat and the Pool Managers.

### **COMESA/MVA Co-operation on the Motor Vehicle Third Party Insurance System**

27. The meeting noted that no progress had been made on the harmonization of the Fuel Levy System and the Yellow Card System..

### **Decisions**

28. During the discussion on the issue and in consultation with the participants from Motor Vehicle Accident Fund (MVA), the following was agreed:

- a) the Motor Vehicle Accident Fund (MVA) of Botswana to convene a meeting of the COMESA-SADC Joint Task Team on the harmonization of the COMESA Yellow Card and SADC (SACU) Fuel Levy System, which was established during the 15<sup>th</sup> Meeting of the Council of Bureaux, which was held from 6-7 September, 2001, in Blantyre, Malawi at Le Meridien Mount Soche;
- b) the MVA of Botswana shall prepare the Agenda for the meeting in consultation with the COMESA, SADC and other Task Team member countries; and
- c) the meeting be convened early 2010 and before the end of May 2010.

### **Review of the draft Model Legislation on the Third Party Motor Vehicle Insurance**

29. Regarding the convening of an all stakeholders workshop to review the draft report on the Model Legislation on the COMESA Third Party Motor Vehicle Insurance, the meeting was informed that no progress had been made due to limitation in funding.

### **Implementation of the Scheme by Member States**

#### **Egypt and Libya**

30. The Council was informed that a combined Yellow Card and RCTG workshop was held by the Secretariat in Egypt. Regarding the engagement of the



the Great Socialist People's Libyan Arab Jamahiriya the meeting was informed that the Secretariat was not able to conduct a workshop during the period under review.

### **Programme on the Co-operation and Integration of Insurance Services**

31. The meeting was informed that no progress had been made since the last Council meeting. However, efforts were underway to secure funds to undertake among other things, the following:

- i) to hire a short term Consultant to prepare a study on the Structure, Conduct and Performance (SCP) of the Insurance Industry in the COMESA region and propose the way forward on the liberalization of the industry; and
- ii) to convene a meeting of Insurance Supervisory Authorities, and Chief Executives of Insurance and Reinsurance companies to consider the report prepared by the consultant and propose a draft framework for the liberalization and integration of the Insurance Industry in the COMESA Region.

### **Hosting of the Council of Bureaux Meeting**

32. The meeting was informed that the Council meeting had to be held at the Secretariat Headquarters because National Bureaux that had expressed interest were not able to host the meeting.

### **Country Reports by National Bureaux (Agenda item 4)**

33. Pursuant to the decision of the 19<sup>th</sup> Meeting of the Council of Bureaux, held from 29-30 August, 2005, in Harare, Zimbabwe, the Coordinators of the National Bureaux presented their reports on the operations of the Yellow Card Scheme in their respective countries for the period July 2008 to June 2009. The reports of National Bureaux on the status of the Yellow Card production and claims activities are shown in the summaries attached as Annex I and II. The highlights of activities carried out during the period under review and issues raised, proposals and recommendations made by the National Bureaux were as follows.

#### **National Bureau of Burundi**

34. The National Bureau of Burundi submitted a schedule showing summary of Yellow Cards issued and premiums collected and Claims activity figures for the period under review as shown in the Annexes I and II. The National Bureau indicated that it had problems in handling old claims.

#### **National Bureau of Djibouti**

35. The National Bureau reported as follows:

- a) Issuance of Yellow Cards for the period under review was 20% lower than the previous year. This was attributed to issuance of Yellow Card cover by Ethiopian Insurance companies to vehicles registered in Djibouti;
  - b) Settled a total amount of claims of US\$285,736 on behalf of other Bureaux;
  - c) The National Bureau settled claims amounting to \$285,736 on behalf of other national bureaux showing an increase of 26% from the previous year;
  - d) The amount settled indicated in b) above, \$49,882 was settled by the Reinsurance Pool representing a decline of 64% of claims paid by the Pool compared to last year; this sharp decrease can be attributed to an increase in the excess of loss from US\$10,000 to US\$15,000;
  - e) Continued consultations with the National Bureau of Ethiopia to resolve various issues affecting the operation of the yellow card in the two countries;
  - f) there had been an increase in the movement of trucks between Djibouti and Ethiopia from December 2008 to June 30 2009 to a margin of 90%;
  - g) there were 104 claims reported to Djibouti by other National Bureaux (chiefly Ethiopia) representing an increase of 11% compared to the previous period which was, however, insignificant compared to a sharp increase in the movement of trucks mentioned in g) above; and
  - h) the National Bureau was waiting for reimbursements of claims amounting to US\$220,000.00.
36. The National Bureau raised the following issues:
- a) The major role of the National Bureau has increasingly become that of management of claims on behalf of the National Bureau of Ethiopia, this burden was weighing down on the cash position of the Reinsurance Pool, and should be addressed;
  - b) Long outstanding reimbursements of US\$220,000 represent more than 2 years returns of the bureau and this was negatively affecting the bureau's cash position; and
  - c) Use of the cash loss register, which could assist the operations of the bureau, had not been implemented, despite repeated demands. [Review the French version as it does not correctly reflect this concern]

### **The National Bureau of DR Congo**

37. The National Bureau reported on yellow cards issued, premium collected and claims activities for the period under review as follows:

- a) Issued 6,512 cards
- b) collected a total premium income of US\$ 322,840.31
- c) Had 26 claims reported

- d) Paid five claims amounting to US\$ 22,797
  - e) Had outstanding claims of 23 amounting to US\$ 150,550
38. The National Bureau further report that:
- a) Among the paid claims were for issuing Bureau of Rwanda, Zambia and Tanzania.
  - b) Had an increase in claims due to the increase in truck flow from COMESA member countries
  - c) Awaiting reimbursement from the National Bureaux of Rwanda, Zambia and Tanzania, and
  - d) Committed to settle all genuine yellow card claims that occur in their territory.

### **National Bureau of Eritrea**

39. The National Bureau reported that, during the period under review, the bureau has not issued any cards; no claims were reported, paid or kept outstanding, as the Bureaux had been inactive due to no peace no war situation between the neighbouring countries.

### **The National Bureau of Ethiopia**

40. The National Bureau reported as follows:
- a) Issued 24,478 cards and realized gross premium income of Eth. Birr 15,928,332.83;
  - b) The number of member Insurance Companies increased to eleven with the joining of Oromia Insurance Co. on March 13th 2009
  - c) Fully settled the budget contribution for 2008/2009;
  - d) Submitted monthly returns and premium cessions to the pool;
  - e) Using Pool's clearing facility had settled various claims handled by Djibouti National Bureau; and
  - f) Held bilateral meeting in Addis Ababa with delegates from Djibouti National Bureau.

41. The National Bureau raised the following concerns:
- a) Fixing of liability on drivers of Ethiopian vehicles by Djiboutian Police Authorities
  - b) Extended Yellow Card claim benefits provided by Djiboutian law.

### **The National Bureau of Kenya**

42. The National Bureau reported as follows:
- a) Had 35 member insurance companies writing motor business participating in the scheme;
  - b) Conducted local market visitations and promoted the sale of more cards;

- c) Erected COMESA Yellow Card bill boards at Gilgil in central Kenya and Namanga and Malaba border points; and
  - d) Planning to run programmes on print media advertisement through local dailies and weekly East Africa Magazine for the East Africa Region.
43. The National Bureau raised the following concerns:
- a) Agents selling third party insurance cover to motorists crossing borders had reduced the sales of Yellow Cards;
  - b) delays by branches of insurance companies in submitting returns;
  - c) delays in obtaining claims handling authorization from some issuing National Bureaux; and
  - d) delays in getting reimbursement from the issuing bureaux.
44. The National Bureau recommended the following:
- a) COMESA Secretariat should liaise with government authorities to ensure the enforcement of the Yellow Card Protocol;
  - b) COMESA Secretariat should assist in the marketing the Yellow Card scheme by providing advert materials; and
  - c) National Bureaux which are not insurance companies should be allowed to earn a 10 percent management fee to cover their operational and administrative expenses. ]

#### **The National Bureau of Malawi**

45. The National Bureau:
- a) Presented schedules of yellow cards premium cession, yellow card sales and claims during the period 1<sup>st</sup> July 2008 to 30<sup>th</sup> June 2009; and
  - b) Reported no activities related to the pool and no promotional activities.

#### **Decision**

46. The meeting recommended that efforts to harmonise the Yellow Card Scheme with other non-COMESA Systems should continue in order to facilitate the easy movement of traffic between COMESA and non-COMESA countries.

#### **The National Bureau of Rwanda**

47. The National Bureau report as follows
- a) Has five major member insurance companies;
  - b) Convene regular meeting with members;
  - c) Recorded increase in number of cards issued and premium income collected;

- d) increased by 22 percent; and
- e) Has a strategy of making leaving Rwanda to get a yellow card cover at the border point.

### **The National Bureau of Sudan**

48. The National Bureau reported as follows:

- a) Issued 46 yellow cards with total premium of USD16,309.33;
- b) Paid two (2) claims and had one (1) outstanding for the period under review; and
- c) Promotional activities were carried out individual by member insurance companies.
- d) The national bureau expressed concern of the lack of response from the Pool Managers for reimbursement of claims paid on behalf others National Bureaux

### **National Bureau of Tanzania**

49. The National Bureau reported as follows:

- a) Issuance of Yellow Cards reduced by 656 cards compared to the previous year due to non recognition of Yellow Cards issued by the National Bureau of Tanzania at some border posts for example Nakonde.
- b) Promotional activities were carried out during the Dar-es-salaam International Trade Fair.

50. The National Bureau raised the following issues:

- a) Non recognition of the Yellow Cards issued by its member companies by the Zambian Authorities at Nakonde border post;
- b) Long outstanding claims reimbursement by some National Bureaux;
- c) Delays in remittance of returns by member companies; and
- d) Long list of outstanding claims

### **Decision**

51. The meeting recommended that the National Bureaux of Tanzania and Zambia should resolve the problem bilaterally by involving concerned authorities and stakeholders at the border posts.

### **The National Bureau of Uganda**

52. The National Bureau reported as follows:

- a) Had been involved in the activities of the Regional Customs Transit Guarantee Scheme (RCTG) since September 2006;

- b) Carried out sensitization training to the management at the National Bureau;
  - c) Carried out sensitization workshops for Police, the Revenue Authority, etc in various parts of the country;
  - d) Increase in yellow card sales from \$676,795.53 to \$689,864.69. The increase is mainly due to foreign currency exchange rate variations.
  - e) Provided statistics for claims reported, settled, outstanding, etc.
53. The National Bureau raised the following concerns:
- a) Delays in confirmation of Yellow Cards and authorization for settlement by other National Bureaux;
  - b) Delayed reimbursement by issuing National Bureaux and the Reinsurance pool;
  - c) Received reports of a few cases of forged cards;
  - d) Unreported and late reporting of some claims being disposed of by Courts of laws without the knowledge of the handling Bureau;
  - e) Issuance of SADC Carnets to travellers visiting non SADC trading blocs;
  - f) Lack of response to communication by some National Bureaux;
  - g) Mishandling of court cases; and
  - h) More traffic from Kenya than traffic into Kenya from Uganda

## Decisions

54. The meeting noted that the country report format of the National Bureau of Uganda was in line with the recommended format by the Secretariat and National Bureaux were requested to adhere to the prescribed format which covers the follows:

- a) Background / Introduction
- b) Operations
  - i) Yellow Card production
  - ii) Claims handing
  - iii) Other activities
- c) Challenges and observations
- d) Developments
- e) Proposals
- f) Conclusion

## The National Bureau of Zambia

55. The National Bureau reported as follows:

- a) Held a workshop for member companies to sensitise them on the general operations of the yellow card and the Reinsurance Pool;
- b) Cavmont Capital Insurance Corporation Ltd rebranded to Diamond General Insurance Ltd; and

- c) A request was made through the Government of Zambia to explore ways of resolving detention of Zambian motorists in DRC.
56. The National Bureau raised the following issues:
- a) vehicles with duly issued Yellow Cards were being detained by the Democratic Republic of Congo authorities;
  - b) There was communication problems with other National Bureaux;
  - c) delays in getting reimbursements from the issuing bureaux;
  - d) member companies to meet and agree on how to share the expenses, the current 15% fees contribution is inadequate;
  - e) Need to sensitize the border authorities and the police on the operations of the yellow card;
  - f) need for uniformity in all the Bureaux concerning the selection of countries being visited on the yellow card;
  - g) promote the Yellow Card scheme through print media, radio and television;
  - h) provide communication options for use by motorists:
    - i) Access general information on the Yellow Card
    - ii) Who to report to in the event of an accident
    - iii) How to get immediate medical assistance as provided for under the scheme when an accident happens
  - i) Accessibility of the Yellow card throughout the country; and
  - j) Flow of information on updates on changes on rates to be charged.
57. The National Bureau recommended that:
- a) The Secretariat needed to discuss with relevant authorities at the DRC border posts to ensure that the Yellow Card is recognised as a valid Third Party Insurance cover;
  - b) Need of a toll free help line for use by Yellow card holders;
  - c) Yellow Card workshops should be held more frequently to sensitize stakeholders; and
  - d) Contact details of insurance companies issuing Yellow Cards be provided to the police stations at border posts.

### **The National Bureau of Zimbabwe**

58. The National reported as follows:
- a) National Bureau was made up of 29 registered, active and short-term insurers who were also be members of the Insurance Council of Zimbabwe (ICZ);
  - b) Members of the bureau continued to retain 100% of premiums received instead of ceding 30% to ZEP-RE due to persistent hard currency shortages;

- c) Transacting in hard currency had helped stabilise economy and allows for business planning and in this regard the National Bureau made a commitment to pay US\$50,540 to ZEP-Re towards their outstanding obligations with the Pool Managers; and
  - d) Under the umbrella of the ICZ, the national bureaux members meet every month and share information related to the yellow card, among others.
59. The National Bureau submitted the following requests:
- a) The National Bureau requested the Council of Bureaux to write-off all previous 30% cessions to the Pool up to December 2008, due to economic challenges; and
  - b) Requested the Council of Bureaux to write-off outstanding subscription fees of \$141,515 up to 31<sup>st</sup> August 2009 due to economic hardships.

### **Decision**

60. The meeting noted the country reports submitted by Coordinators of the National Bureaux and decided that the Secretariat should consider the issues raised and recommendations made and find solutions in consultation with the concerned National Bureaux.

### **Reports of the Twenty-Sixth and Twenty-Seventh Meetings of the Technical Management Committee (TMC) on the Yellow Card Reinsurance Pool (*Agenda item 5 & 6*)**

61. The COMESA Secretariat presented Documents No CS/CB/TMC/XXVI/10 and No. CS/CB/TMC/XXVII/9, Reports of the Twenty-Sixth and Twenty-Seventh Meetings of Technical Management Committee (TMC) of the Yellow Card Reinsurance Pool, which were held from 21<sup>st</sup> to 22<sup>nd</sup> April 2009, in Lusaka, Zambia and 4<sup>th</sup> to 5<sup>th</sup> August 2009, in Kinshasa, D R Congo respectively. The Secretariat highlighted the progress made on the operations of the Reinsurance Pool and various activities carried out in accordance with the decisions of the Council of Bureaux as follows:

#### **i. Capacity Subscription to the Pool**

62. With regard to the payment of Capacity Subscription, the Council of Bureaux noted the following:

- (a) the National Bureau of DR Congo had paid its capacity subscription to the Pool; and
- (b) the National Bureau of Sudan had problems with remittance of their instalments of capacity subscription and the Bureau assured that the payment would be effected as soon as their request for forex is approved by the Central Bank of Sudan. The meeting further noted



that to resolve the issue of forex, the representative of the Pool Managers proposed that the National Bureau pays the capacity subscription to the ZEP-RE branch in Khartoum in Sudanese Pound and the ZEP-RE would pay an equivalent amount in US\$ to the Pool. The representative of the National Bureau of Sudan took note of the proposal made by ZEP-Re.

63. The Council of Bureaux commended the National Bureau of DR Congo for settling its arrears of capacity subscription to the Pool in full.

### **Decisions**

64. The Council of Bureaux endorsed the following 26<sup>th</sup> Meeting of the Technical Management Committee recommendations:

- a) the National Bureaux of Burundi, Malawi and Sudan should pay their share of capacity subscription to the Pool without any further delay; and
- b) the Secretariat should follow up on the decision taken by Council to take up the issue of payment of capacity subscription with the top management of the National Bureaux named above and report its findings to the next meeting of the TMC.

### **ii. Review of Annexes of the Revised Operations Manual**

65. The meeting noted that the Annexes of the revised operations manual were done and that the complete Manual would be circulated to all National Bureaux without delay.

### **iii. Claims Issue between the National Bureaux**

### **iv. Outstanding claims issue between National Bureaux of Kenya and Tanzania**

66. On the issue of claims between the National Bureaux of Tanzania and Kenya, the Council of Bureaux noted that the National Bureau of Tanzania was in the process of effecting the payment

### **v. Identification of External Auditors for the Yellow Card Reinsurance Pool**

67. Regarding the identification of External Auditors for the Reinsurance Pool of the Yellow Card Scheme, the Council of Bureaux noted that the Secretariat, with the assistance of the National Bureau of Kenya, had identified four external auditors, namely: Deloitte & Touche, Ernst & Young, KPMG and DCDM and the Terms of Reference for the job had been circulated.

68. The Council of Bureaux further noted that:

- a) No tenders were made available to the Secretariat;
- b) in order to fill the gap the 27<sup>th</sup> Meeting of the TMC decided that the Auditing firm Deloitte had been appointed to audit the 2008 account;
- c) the TMC accepted the request made by Deloitte for the increase of fees from US\$3,450 to US\$4,000 an annual cost of US\$4,000 for one year; and
- d) the Secretariat assured the Committee that it would carry out the exercise either by mounting a mission or directly liaising with the identified audit firms and submit its assessment report on the auditors identified including the audit fees requested for consideration and appointment by the 23<sup>rd</sup> Meeting of the Council of Bureaux.

**vi) Reimbursement of cost of Printing of Yellow Card Books**

69. On the reimbursement of cost of printing of Yellow Card Books, the Council of Bureaux noted with concern that a number of National Bureaux had not settled their balances of the cost of printing and delivery incurred by the Secretariat for the books they received. The meeting also noted the continued ad hoc emergency orders being made by National Bureaux.

**Decisions**

70. The Council of Bureaux reiterated its earlier decisions that:

- a) National Bureaux should issue cheques with their orders for printing and delivery of Yellow Cards to the Secretariat. On issuing the order, the estimated cost of printing and delivery should be obtained from the Secretariat;
- b) National Bureaux with outstanding cost of printing and delivery of Yellow Card Books, should reimburse the Secretariat without further delay; and
- c) The National Bureaux should have a system for managing the stock of Yellow Cards and place their orders for printing in good time before the stock runs out.

**Decision**

71. On the issue of Primary Insurance Companies failing to comply with directives, the Council of Bureaux endorsed the following 27<sup>th</sup> Meeting of the Technical Management Committee recommendations:

- a) The Secretariat should write to the National Bureaux drawing their attention to the directives and measures to be taken on the primary insurance companies who fail to comply with directives as well as meet their obligations;
- b) National Bureaux should take necessary measures on primary Insurance companies who are members of the scheme who fail to adhere to the operations manual, decisions of the Council of Bureaux and to meet their obligations and advise the Secretariat on measures taken; and
- c) The Secretariat should organize the second workshop for Yellow Card Coordinators, as there were several new Yellow Card Coordinators who should be acquainted with details of operations and the various instruments of the Yellow Card Scheme.

**vii) Study Report on the High Number of Yellow Card Claims between Ethiopia and Djibouti**

72. The Council of Bureaux noted that, a technical consultant to carry out the study had been identified and a contract signed. However, it was established that there were no funds available for the Study to be carried out. The Study was therefore scheduled to be included in the next budget.

**viii) Yellow Card Workshops**

73. The Meeting noted that two National workshops were held by the Secretariat in Zambia and Malawi jointly with national bureaux in the respective countries.

74. With regard to the mission mounted to Egypt, the Council of Bureaux noted the following:

- a) the Insurance Supervisory Authority of Egypt advised the COMESA mission that it was not ready to host the 23<sup>rd</sup> Meeting of the Council of Bureaux;
- b) the Insurance Association of Egypt was mandated to study the possibility of joining the Yellow Card scheme and would advise the findings of the study and its decision on the way forward;
- c) the COMESA Secretariat was requested to provide reports of the Council of Bureaux Meetings , Audited reports of the Yellow Card Reinsurance Pool, write ups on the Scheme and other materials that would assist the Insurance Association of Egypt to carry out the Study; and
- d) the Insurance Association advised that they will participate in the Council of Bureaux meetings.

75. The meeting further noted that following Egypt's withdrawal from hosting the 23<sup>rd</sup> Meeting of the Council of Bureaux, the National Bureau of Kenya was requested to host the 23<sup>rd</sup> Meeting in accordance with its offer made during the 22<sup>nd</sup> Council of Bureaux meeting held in Lubumbashi in October 2008.

**ix) Comparison of Yellow Card Rates and Nationally Issued Motor Vehicle Cover (Act Cover)**

76. The meeting noted that National Bureaux were requested to provide information on rates for the Yellow Card and the Act Covers issued by National Bureaux to enable the Secretariat to carry out a comparison of the competitiveness of the two provisions. However, only the National Bureaux of the DRC, Rwanda and Kenya responded.

**x) Progress Report of the Pool Managers on the Operations of the Yellow Card Reinsurance Pool as at 30<sup>th</sup> June 2009**

77. The Council of Bureaux noted the highlights of the Progress Reports of the activities of the Pool Managers on the operations of the Yellow Card Reinsurance Pool, submitted to the 26<sup>th</sup> and 27<sup>th</sup> Meetings of the Technical Management Committee, for the period ending 30<sup>th</sup> June 2009, as follows.

**i) Premium Returns & Income Booked**

**Premium Returns & Income Booked**

78. The Pool recorded a total premium of US\$ 930,485 for 100% as compared with US\$1,455,117 in June 2008. The Pools 30% share declined by 36.7% from US\$436,535 in June 2008 to US\$279,145 in June 2009. The reason for the decline was due to non-submission of returns by some National Bureaux as compared to the period in 2008.

**Decision**

79. The Council of Bureaux expressed concern on the non submission of returns by the National Bureaux and reiterated its earlier decisions that:

- a) All National Bureaux should submit their monthly returns without delay as prescribed in the Yellow Card Operations Manual;
- b) Pool Managers should step up their follow ups on the timely submission of monthly returns by all National Bureaux and constantly update the Secretariat on challenges they may be facing with respective National Bureaux and submit a full report to the 23<sup>rd</sup> Council Meeting scheduled for September 2009; and
- c) National Bureaux should as well make follow ups and ensure that all primary insurance companies who are members to the Bureau submit their returns on time and take necessary corrective measures

to members who do not make timely submission of returns reflecting the Yellow Cards issued.

### Claims Bordereaux Returns

#### ii) Claims Bordereaux Returns for Claims below US\$10 000

80. Regarding the status of claims less than US\$10,000, thirty claims amounting to US\$65,240 had been settled by the National Bureau of Djibouti on behalf of the National Bureau of Ethiopia.

#### iii) Claims settled through the Pool Clearing House

81. The situation had remained the same since the last Meeting.

#### iv) Large Claims Intimated

82. The summary of large claims presented by the Pool was as follows:

#### Claims Reported to the Pool since inception up to the 30<sup>th</sup> June 2009

Table 1 Figs in US\$

STATUS	TOTAL	RETAINED	RETRO
Outstanding	2,010,191.90	718,676.81	1,291,515.09
Settled	1,448,406.69	596,126.00	852,280.69
TOTAL	3,458,598.59	1,314,802.81	2,143,795.78

#### LARGE CLAIM SUMMARY BY COUNTRIES

Table 2 Figs in US\$.

COUNTRY	TOTAL CLAIMS (S&O/S)	% OF TOTAL	RETAINED CLAIMS	NET PREMIUMS	LOSS RATIO
Ethiopia	1,532,675.46	44.31	591,814	410,141	144.30%
Kenya	882,330.30	25.51	325,712	564,071	57.74%
Rwanda	644,143.77	18.62	192,829	43,571	442.56%
Uganda	241,329.58	6.98	144,448	106,060	101.99%
Burundi	81,959.00	2.37	20,000	14,796	136.19%
Zimbabwe	42,439.89	1.23	20,000	0	0
Tanzania	33,720.59	0.97	20,000	103,288	19.36%
Zambia	-	-	-	84,841	0
Djibouti	-	-	-	25,829	0
Sudan	-	-	-	3,978	0
Malawi	-	-	-	4,265	0
Eritrea	-	-	-	163	0
TOTAL	3,458,598.59	100.00	1,314,803	1,361,003	96.60%

83. The Council of Bureaux noted that most of the claims were coming from the National Bureaux with the highest premium contributions to the Scheme and endorsed the following 26<sup>th</sup> Meeting of the Technical Management Committee recommendations:

- a) the affected National Bureaux should review their rates and or underwriting policies to ensure that their claims ratios are reduced to avoid straining the resources of the Pool; and
- b) a further Study on Ethiopia and Djibouti should be carried out urgently to curb the escalation of claims.

### Common Account Excess of Loss Treaty Programme 2009

84. Regarding the Common Account Excess of Loss Treaty Programme for 2009, the Council of Bureaux noted that because of the deteriorating claims experience the renewals were difficult. The meeting also noted that all National Bureaux were invited to take shares on the Treaty Program and only the National Bureaux of Kenya (30%) and Zambia (2%) took shares. The meeting noted the Renewal and Placement of the 2009 Common Account Excess of Loss Cover for the Yellow Card was as shown in table 3 below :

Table 3

BROKER	REINSURER	SHARE 2009	SHARE 2008	REMARKS
Afro Asian	Kenya Re	30.00%	30.00%	Leaders
	Tan Re	18.50%	18.50%	
	Zim Re	15.00%	15.00%	
	Africa Re	15.00%	10.00%	
	WAICA Pool	-	1.50%	
Total		78.50%	75.00%	
J.B.Boda	Cica Re	10.00%	8.00%	
Total	TOTAL	88.50%	83.00%	
Direct	Zep-Re	9.50%	15.00%	
	Zambia state	2.00%	2.00%	
Total		11.50%	17.00	
Grand Total		100.00%	100.00	

85. During the discussion that followed, the National Bureau of Ethiopia pointed out that the increase in the annual premium for 2008 was owing to underwriting measures adopted as agreed with the National Bureau of Djibouti.

86. The National Bureau of Djibouti sought clarification on the following issues:

- a) that the Pool Managers in their recent correspondence had advised that the Pool would not settle new claims on behalf National Bureaux who had not reimbursed the Pool for claims earlier paid;
- b) that the method used to assess loss ratio for large claims was unclear; and
- c) the increase of the threshold of the Pool from \$10,000 to \$15,000.

87. In response to the questions raised, the representative of the Pool Managers explained as follows:

- i) the Pool would continue to reimburse through the clearing house facility to handling bureaux for claims paid on behalf other National Bureaux;

- ii) the method used to assess loss ratio for large claims would be reviewed;
- iii) the increase in the threshold from \$10,000 to \$15,000 in respect to the 1<sup>st</sup> layer retention of the Pool under the Common Account Excess of loss Treaty Programme and was not related to the claims settlement limit of the National Bureaux;
- iv) A detailed report on the issues raised would be given in the next meeting of the TMC.

### **Pool Proposals**

88. The Council of Bureaux noted that the Pool Managers proposed the following to address the increasing number of claims:

- a) increase the premium base through charging commensurate premiums based on the claims experience now available. This will entail increase in the premiums charged on the Yellow Card;
- b) increase the Pools share of the premiums from the current 30% to at least 50%. At the moment, the Pool gets only 27% of the premiums after deduction of Commissions but pays for a large number of claims above US\$15,000 limit;
- c) abolish the 10% Commission payable by the Pool Managers to the primary Insurance Companies, which currently reduces the Pool's share of premiums to 27%; and
- d) that an additional levy in addition to the proposed 50% premiums be imposed on National Bureaux that generate more claims. The levy should be graduated to reflect the volume of the claims.

89. The Council of Bureaux endorsed the following 26<sup>th</sup> Meeting of the Technical Management Committee recommendations:

- a) National Bureaux should charge competitive rates consistent with the loss ratios in their markets for the Yellow Cards that they issue. The rates should be constantly reviewed but should remain competitive; and
- b) The Cession and Commission charged to the Pool should be maintained at 30% and 10% respectively.

### **c) Pool Managers Report and Financial Statements for the Year Ended 31<sup>st</sup> December 2008**

90. The Pool Managers presented the audited report and accounts for the Year 2008, as required under Article 6, of the Constitution of the Yellow Card Reinsurance Pool. The highlights of issues raised by the Pool Auditors included the Pool Income Statement, Cash flow statement and the Pool Balance Sheet among other issues.

## Management letter

91. The issues raised by the External Auditors included among others, Bureaucracy in Operations of the Pool, Underwriting income incompleteness; bad and doubtful debtors; late cut off of income, diversification of investment and lack of information on the existence and operations of the Yellow Card to the general public.

## Decisions

92. The Council of Bureaux endorsed the following 27<sup>th</sup> Meeting of the Technical Management Committee recommendations that:

- a) The Auditors' view on the accountability of National Bureaux to the Pool was not correct and should be reviewed;
- b) Pool Managers should review the cut off date of income with a view to achieve the date recommended by the Auditors: 31 December of each year;
- c) the Pool Managers should prepare a breakdown of the actual amounts owed by insurance companies members of the National Bureaux on retrocession cover, premium cessions to the Pool and inter bureau debtors, in order to assist National Bureaux to take corrective measures; and
- d) The Pool Managers should adhere to the decisions of the Council of Bureaux and diversify their investment by investing in other COMESA Member States.

## Decisions

93. The Council of Bureaux adopted the following 27<sup>th</sup> Meeting of the Technical Management Committee recommendations on the Audited Annual Accounts as at 31<sup>st</sup> December, 2008:

- a) the retired Auditors: Deloitte, whose contract expired in 2008, be extended for a further period of one year and that the fees be increased from US\$3,450 to US\$4,000; and
- b) the audited accounts be submitted for consideration and approval by the Council of Bureaux, as provided in Articles 6 item 4(d) and (f) of the Constitution of the COMESA Yellow Card Reinsurance Pool.

94. The meeting further endorsed the following 27<sup>th</sup> Meeting of the Technical Management Committee recommendations:

- a) The meeting noted that US\$537,745 profit was recorded for the year 2008 and recommended that the Pool Managers should consider declaring dividends to the members of the Pool, on the basis of their share of contribution to the total premium cession to the Pool; and



- b) The Committee also noted the low rate of return for investment and advised the Pool Managers to consider other investment options including investing in properties.

95. The Council of Bureaux further noted the recommendations made by the 26<sup>th</sup> Meeting of the TMC advising the Pool Managers to step up their efforts to recover all outstanding amounts owing from members for claims settled on their behalf.

96. The Council of Bureaux decided that the Pool Managers should make a provision for bad and doubtful debtors as recommended by the External Auditors.

### **Report on the Diversification of the Investments by the Pool Managers**

97. The Council of Bureaux noted the observation made by the 26<sup>th</sup> Meeting that Pool Managers had not diversified the Investment Portfolio despite repeated directives made by the Council of Bureaux for the past three years and urged the Pool Managers to adhere to the decisions of the Council of Bureaux on the diversification of investment portfolio within and outside the COMESA region.

98. The Council of Bureaux also noted the challenges the Pool Managers were facing in diversifying the Investment Portfolio, were:

- The foreign currency risk;
- Exchange control regulations in some COMESA countries;
- Exposure risk as a result of the global financial melt down; and
- Communication difficulties, etc.

### **Decision**

99. The Council of Bureaux endorsed the 26<sup>th</sup> Meeting of the Technical Management Committee recommendation that Pool Managers should also invest in other credible institutions/banks in the region.

### **d) Proposal to increase Pool Managers Fees**

100. The Council of Bureaux noted that the Pool Managers presented a request for the review of the management fee from 8.5% to 10% as the administration costs of managing the scheme continued to increase and cited, among other reasons, the following:

- a) Increase in the volume of work over the years which as a result required extra staff to work on the Yellow Card business;
- b) The need to have staff that handles the day to day investment activities of the Pool;
- c) Increase in the overhead costs; and
- d) Software service contract fees for SUN system general ledger.

101. In the discussions that ensued, the meeting was informed that in accordance with the Management Agreement entered into between the Council of Bureaux and the Pool Managers, Management Fee is based on the gross premium income of the Reinsurance Pool.

### **Decisions**

102. The Council of Bureaux adopted the 27th Meeting of the Technical Management Committee recommendation that the Management Fees for the Pool Managers be increased from 8.5% to 10% of the 30% Pool gross premium income with effect from January 2010.

#### **e) Pool Financial Highlights as at 30<sup>th</sup> of June 2009**

103. The meeting noted that the Pool premium income declined by 36% to US\$279,145 in June 2009 from US\$436,535 recorded in June 2008. This was mainly due to non-submission of returns by the members.

#### **f) Investments**

104. The meeting noted that the volume of investments during the half-year ended June 2009 increased by 10.3% to US\$ 2,932,269 from US\$ 2,657,422 recorded in June 2008. This was mainly due to increased remittances from member National Bureaux.

#### **g) Outstanding Premium Balances due from Members**

105. The meeting noted that following the decision of the 22<sup>nd</sup> Council of Bureaux meeting held in Lubumbashi, DR Congo, the Pool Manager mounted missions to National Bureaux with high outstanding balances namely: Kenya, Ethiopia, Uganda, Rwanda and Zambia. With the exception of Uganda, all the Bureaux visited made partial settlement of the balances due.

106. The Council of Bureaux applauded the Pool Managers for the effort and achievement made in collecting US\$579,954, which was about 30% of the total outstanding amount due from members and encouraged the Pool Managers to continue their efforts and visit the National Bureaux with high outstanding balance due to the Pool.

#### **h) Report on the Final Draft Investment Policy of the Yellow Card Reinsurance Pool**

107. The meeting noted that the Pool Managers had submitted a Draft Investment Policy and the TMC recommended and that the final draft be submitted to the 3<sup>rd</sup> Meeting of the Council of Bureaux for consideration and adoption.

**i) Report on the Printing of the New Generation of Yellow Card Books**

108. The meeting noted a Printing Agreement was signed with Taws Ltd of Kenya in July 2009, the proposed prototype of the New Yellow Card circulated to National Bureaux and orders were sought from National Bureaux to be placed by the Secretariat with the New Printer. However, only a few National Bureaux had responded by the time of the meeting.

109. With regard to promotional and public awareness material, the meeting noted that Posters and Stickers both in English and French were under preparation and samples were circulated for comments and views of the TMC. The meeting was also informed that the Secretariat was still to terminate the contract of the current Printer up until the New Printer started printing the new generation of Yellow Card Books.

110. The meeting further noted that:

- a) The starting serial numbers of the new Yellow Card for each National Bureaux would start from ' ----, --, 000,0001;
- b) The following countries, namely: Angola, Botswana, Lesotho, Mozambique, Namibia, South Africa, Somalia and Swaziland were removed from the table as inclusion of the countries was giving the impression that they were members of the Yellow Card scheme.

111. The Council of Bureaux noted the recommendation of the 27<sup>th</sup> Meeting of the TMC on the issue of implementation of the new generation of the yellow card.

**Recruitment of Senior Finance Assistant - Supplementary Budget**

112. Concerning the supplementary Budget for the Recruitment of the Senior Finance Assistant, the Council of Bureaux noted that the salary per annum would be US\$6,900 plus allowances. The meeting also noted the Terms and Condition of Service and key tasks that shall be performed.

**Decisions**

113. The Council of Bureaux adopted the following 26<sup>th</sup> Meeting of the Technical Management Committee recommendations that:

- a) Minimum qualifications for the Senior Finance Assistant should be a Degree in Accounts (Accounting) and ACCA level II;
- b) The activities of the Senior Finance Assistant should be restricted to the Yellow Card only; and
- c) The Clerk should be recruited after approval by Council of the Budget for the period 2009/2010.

## **Appointment of External Auditors for the Council of Bureaux Account**

114. On the appointment of External Auditors for the Council of Bureaux Account, the Council of Bureaux noted that in an effort to cut on any further delays caused by the long procedures and processes at the Secretariat, the current Auditor for the Secretariat DCDM was approached and they made a submission.

### **Decisions**

115. The Council of Bureaux having considered the recommendations of the 26<sup>th</sup> Meeting of the Technical Management Committee appointed De Chazal Du Mée (DCDM) Audit and Business Advisory Service as External Auditors for the Council of Bureaux Account, with effect from the 1<sup>st</sup> of May 2009 for a period of three years at an annual fee of US\$ 5 000.

#### **j) Recruitment of a Short Term Insurance Expert on Secondment basis**

116. As regards the recruitment of a Short Term Insurance Expert on Secondment Basis, the Council of Bureaux noted that in order to support the manpower capacity of the Yellow Card office at the Secretariat, an amount of US\$32,000 was secured from the Regional Integration Program (RISP) for the recruitment of an Insurance Expert for six months.

117. The Council of Bureaux expressed appreciation to the COMESA Secretariat for the support given to the Council of Bureaux. The Council of Bureaux noted that the TMC endorsed the recommendation of the Secretariat to proceed with the recruitment of a short term Insurance Expert and report the progress on the exercise to the 23<sup>rd</sup> Meeting of the Council of Bureaux.

#### **k) Recruitment of an Insurance Expert- Budget Implication**

118. With regard to the Recruitment of Insurance Expert - Budget Implication, the Council of Bureaux noted the terms and conditions for the position which was attached as an Annex to the report

119. The Council of Bureaux noted that an addition of \$65,000 to the annual budget of the Council of Bureaux and an increase of \$5,000 in the contribution of each National Bureau, would be required to recruit an Insurance Expert.

### **Decision**

120. The Council of Bureaux considered the recommendation of the 27<sup>th</sup> Meeting of the TMC:

- a) approved the recruitment of the Insurance Expert; and
- b) decided that the Insurance Expert be carried out in the 2010-2011 budget year.

**I) Request to have National Bureau of Zimbabwe's 30% Premium Cession Written Off**

121. The Council of Bureaux noted the request submitted to have the National Bureau of Zimbabwe's 30% Premium Cession written off. The meeting noted that because of the economic problems the country was going through, the National Bureau had advised that it was unable to meet their 30% obligation in terms of premiums to the Pool and was seeking the consideration of the TMC to have the outstanding cessions written off. It was noted that the Bureau had put in place a mechanism to collect premium in hard currencies effective from 1<sup>st</sup> January 2009 and in view of this the Bureau was confident that it would be in a position to meet its future obligations to the Pool.

122. The meeting noted that following the deliberations on the issues, the 27<sup>th</sup> Meeting of the TMC had diverse opinions as following:

- a) recognizing the hard economic situation of the country and the difficult circumstances in which the insurance industry is operating and the challenges that the industry was faced with, the request submitted by Zimbabwe should be accepted;
- b) if the request submitted was accepted, some National Bureaux might not handle claims made by visiting Zimbabwe motorists, as the National Bureau of Zimbabwe and its member primary insurance companies are not in a position to reimburse claims paid on their behalf; and
- c) the arrears of premium cessions to the Pool should be warehoused to enable the National Bureaux and its members to settle their arrears at a later date when the economic situation improves.

123. The Council of Bureaux further noted that following the difference in opinions on how to address the issue, the 27<sup>th</sup> Meeting of the TMC recommended that the request should be directly submitted to the 23<sup>rd</sup> Meeting of the Council of Bureaux for consideration and decision.

124. During the discussion on the issue, the delegate of the National Bureau of Zimbabwe explained that given the difficult circumstances in which the National Bureau had been operating, it was not possible for the Bureau to raise any funds in hard currency and that this situation was outside the control of the National Bureau. He then informed the meeting that following the measures recently adopted to use the USD and other currencies, the Bureau had started collecting premiums in forex and assured that it would meet future obligations. In light of the above, he reiterated the request of the National Bureaux to the Council of Bureaux to write off :

- a) US\$150,000 total outstanding budget contribution to the Council of Bureaux from July 2001 to June 2009; and
- b) US\$123,574 long outstanding arrears of the 30% premium cession to the Reinsurance Pool of the Yellow Card Scheme.

## **Decisions**

125. In the ensuing discussions, the Council of Bureaux recognized the difficulty of the National Bureau and the implication that the situation would have on the handling of claims on Yellow Cards issued by the National Bureau Zimbabwe and decided as follows:

- a) the US Dollar 150,000 arrears of budget contribution to the Council of Bureaux be written off; and
- b) the National Bureau of Zimbabwe should present a plan on how it would handle claims paid by other National Bureaux and the Pool on its behalf, to the next meeting of the Technical Management Committee for consideration and recommendation on the request to write off the US\$123,574 arrears of premium cession to the Pool.

### **m) Promotion of the Yellow Card Scheme**

126. The Council of Bureaux Meeting noted that the Secretariat had made consultations with four potential professional Printers and only three made substantive presentations. Out of the three only two had provided both scripts for Radio and Television and a Visual, the others only provided scripts and were not keen to provide clips/graphics because of the cost involved. The meeting also noted that the presentations were made available to the Technical Management Committee.

## **Decisions**

127. The Council of Bureaux endorsed the following 26<sup>th</sup> Meeting of the Technical Management Committee recommendations that:

- a) Secretariat should make further consultations and provide a full report with a comparative analysis in terms of cost and the experience/reputation of the work Media houses have done before for others;
- b) the Promotions/Adverts should also incorporate the phasing out of the Current Card into a new one;
- c) the clips for the adverts should be standard and have a provision for translation into the official COMESA languages namely English and French and also into Arabic;
- d) Secretariat should provide the initial templates for use by the member countries in both English and French; and
- e) Pool Managers should fund the production of initial promotional materials to be distributed to all National Bureaux once the cost for the activity has been ascertained.

**n) The Yellow Card Management Information System (YC-MIS)**

128. The Council of Bureaux noted that the system was presented to the Twenty Seventh Meeting of the Technical Management Committee (TMC) on the Yellow Card Scheme for review. The meeting further noted that the system had been updated taking into account the recommendations of the 26<sup>th</sup> Meeting of the TMC during the initial presentation. The system is currently hosted by the secretariat and made available online at address <http://yc-mis.comesa.int> and would be presented to the meeting of the Council of Bureaux for thorough review and adoption.

**o) Any Other Business**

129. The Council of Bureaux noted, that under this agenda item, that the members of the Technical Management Committee were informed that their two year tenure had come to an end. The Secretariat expressed appreciation for the effort made by the TMC to ensure the smooth operations of the Yellow Card Scheme.

**Pool's Annual Report and Account as at 31<sup>st</sup> December, 2008 (Agenda item 7)**

130. The Pool Managers presented the audited Annual Report and Accounts for the year 2008, in line with Article 6, item 4(d) of the Constitution of the COMESA Yellow Card Reinsurance Pool. In doing so, they gave the highlights of the Manager's Report and Financial Statement for the Year ended 31st December 2008.

**Decisions**

131. The Council of Bureaux considered the Annual Report and Financial Statements for the Year ended 31<sup>st</sup> December, 2008 and the recommendations of the 27<sup>th</sup> Meeting of the TMC:

- a) approved the audited accounts in line with Article 6 item 4 (d) and (f) of the Constitution of the COMESA Yellow Card Scheme; and
- b) endorsed the 27th Meeting of the Technical Management Committee recommendations on the issues raised in the Management Letter.

**Appointment of External Auditors**

132. With regard to the appointment of External Auditors, the Council of Bureaux reiterated its decision at the 22<sup>nd</sup> Meeting as follows:

- c) the Secretariat should identify without further delay reputable External Auditors of international status from the Kenyan market and submit an assessment report on the auditors identified including the audit fees requested for considerations and appointment by the 28<sup>th</sup> Meeting of the TMC;

- d) External Auditors selected should not be appointed for more than three consecutive years to avoid/reduce their influence on the Pool Managers; and
- e) the audited accounts be submitted for consideration and approval, as provided in Article 6 item 4 (d) and (f) of the Constitution of the COMESA Yellow Card Reinsurance Pool.

**Pool Financial highlights as at 30<sup>th</sup> August 2009 (Agenda item 8)**

133. The Pool Managers presented the financial highlights as at 30<sup>th</sup> August 2009, in comparison to the preceding financial period.

134. The Council of Bureaux noted, that the Pool had written a Gross premium income of US\$608,895 for the first eight months of 2009 compared to US\$716,711 for the same period last year, representing a decline of 15.28-%. The meeting further noted that the decline in premium income was not due to non submission of Premium Returns & Income booked by the National Bureaux DR Congo, Eritrea, Malawi, Sudan and Zimbabwe.

**Draft Investment Policy of the Yellow Card Reinsurance Pool (Agenda item 9)**

135. A representative of the Pool Managers of the Reinsurance Pool presented Document No. CS/TCM/CB/XXIII/4, Draft Investment Policy of the Yellow Card Reinsurance Pool. In his presentation he informed the meeting that the Pool Investment policy is governed by the Constitution of the COMESA Yellow Card Reinsurance Pool as outlined under Articles 4 and 13.

136. He explained that the investment policy was aimed at achieving the objectives of the Pool specifically to have adequate funds to settle claims and effectively invest in member states for the economic development for the sub-region. He further advised the meeting that, while the investment policy was regional in design it was drafted in manner to that recognised the fact that member states had specific and individual priorities and in this regard there was need for continuous communication with members states of the sub-region with a view to identifying the most profitable investment opportunities.

137. The Pool Managers explained the various guidelines upon which the Pool funds will be invested including; criteria for investments selection, classification of investments, general investment guidelines, investment of surplus funds, approval of investments and the date of application for the investment Policy.

138. The meeting was informed that the Pool Managers shall from time to time carry out investment activities covering short to medium term with the guidance of the Technical Management Committee.



**Decision**

139. The Council of Bureaux adopted the Investment Policy of the Yellow Card Reinsurance Pool as contained in Document No. CS/TCM/CB/XXIII/4, Annex III to this report.

**Report on the Implementation of the New Generation of the Yellow Card (Agenda item 10)**

140. A representative of the Yellow Card Secretariat presented Document No. CS/TCM/CB/XXIII/5 on the Printing and Implementation of the New Generation of the Yellow Card. In his presentation, he informed the meeting that the printing agreement between COMESA Secretariat and TAWS Ltd was signed in July 2009.

141. The meeting was further informed that the New Card could not be implemented as earlier on advised because of, among others, delays in the submission of orders by National Bureaux and the need to effectively review edit and proof read the materials

142. The meeting was further informed that after the consultative process, the date for the implementation of the new yellow Card was set for the 1<sup>st</sup> of November 2009. The meeting was also informed that the new cad with posters was delivered by the printers in early September 2009. The National Bureaux as at the time of the meeting owed the Secretariat a total of US\$33,328.25 for printing and delivery of Yellow Card books, as details shown in Table 4 below.

Table 4

National Bureau	Old Yellow Cards		New Yellow Cards		Total Due (US\$)
	# Ordered	Amount O/S	# ordered	Amount due	
Burundi	240	2,338.48	200	1,411.74	3,750.22
DR Congo	100	1,367.80	500	5,105.35	6,863.15
Djibouti	-	-	100	1,169.55	1,169.55
Eritrea	-	-	100	1,073.70	1,073.70
Ethiopia	840	8,044.36	300	3,225.59	11,269.95
Malawi	-	-	100	1,169.55	1,169.55
Rwanda	360	460.00	100	721.03	1,181.03
Tanzania	230	1,956.07	300	1,774.70	3,730.77
Uganda	500	3,031.62	500	2,863.96	5,895.58
Zambia	-	-	100	1,265.40	1,265.40
Zimbabwe	-	-	100	1,265.40	1,265.40
Sudan	100	670.49	200	2,140.28	3,200.77
Kenya	500	2,067.79	500	-	2,067.79
Total	2,870	19,936.61	3100	21,774.51	43,902.86

143. In the ensuing discussion, it was indicated that the wording on "Extra Benefits" indicated at the back page of the Yellow Card should be verified that it is correctly reflected.

## Decisions

144. Taking into account the above, the meeting decided as follows:
- a) National Bureaux should settle their reimbursement cost of printing and delivery of the Yellow Card books by 30<sup>th</sup> November, 2009;
  - b) All Orders for Yellow Card Books made through the Secretariat should be accompanied by documents showing either the transfer of money to cover the cost of printing and delivery or by a cheque; and
  - c) the Secretariat will not process orders for printing where there are no accompanying cheques or documents to the effect that necessary amount(s) would have been transferred into the Secretariat Account for the processing of the order.
145. With regard to the implementation date the meeting decided as follows:
- a) the New Generation of Yellow Card be implemented on 1<sup>st</sup> November 2009;
  - b) the National Bureaux of DR Congo, Rwanda and Sudan who have not yet received or finalized their preparations should implement the New card by the 15<sup>th</sup> November 2009;
  - c) National Bureaux who implement the new card on 1<sup>st</sup> November 2009 should advise police, customs and other authorities that the implementation of the new card by DR Congo, Rwanda and Sudan would be on 15<sup>th</sup> November 2009;
  - d) The Secretariat should work closely with the National Bureaux of DR Congo and Sudan to expedite the delivery of the materials to the Bureaux by 1<sup>st</sup> week of November, 2009; and
  - e) The Secretariat should circulate the letter on exemption of payment of taxes and duties on COMESA materials to all National Bureaux with a copy to Customs Administrations and the COMESA Coordinating Ministries.

## **Progress Report on the Implementation of the Regional Customs Transit Guarantee/Bond (RCTG) Scheme (*Agenda item 11*)**

146. A member of the Secretariat presented Document No CS/TCM/CB/XXIII/6 Progress Report on the Implementation of the Regional Customs Transit Guarantee/Bond (RCTG) Scheme. He highlighted the progress made in the implementation of the scheme.

147. The meeting was informed that the Third Meeting of the Council of Surety of the RCTG Scheme was held from the 18<sup>th</sup> to the 20<sup>th</sup> of August, 2009, in Harare, Zimbabwe.

148. The meeting among other issues, decided that the RCTG CARNET be rolled out starting from the 15<sup>th</sup> of September 2009, in the Northern Corridor. The

roll for the Southern, Corridor was scheduled for January 2010 together with the Djibouti–Ethiopia -Sudan Corridor. Participating Sureties were expected to sign the Constitution establishing the Reinsurance Pool of the RCTG Scheme during the same period.

149. In addition, the meeting adopted the technical and financial features and modalities of operations of the Reinsurance Pool of the RCTG Scheme and established the Pool by signing the Constitution of the Reinsurance Pool. The meeting was informed that the Manager for the Reinsurance Pool was going to be appointed before the end of 2009 for the Pool to commence its operations early in 2010.

### **Decisions**

150. The Council of Bureaux noted with appreciation the commencement of the RCTG CARNET in the Northern Corridor countries on 15<sup>th</sup> September 2009 and the plan to commence the operations in the other corridors. With a view to enhance the participation of the insurance industry in the RCTG scheme, the Council of Bureaux decided as follows:

- a) Insurance companies issuing Customs Transit Bonds should join the National Surety of the RCTG Scheme in their countries and participate in the operations of the RCTG scheme;
- b) the Reinsurance Pool of the Yellow Card Scheme should transfer the capital loan advance of US\$1 million approved by the Council of Bureaux of the Yellow Card to the Reinsurance Pool of the RCTG Scheme in line with the decisions of the Council of Bureaux and on receipt of a request for transfer from the Chairperson of the Council of Surety of the RCTG Scheme;
- c) COMESA Secretariat should assist in organizing training for Insurance companies in DR Congo, Burundi, Rwanda and Sudan who have limited or no experience on the operations of Customs General bond/guarantee; and
- d) Insurance companies issuing customs bond should extend the territorial limit of their reinsurance programme to cover the COMESA Region.

### **Election of New Members of the Technical Management Committee (TMC) on the Yellow Card Reinsurance Pool (*Agenda item 12*)**

151. The Secretariat presented Document No. CS/TCM/CB/XXIII/7, Election of Members of the Technical Management Committee (TMC) of the Yellow Card Reinsurance Pool. The Secretariat recalled the decision of the 19<sup>th</sup> Meeting of the Council of Bureaux, held from 29-31 August, 2005, in Harare, Zimbabwe, decided to review the tenure of the TMC members to two years and the number of members to five and informed the meeting that the tenure of the current TMC members had expired and requested the Council of Bureaux to consider the status

of participation of National Bureaux, which was attached to the report, and elect new members for the forthcoming TMC.

### **Decision**

152. The meeting considered the status of participation of National Bureaux in the TMC, elected the National Bureaux of Burundi, Djibouti, Kenya, Uganda and Zimbabwe, as members of the Technical Management Committee of the Reinsurance Pool of the Yellow Card Scheme for the next two years 2010 and 2011.

### **Renewal of Contract of Professional Staff (Agenda item 13)**

153. The Secretariat presented Document No CS/TCM/CB/XXIII/8 - Contract Renewal for Senior Insurance Expert. The Council of Bureaux considered the recommendation of the Secretary General of COMESA to renew the Contract of Mr Abraham Nduna, Senior Insurance Expert (P4) for four years, with effect from 1<sup>st</sup> January 2010.

### **Decision**

154. The Council of Bureaux renewed the contract of Mr Abraham Nduna for a period of four (4) years with effect from 1<sup>st</sup> January, 2010.

### **External Auditors Report on the Accounts of Council of Bureaux 30<sup>th</sup> June 2009 (Agenda item 14)**

155. De Chazal Du Mée (DCDM) the External Auditor for the Council of Bureaux Account at the COMESA Secretariat presented the audited Annual Report and Accounts for the year July 2008 to June 2009. The Council of Bureaux considered the Annual Report and Financial Statements, adopted and approved the audited accounts.

### **Proposed Budget for the Year 2009/10 (Agenda item 15)**

156. The Secretariat presented Document No CS/TCM/CB/XXIII/9 Proposed Budget for the Council of Bureaux for the year 2009/10 as follows:

### **Status of Income in 2008/09**

157. The meeting was informed that all National Bureaux, except Malawi Rwanda, Uganda and Zimbabwe, had paid their budget contributions with DRC, and Sudan making partial settlements for the period under review. The National Bureau of Eritrea was given exemption. A total amount of US\$267,895 including arrears was recorded during the 2008/09 fiscal year.

## **Budget 2009/10**

158. The meeting was informed that the budget assessment for the year 2009/10 was US\$345,900 representing an increase of 7.1% from the 2008/09 budget which stood at US\$322,944. The meeting was further informed that the increase was mainly due to the additional budget for the recruitment of the Senior Finance Assistance as decided by the 22<sup>nd</sup> Meeting of the Council of Bureaux.

## **Administrative matters**

159. The meeting was informed that in accordance with the decision of the 22<sup>nd</sup> Meeting of the Council of Bureaux and following the approval of the proposed budget by the 26<sup>th</sup> Meeting of the TMC, a Senior Finance Assistant will be recruited from the local market before the end of 2009. The meeting was further informed that in accordance with the decision of the 22<sup>nd</sup> Meeting of the Council of Bureaux, the Secretary General of COMESA upgraded the staff members of the Yellow Card Scheme as follows: Senior Expert to Chief Programmes Officer, Insurance Expert to Senior Insurance Expert and Senior Secretary to Administrative Assistant.

## **Work Programme for 2009/10**

160. The meeting was informed that the Work Programme for the 2009/10 included the following major activities:

- a) Oversee the implementation of decisions of the Council of Bureaux and the Technical Management Committee (TMC) on the Yellow Card;
- b) Undertake studies, among others, on:
  - i) the competitiveness of the YC premium rates;
  - ii) the impact of the YC scheme in reducing transport and transit costs;
  - iii) the standardiation of Yellow Card premium rates for the COMESA Region;
  - iv) Structure, Conduct and Performance (SCP) of the insurance market in the region and propose a framework for cooperation and integration of the Industry;
  - v) the possibility of establishing an independent Secretariat of the Council of Bureaux; and
  - vi) the high number of YC Claims between the National Bureau of Djibouti and Ethiopia.
- c) Implement the IT-Management Information System for the Yellow Card Scheme (MIS-YC) in all National Bureaux and the Pool Managers;
- d) Convene a meeting of National Bureau Coordinators of the Yellow Card scheme to review the modalities of operations of the scheme;

- e) Convene a meeting of Insurance Supervisory Authorities and Chief Executives of Insurance and Reinsurance companies to consider a study in b) (iv) above and propose a framework for trade in Insurance Services in the COMESA region ;
- f) Prepare technical papers, working documents and reports;
- g) Prepare project proposals and mobilize extra budgetary resources;
- h) Organize national stakeholders workshops on the Yellow Card;
- i) Organise and service the Council of Bureaux and TMC Meetings;
- j) Carry out the annual work programme of the Regional Customs Transit Guarantee (RCTG) Scheme;
- k) Produce promotional materials and publications to promote the Yellow Card Scheme; and
- l) Carry out the day-to-day functions of the Yellow Card Office at the Secretariat.

#### **Development Budget (Extra-Budgetary Resources)**

161. The meeting was informed of the extra budgetary resources mobilised by the Secretariat to carry out specific activities during the year under review as follows:

- a) Regional Customs Transit Guarantee Scheme:
  - i) Secured US\$1.8million from USAID which has been funding the scheme since 2002.USAID was expected to continue its financial support for the RCTG scheme;
- b) Capacity support to the office of the Council of Bureaux:
  - i) COMESA Secretariat allocated US\$32,000 from RISP–EU-COMESA Contribution Agreement allocated funds for the recruitment of a short term Insurance Expert for a period of six months. The expert was recruited in September 2009; and
  - ii) COMESA Secretariat would be requested to continue its support and allocate funds for the Trade in Insurance Services Programme and hopefully for the services of the short term Insurance Expert.
- c) Yellow Card Managements Information System (YC-MIS)

- i) Following the Council of Bureaux decision, the Pool Managers transferred US\$40,000 for the development of the Yellow Card Managements Information System; and
- ii) The Council of Bureaux was informed that additional funding of US\$60,000 would be to implement the YC-MIS in all member states and requested to approve the continued funding from the Pool and direct the Pool Managers to transfer the fund required to the Secretariat

### **Contributions Payable by National Bureaux for 2009/10**

162. The meeting was also informed that the National Bureaux of Uganda had paid US\$26.912 during the meeting and the National Bureau of Rwanda had advised that it would pay its arrears before the end of November 2009. The National Bureaux of Sudan advise that it would settle its arrears by the end of November 2009. The National Bureau of Malawi informed the meeting that the Ministry of Industry and Trade had agreed to support the National Bureau of Malawi and would settle the arrears soon.

### **Decision**

163. With regard to a functional National Bureau that fails to pay its contributions to the annual budget of the Council of Bureaux for three consecutive years, the Council of Bureaux decided that:

- a) the National Bureau be suspended from participation in the Technical Management Committee;
- b) the sanction shall be lifted only after the outstanding contributions are paid in full; and
- c) the sanction be implemented with effect from 1<sup>st</sup> July 2010.

### **Decisions**

164. On the annual budget for 2009/10, the Council of Bureaux:

- a) approved the annual budget of US\$345,901 for the year 2009/10;
- b) approved the work programme for 2009/10;
- c) decided that each National Bureau should pay US\$28,825 as its contribution to the Budget of the Council of Bureaux for the financial year 2009/10;
- d) the Secretariat should recruit the Senior Finance Assistant at the earliest possible time; and
- e) directed the Pool Managers to transfer US\$100,000 from the account of the Reinsurance Pool of the Yellow Card to the COMESA Secretariat Council of Bureaux account for the implementation of the YC-MIS.

**The 2009/10 Annual budget and contribution required from each National Bureau including arrears**

**Table 5: Total amount of contribution required from each National Bureau, including arrears**

<b>NATIONAL BUREAUX</b>	<b>2008/09 ANNUAL BUDGET CONTRIBUTION US\$</b>	<b>ARREARS ON 30/09/09 US\$</b>	<b>TOTAL AMOUNT REQUIRED FROM EACH NATIONAL BUREAU US\$</b>
Burundi	28,825	(18,824)	28,825
Djibouti	28,825	(15,126)	28,825
DR Congo	28,825	47,184	76,009
Eritrea	Exempted	18,824	18,824
Ethiopia	28,825	35	28,860
Kenya	28,825		28,825
Malawi	28,825	108,111	136,936
Rwanda	28,825	26,912	57,737
Sudan	28,825	57,265	86,090
Tanzania	28,825	(18,536)	28,825
Uganda	28,825	26,942	55,767
Zambia	28,825	---	28,825
Zimbabwe	28,825		28,825
<b>Total</b>	<b>345,900</b>	<b>285,273</b>	<b>633,173</b>

*Note: Secretariat to review amounts shown in brackets for the National Bureaux of Burundi, Djibouti and Tanzania are under investigation. The arrears for the National Bureau of Zimbabwe were written off in line with the decision of the Council of Bureaux.*

**Date and Venue of the Next Meeting (Agenda item 16)**

165. The National Bureau of Djibouti offered to host the 24<sup>th</sup> Meeting of the Council of Bureaux and the Meeting accepted the offer with appreciation. The Secretariat informed the meeting that the exact dates of the meeting would be fixed in consultation with the National Bureaux of Djibouti and communicated to members.

**Any Other Business (Agenda item 17)**

166. Under this agenda item, Sudan sought clarification on whether the National Bureau of Eritrea was in a position to handle claims on behalf other National Bureaux. In response to the issue raised, the Secretariat informed the meeting that it would consult with the National Bureau of Eritrea and report the position to the next meeting of the TMC.

**Adoption of the Report and Closure of the Meeting (Agenda item 18)**

167. The meeting considered the draft report page by page and adopted the report of its meeting with amendments made. The meeting also considered the report of the workshop on the Yellow Card Management Information system (YC-MIS) and adopted the report.



168. The participant from South Africa, Mr. Mandla Mvelase, on behalf of all delegates, moved a vote of thanks to all the officials who participated in the opening of the meeting and everyone who made the 23<sup>rd</sup> Council of Bureaux meeting a success. He further implored members of the Council of Bureaux for the decisions made to further the objectives of the scheme. He finally thanked the Chairperson for the efficient manner in which she steered the meeting.

169. In closing the meeting, the Chairperson, Mrs. Dorothy Chapeyama, the delegate of the National Bureau of Malawi and Managing Director, Reunion Insurance, Blantyre, Malawi, thanked all the participants for their contributions to the success of the meeting. Mrs. Chapeyama further thanked members of the Council of Bureaux for the confidence entrusted in herself and the National Bureau of Malawi and she assured the meeting of Malawi's commitment to the development of the Yellow Card scheme. She also thanked the Secretariat for its good work in organising and servicing the meeting and declared the meeting closed.

## Summary of Yellow Cards Issued and Premium Income Realized

Country Issued	No. of cards		Premium collected in local currency		Premium collected in US\$
	2007/08	2008/09	2008/09	2007/08	2008/09
Sudan	29	46	41,831.79	7034	16,309.33
Ethiopia	19924	24,478	15,928,332.83	1053390	1,356,579.46,
Uganda	6069	6,852	1,285,911.52	689 864	676,795.53
DR Congo		6,512		118904	322,540.31
Tanzania	5,994	5,338	309,944,000.00	480,519,000.00	235,698.86
Malawi	366	365	2 488 105.56	15 733.4	17 452.
Djibouti	448	428			95 853
Eritrea	nil	nil	nil	nil	nil
Kenya	9115	11,018	102,631,858.67	1169 626	1,368,424.79
Rwanda	4841	4970	96 081 439	134 815	165 998
Burundi	3956	5,279	92,062,852.00	62 369	74,244.00
Zimbabwe	8082	8782			137 248.50
Zambia	10248	11,682	1,125,366,936.00	253 520	250,081.54
Total	69,072	85,704			4,760,645.86

**Annex II****SUMMARY OF CLAIMS REPORTED, PAID AND OUTSTANDING FOR THE PERIOD JULY 2008 TO JUNE 2009**

	Claims Summary for the period July 2008 to June 2009						Claims Summary				Summary for the period July 2007 to June 2008			
National	Claims Reported		Claims paid		Claims Outstanding			Claims Report		Claims paid		Claims Outstanding		
Bureaux	No	Amount	No	Amount	No	Amount		No	Amount	No	Amount	No	Amount	
Burundi	62	196,026,380.00	6	15,442,820.00	62	195,954,380.00		43	179,538,725	6	5,937,100	43	179,538,725	
Djibouti	104			US\$285,736				91	-72,800,451	71	\$225,007	199	\$1,485,292	
DR Congo	26		5	US\$22 797	23	\$150,550								
Eritrea	nil		nil		nil			nil						
Ethiopia	47		17		20			7	127,100	3	25,100	4	102,000	
Kenya	32	6,362,830.25	12	3,602,830.25	12	1,380,000.00		10	19,436	12	50,744	12	\$19,436	
Malawi	4	4,984,780.00	2	954,780.68	2	4,330,000.00		2	900,000.00	2	335,878	3	10,500,000	
Rwanda	82	187,030,372	16	47,485,322	251	306,616,071		63	84,966,231	41	43,243,829	163	103,930,254	
Sudan			2	\$10,773.3	1			0		0		0		
Tanzania			2	23,376,000.00				2	22,625,986	2	678,780	5		
Uganda	57		14	216,142,900	44			43		25	\$299,120	84		
Zambia	14	145,900,000.00	1	10,000,000.00	13	137,200,000.00		25	260Million	10	63M	15	198M	
Zimbabwe	o/s							0		0		0		
<b>TOTAL</b>	<b>428</b>		<b>77</b>		<b>428</b>			<b>286</b>		<b>172</b>		<b>528</b>		

Note: Tanzania, Ethiopia, Djibouti and Zimbabwe made partial submissions on the claims details. For Malawi claims details are captured in the Country report.

**Annex III**

**INVESTMENT POLICY OF THE YELLOW CARD  
REINSURANCE POOL**

**LIST OF PARTICIPANTS  
LISTE DES PARTICIPANT**

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