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**COMMON MARKET FOR EASTERN  
AND SOUTHERN AFRICA**

Third Workshop for the National Coordinators of  
the Yellow Card Scheme

Arusha, Tanzania  
24-26 June 2015

**FINAL REPORT OF THE WORKSHOP FOR THE NATIONAL COORDINATORS OF  
THE YELLOW CARD SCHEME**

## I. INTRODUCTION

1. The Third Workshop for the National Coordinators of the Yellow Card Scheme to review the Yellow Card Scheme instruments and the enhanced Yellow Card Management Information System (YC-MIS) was held from 24<sup>th</sup> to 26<sup>th</sup> June 2015, in Arusha, Tanzania, at the Naura Springs Hotel.

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

### Attendance

2. Yellow Card Coordinators, YC-MIS National IT focal persons, Insurance and Reinsurance Companies and Government representatives from Burundi, D R Congo, Djibouti, Ethiopia, Kenya, Malawi, Rwanda, Sudan, Tanzania, Uganda, Zambia and Zimbabwe attended the meeting. The meeting was also attended by ZEP-RE who are the Pool Managers of the Yellow Card Scheme. The list of participants is attached to this report as Annex I.

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

3. The meeting was officially opened by Dr Edmond Mndolwa, Board Chairperson of the Board of Directors of the National Insurance Corporation of Tanzania Limited. In his opening remarks, he welcomed the participants to Arusha and wished them a pleasant stay.

4. He commended the Insurance Industry in the COMESA Region for the role it has been playing in ensuring successful implementation of the Yellow Card Scheme as a trade facilitation instrument and expressed satisfaction on the achievements recorded by the Yellow Card Scheme. He further underscored the need to periodically review the overall operations of the Scheme for it to meet the challenges of the changing environment.

5. He noted that there were challenges in the operations and administration of the Scheme and in this regard, implored the Yellow Card Co-ordinators to take the challenges they were facing and translate them into opportunities and use the workshop to come up with solutions to address them. He also urged the IT Experts in attendance to take the opportunity to thoroughly review the enhanced YC-MIS so that it is implemented in all Member States as it was the main solution to most of the challenges the Scheme was facing.

6. In conclusion he thanked the COMESA Secretariat for organizing the workshop in Tanzania and wished all the participants fruitful deliberations and further asked them to find time from their busy schedules to enjoy the hospitality of Arusha.

7. Earlier on, the representative of the COMESA Secretariat, Mr. Berhane Giday, Chief Programme Officer of the YC-RCTG Schemes, welcomed all the participants to the 3<sup>rd</sup> Workshop for the National Coordinators of the Yellow Card Scheme. He also thanked the National Bureau of Tanzania for hosting the workshop and called upon the workshop participants to thoroughly review the Yellow Card instruments and the enhanced YC-MIS in order to address the day to day challenges of the Yellow Card operations and make the Scheme more competitive and increase the usage of the Yellow Card motor vehicle insurance cover in the Region.

8. The delegate from Zimbabwe, Mr Patrick Kusikwenyu, the Managing Director of Sanctuary Insurance Company and the Chairperson of the National Bureau of Zimbabwe, moved a vote of thanks on behalf of all the delegates. In passing his vote of thanks, he thanked the Guest of Honour, Dr. Mndolwa for finding time from his busy schedule to come and open the workshop. He also thanked the National Insurance Corporation of Tanzania Limited for

hosting the workshop and the warm reception accorded to delegates since their arrival in Tanzania. He then assured the Guest of Honour that the Workshop would be resolute and come up with recommendations that would improve the operational efficiency of the Yellow Card Scheme.

**Adoption of the Agenda and Organisation of Work** (*Agenda item 2*)

9. The Workshop adopted the following Agenda:
1. Opening of the Meeting;
  2. Adoption of the Agenda and Organisation of Work;
  3. Opportunities and Challenges of the Yellow Card Scheme;
  4. Presentation on issues affecting the Yellow Card Reinsurance Pool:
    - a. Delays in Claims Reimbursements,
    - b. Low earnings on investment funds and future investment options, and
    - c. The proposed dividend pay-out policy.
  5. Presentation on the Claims Issues;
  6. Presentation on the Enhanced Yellow Card Management Information System (YC-MIS);
  7. Reviewing of the Yellow Card Scheme Instruments:
    - a. The Protocol on the Establishment of a Third Party Motor Vehicle Insurance Scheme,
    - b. The Inter-Bureaux Agreement for the Implementation of the Third Party Motor Vehicle Insurance Scheme,
    - c. The Manual on the Operations of the Yellow Card Scheme and Reinsurance Pool,
    - d. Compendium of the Yellow Card Scheme, and
    - e. Rule of Procedures of the Council of Bureaux.
  8. Reviewing of the Reinsurance Pool of the Yellow Card Scheme:
    - a. The Constitution of the COMESA Yellow Card Reinsurance Pool,
    - b. The COMESA Yellow Card Reinsurance Pool Management Agreement; and
    - c. Rule of Procedures of the Technical Management Committee of the COMESA Yellow Card Reinsurance Pool
  9. Any Other Business; and
  10. Adoption of the Report and Closure of the Meeting.
10. The Workshop adopted the following working hours:

**Wednesday 24<sup>th</sup> June 2015**

Morning : 09.30 - 13.00 hours  
Afternoon : 14.00 - 18.00 hours

**Thursday 25<sup>th</sup> June 2015**

Morning : 09.00 - 13.00 hours

Afternoon : 14.00 - 21.00 hours

**Friday 26<sup>th</sup> May 2015**

Afternoon : 16.00 – 17.00 hours (*Adoption of the Report*)

**III. ACCOUNT OF PROCEEDINGS**

**Opportunities and Challenges of the Yellow Card Scheme** (*Agenda item 3*)

11. A representative of the Secretariat presented a power point presentation on the Opportunities and Challenges of the Yellow Card scheme. In doing so, he highlighted the developments, the progress achieved, challenges and opportunities faced in the operation and administration of the Yellow Card scheme. He then urged the participants to thoroughly review the Yellow Card instruments and the enhanced YC-MIS and come up with recommendations that would meet the expectations of the motorists, road accident victims and other stakeholders and enhance efficiency operations of the scheme.

**Discussion**

12. The workshop noted the presentation with appreciation and in the ensuing discussions, pointed out on the need to embrace the following:
- a. The importance of using the mobile technology and YC-MIS to combat the issue of forged Yellow Cards;
  - b. The need to enhance the capacity of the Secretariat and explore on the possibility of commercializing the Yellow Card Scheme;
  - c. The need to address the problems of delayed claims reimbursement and the Pool manager should visit National Bureaux to solve outstanding issues; and
  - d. Need to intensify on public awareness as the traffic rules on driving differ from member Countries.

**Presentation on the issues affecting the Yellow Card Reinsurance Pool** (*Agenda item 4*)

13. The Pool Managers presented documents numbered CS/YCRCTG/YCC/III/4i,ii,iii titled:
- i. Delays in Claims Reimbursements;
  - ii. Low earnings on investment funds and future investment options; and
  - iii. The proposed dividend pay-out policy.

14. In doing so, the Pool Managers informed the Workshop that the Challenges encountered that led to delays in claims reimbursement were among others the following:

**a) On Pool Claims**

Receipt of claims advices from National Bureaux with inadequate information; presentation of claims supporting documentation in languages other than English or French; raising of the claim amount to the franchise threshold limit to enjoy the full reimbursement from the Pool; submission of insufficient claims data leading to inaccurate claims reserving to the Pool's retrocessionaires; and non-reporting of outstanding and paid Pool claims in good time.

**b) On Inter-Bureaux Claims:**

Non-refund of inter-bureaux claims by Issuing National Bureaux settled on their behalf; accumulation of huge inter-bureaux claims amount for long periods and seeking reimbursement at one go; and in some cases, Issuing Bureaux reimburse directly to the Handling Bureaux but the Handling Bureaux claim the same

reimbursement from the Pool Managers which could have led to double recovery if necessary preventative measures were not taken.

15. In the ensuing discussion the Workshop noted the proposals made by the Pool and recommended as follows:

- a. In order for the Pool Manager to discharge its functions efficiently and effectively, National Bureaux should pay premium returns promptly;
- b. The bodily injury claims indexing should be adopted at the level of Primary Insurance Company/ National Bureaux; and
- c. A study should be carried out by the Pool Managers and be submitted to the 39<sup>th</sup> Meeting of the Technical Management Committee (TMC) of the Yellow Card Reinsurance Pool to justify the Pool's proposal of converting the "franchise" into a "deductible".

16. On the investments, representative of the Pool Managers informed the Workshop that in consideration of the fact that the Pool has witnessed positive growth in its investments over the years, there was a need to consider extending on financial Instrument options that the Pool can invest in and proposed the followings:

- i. Investment in Sovereign Bonds of Governments of Comesa and wider African Region;
- ii. Investment in Real Estate within Comesa Region subject to a limit of 10% of Pool's total Investments; and
- iii. Investment in Equities of listed companies in the Region.

17. The Workshop noted the proposed investment options and recommended them for adoption by the Council of Bureaux.

18. Regarding the presentation on the developed dividend pay-out policy, representative of the Pool Managers informed the Workshop that in coming out with the policy, due consideration was given to stability of profit and liquidity. The Workshop was also informed that during the last five years, the Pool had continued generating profits and the cash cover of about 2.0 was considered prudent. The Workshop further noted the financial implication of the various dividend pay-out rates based on previous Pool performance.

19. The Workshop was also informed that taking into account the Pool's structure, it was proposed that dividend be allocated based on the criterion of premium contribution, premium settlement and claims paid.

## **Discussions**

20. In the discussion that followed the Workshop raised the following concerns:

- a. The need to address the delays on claims reimbursement by the Pool Managers and Issuing Bureaux which has been affecting the liquidity of handling Bureaux in claim settlement; and
- b. The need to finalize the dividend pay-out policy and urged the Pool Managers to consider starting paying dividends to members.

21. The Workshop noted the proposal made by the Pool Managers and recommended that the criterion for allocation of dividends should be further discussed at the next TMC Meeting:

**Presentation on the Claims Issues** (*Agenda item 5*)

22. A representative of the Secretariat presented document number CS/YCRCTG/YCC/III/5: Presentation on the Claims Issues. In doing so, he informed the Workshop that causes of delays in effecting reimbursement on the Inter- Bureaux claims were among others; lack of prompt response in confirming validity of Yellow Cards; lack of prompt claim settlement and reimbursement authorisations; challenges of obtaining proper claim supporting documentations from Handling Bureaux; reluctance by some Issuing Bureaux to fulfil their prompt claim reimbursement obligations; appointment of new Yellow Card Coordinators/Officers without appropriate and adequate training; lack of proper understanding in the interpretation of the Yellow Card Scheme Instruments; detention of vehicles in some Member States; challenges of Foreign currency permit and sluggish bank remittance process were the reasons for delaying inter-bureaux claim settlement and reimbursement processes.

23. The Workshop noted the proposed solutions to address the problems and recommended as follows:

- a. National Bureaux should utilize the YC-MIS to track the real time information, validate Yellow Cards issued and authorize settlement and reimbursement process;
- b. Thorough Inter-Bureaux claims reconciliation exercise should be carried out for each National Bureaux and Primary Insurance Companies, identify the reasons and address accordingly;
- c. National Bureaux should review their claim files monthly to expedite their claim handling process, verify compliance to the procedures and enhance efficiency;
- d. Pool Managers and National Bureaux should hold bilateral consultative meetings on the issues of reimbursement of outstanding Inter-Bureaux claims, settlement of Pool's claims, premium returns, excess of loss premium, with the view to address them and come up with the implementation road map;
- e. The Pool Manager should refrain from providing clearing services to those Issuing National Bureaux who owe more than US\$ 50,000 Inter-Bureaux outstanding claim until they meet their reimbursement obligations; and
- f. National Bureaux should open foreign currency accounts and designate an Accountant Officer to address the challenges of foreign currency permit and sluggish bank remittance process,

**Report on the enhanced Yellow Card - Management Information System** (*Agenda item 6*)

24. A representative of the COMESA Secretariat presented document number CS/YCRCTG/WKS/III/6: Report on the Enhanced Yellow Card Management Information System (YC-MIS) and walked the Workshop through a live demonstration and highlighted the features and functionalities of the system. He also informed the Workshop that the system had been divided into seven modules.

25. The workshop was further informed that the enhancement carried on the YC-MIS included among others; the rebranding of the website, adding of the dashboard to show the current status of operations in real time, online verification of accident notification, real time validation of Yellow Card serial numbers, language tab to change between languages and addition of reinsurance pool functionalities.

26. The Workshop was further informed that the enhanced Yellow Card Management Information System (YC-MIS) could be accessed using the URL: <https://ycmis-new.comesa.int/>

### **Discussions**

27. In the discussion that followed the Workshop appreciated the enhancements being made on the Yellow Card Management Information system (YC-MIS) and underscored the importance of expediting the implementation of the system.

### **Consideration of Reports of Breakaway Sessions (Agenda items 7 & 8)**

28. In line with the organization of work adopted, the participants were divided into four breakaway sessions and considered the various Yellow Card Scheme and Reinsurance Pool instruments as follows:

- a. **Group one:** Reviewed the following documents:
  - i. The Protocol on the Establishment of a Third Party Motor Vehicle Yellow Card Insurance Scheme;
  - ii. The Inter-Bureaux Agreement for the Implementation of the Third Party Motor Vehicle Insurance Scheme;
  - iii. Rules of Procedures of the Council of Bureaux; and
  - iv. The Yellow Card Compendium.
- b. **Group two:** Reviewed the Manual on the operations of the Yellow Card Scheme and Reinsurance Pool.
- c. **Group three:** Reviewed the following instruments:
  - i. Constitution of the COMESA Yellow Card Reinsurance Pool;
  - ii. The COMESA Yellow Card Reinsurance Pool Management Agreement; and
  - iii. Rules of procedures of the Technical Management Committee of the COMESA Yellow Card Scheme.
- d. **Group four:** Reviewed the enhanced Yellow Card Management Information System (YC-MIS).

29. The breakaway sessions held discussions and deliberated on the instruments item by item and the enhanced Yellow Card Management Information System (YC-MIS) module by module and made observations and recommendations. The rapporteurs of each group submitted their reports for consideration by the plenary.

30. The plenary considered the reports, made observations and recommendations as follows:

### **GROUP ONE**

31. Recommendations submitted by Group one and adopted by the Plenary were as follows:

### **PROTOCOL ON THE ESTABLISHMENT OF A THIRD PARTY MOTOR VEHICLE INSURANCE SCHEME**

32. The heading for chapter two of the Protocol should read as follows

“REGULATIONS CONCERNING THE COMESA YELLOW CARD.”

33. The following provisions in the Protocol be deleted:
- a. Item (c) of **Article 14**; and
  - b. Item (2) of **Article 17**.

34. On **Article 18** - Functions of the Council of Bureaux, Item (d) the typo error be corrected to read as "**Notified**" instead of "**Not6fied**."

**Article 18 (d)** should now read as "Settle disputes between two or more Bureaux as to the implementation of the provisions of this Protocol. The decisions of the Council shall be **notified** to the National Bureaux and the Council shall see to their execution. The decisions of the Council shall be taken by simple majority. If no agreement is reached, the matter shall be referred to the Policy Organs of the COMESA"

### **INTER-BUREAUX AGREEMENT FOR THE IMPLEMENTATION OF THE THIRD PARTY MOTOR VEHICLE INSURANCE SCHEME**

35. **Article 2, item (1)** on Issuing of Yellow Cards: the proposed amendment to read as "Each National Bureau shall **supply** Yellow Cards to its members, and the members shall issue cards to their respective insurers."

36. **Article 5, item (1)** on Claims settlement authorization limit; the franchise limits be corrected to read **\$ 15,000**.

37. **Article 5, item (2)** be amended to read as "The Handling Bureau shall submit all claim supporting documents of settled claims equal or below COM\$ 15, 000 per claim **to the Issuing Bureau for verification and authorization to seek** reimbursement through the Pool Clearing House Facility."

38. **Articles 8, 9 and 10** were considered important for the efficient operations of the Yellow Card Scheme but required evoking them so that members could start adhering to them.

### **Recommendation**

39. The Workshop to consider setting a cut off period by which all National Bureaux should settle all outstanding claim reimbursements, and thereafter, start implementing the provisions of Articles 8,9 and 10.

40. **Article 10**: Need to capitalize "Handling Bureau" and convert the one month to thirty (30) days. Article 10 should read as "The Issuing Bureau shall refund the Reinsurance Pool, claims payment reimbursements effected on its behalf to the Handling Bureau, within thirty (30) days from the date of advice of effecting reimbursement; and reimbursement not refunded within **thirty (30)** days shall attract a simple interest charged at the ruling inter-bank rate."

41. On **Article 18**: Expiry of period of Insurance; should read as "Where the period on the Yellow Card expires, the National Bureau in the country being visited, if requested shall assist the vehicle owner or driver to obtain compulsory insurance of that Country, **and may further issue an extension of the Yellow Card cover if the motorist is proceeding to other COMESA member Countries other than his / her Country of origin.**"

42. **Article 22** - Communication: Include the Arabic language and the Article should read as "All communications between handling Bureaux and the Issuing Bureaux shall be made in the COMESA official languages (French, English and Arabic) which should facilitate communication."

## **RULES OF PROCEDURES OF THE COUNCIL OF BUREAUX**

43. **Rule 4: Officers of the Council** - amend Item (1) of rule 4 to read as “At the beginning of each annual meeting, the Council shall elect from among its members, a Chairman, a Vice-Chairman and a Rapporteur who shall hold office for one year **on rotational basis.**”

44. **Rule 4, Item (2)** be deleted.

45. **Rule 4, Item (4)** be amended to read as “If the office of the Chairman or Vice Chairman is due to expire at any time when **an extra-ordinary** meeting of the Council is being held, that member shall continue in office until the conclusion of the Meeting.”

46. **Rule 5, item (2)** be amended and read as “The Council may hold extra ordinary meetings at the request of any member **and such requests shall be sent to the Council Secretariat**”

47. **Rule 7, item (1)** delete the word “**together**” and be replaced by the phrase “**at the same time.**” The Article then should read “the Chairman shall cause the Secretariat to prepare a Provisional Agenda for each meeting of the Council and shall cause such Agenda to be transmitted to each member **at the same time.**”

48. **Rule 10, item (3)** be rephrased to read as “Proposals or draft resolutions submitted for consideration at a Council Meeting shall be submitted in writing and circulated by the Chairman **to the members at least a day before the meeting.**”

49. **Rule 10, item (5)** - Correct the typo error from “**coy**” to “**copy**” the Article then, to read as “Any proposal to amend a proposal or a draft resolution may be submitted without notice, provided a **copy** shall be submitted to the Secretariat prior to its introduction and a decision shall be made thereupon prior to the vote on the proposal or draft resolution.”

50. On **Rule 12** - include the **Arabic** language

## **THE YELLOW CARD COMPENDIUM**

51. The Workshop noted with appreciation the drafted 3<sup>rd</sup> Edition of the Yellow Card Compendium and made the following observations and editorial corrections:

- i. The document should be numbered;
- ii. The document sections should be correctly numbered i.e. 1 - Preamble; 2 – The Yellow Card Scheme; 3 - Yellow Card Reinsurance Pool; 4 - Yellow Card Information Management System etc.
- iii. Update the information contents on document to reflect the current status;
- iv. The enhanced YC-MIS has been reported to have seven (7) modules but the compendium says six (6) modules. This needs to be corrected; and
- v. Reinsurance Pool figures need to be verified and updated.

## **Recommendations**

52. The Workshop employed the need for the Scheme to have such kind of a document as it would make information on the operations of the Scheme in other Member States easily available and recommended among others the following:

- i. The Secretariat to push Member Bureaux that had not yet provided their country information to do so;

- ii. The YC-MIS access link should be the same as the one reported to host the enhanced YC-MIS; and
- iii. Urged the Secretariat to make the document available both in hard and soft copies and that it should be uploaded on the Yellow Card Scheme website.

## Discussion

53. In the discussion that ensued, the Workshop emphasised on the need to maintain consistency of terminology used in Yellow Card instruments and advised that the word “**Chairman**” be replaced by “**Chairperson**”.

## GROUP TWO

54. Recommendations submitted by Group two and adopted by the Plenary were as follows:

### SECTION I – UNDERWRITING – GENERAL DIRECTIVE

55. On **Section 1.1** the following amendments were proposed:

- i. Item 1.1.1, the Group required clarification on the use of the terms “National Laws or regulations;” and
- ii. Item 1.9.2 To increase the premium cession from 30% to 40% subject to the Pool providing a qualified study report to support the proposal.

### SECTION II – UNDERWRITING – PROCEDURES

#### Recommendations

56. The Workshop adopted the recommendation that in order to avoid any situation where lawyers would give different interpretations of the terms “law in force” and “laws and regulations” there was need to seek legal interpretation of the two terms used.

57. Seek appropriate guidance **on Sections 2.2.2 a) i) & ii) and 2.2.3 b) ii)** on the appropriate additional premium to be charged in view of the increased limits on additional property damage and medical expenses covers.

58. The Workshop adopted the addition of **Item 2.10.3 on Section 2.10 Cancellation of the Card** and the adopted **Item 2.10.3** to read as:

**“Upon cancellation of the Primary Policy, Yellow Cards may be cancelled subject to payment of short-term premiums provided there shall be no claim lodged. If a claim is lodged on the Yellow Card to be cancelled, there shall be on premium refund.”**

59. On **Section 2.12 Reinsurance Pool, Item 2.12.3**, the Workshop adopted the changes and **Item 2.12.3** to read as “Member Insurance Companies and National Bureaux must submit to the pool settlement of premium returns **within two months.**”

60. Adopted the proposed addition of **Item 2.12.7** and the additional item to read as **“The National shall decline to issue Yellow Cards to Primary Insurance Companies who fail to settle Yellow Card returns for more than two (2) months.”**

### SECTION III – CLAIMS – GENERAL DIRECTIVES

61. The Workshop adopted the proposal for inclusion of a sentiment at the end of **Section 3.7** as **“National Bureaux should buy a written share of at least 2% of the retrocession cover for the pool.”**

62. On **Section 3.11 Reinsurance Pool Claims, Item 3.11.3 - Cash call:** the Workshop adopted the proposal to replace the franchise with a deductible and increase the premium cession to 40% upon the Pool Managers providing a detailed report to the Technical Management Committee in order to facilitate the use of cash call provision in settlement of large claims.

63. The Workshop adopted the inclusion of **Item 3.11.5** which shall read as **“ The Issuing National Bureau shall reimburse the Reinsurance Pool all Inter-Bureaux claims paid on its behalf within three (3) months on receipt of the debit note.”**

64. The Workshop adopted the inclusion of the following sectional items:

**3.11.6** to read as **“ The Reinsurance Pool shall charge interest for claims not reimbursed by the Issuing Bureau within three (3) months;”**

**3.11.7** to read as **“In case the Issuing Bureau fails to reimburse the Reinsurance Pool for more than one (1) year, and all other means of recovery fail, the Pool Managers shall travel to the concerned Bureau;”** and

**3.11.10** to read as **“ In case after the Pool travel and negotiations, the Issuing Bureau fails to reimburse the Reinsurance Pool, the Pool Managers shall forward the issue to the Council of Bureaux Secretariat for necessary action and Council of Bureaux decision.”**

## **SECTION VI. OBLIGATIONS**

65. The Workshop adopted the inclusion of **Item c)** to read as **“Cease with immediate effect supplying new Yellow Cards for issuing to Members who have not settled claims paid on their behalf.”**

### **Discussions**

66. In the discussion that ensued, the following clarifications were sought from the Workshop:

- i. How the handling fees were to be paid;
- ii. Selling of Yellow Cards by Agents / Brokers at border points;
- iii. Manual needed to tally with the changed Article 5 of the Inter-Bureaux Agreement;
- iv. The reasonable clearing service fee to be paid to the Pool;
- v. Communication language for Yellow Card documents between Bureaux and the Pool Managers; and
- vi. If decisions of the 28<sup>th</sup> Meeting of the Council of Bureaux on issuance of Yellow Card cover to non- resident motorists had been incorporated in the Manual.

67. In response to the concerns raised, after some deliberations, the Workshop was informed as follows:

- i. Handling fees should be treated as part of the claims and that it should be paid at the time of settling the reimbursement;

- ii. Clarification was given by the delegate from Uganda that the National Bureau of Uganda was issuing Yellow Card at some border posts because they have designated NIC branch offices and that issuance was not done through brokers or Agents;
- iii. The Manual should always tally with the Provisions of Article 5 of the Inter- Bureaux agreement;
- iv. The Manual provides clear guidance that communication should be in the COMESA official language of the recipient of the document for prompt response but however, National Bureaux were at liberty to enter into bilateral agreements on how such documents should be communicated provided they are in agreement as the case is with Djibouti / Ethiopia; and
- v. The Workshop was informed that the decisions of the 28<sup>th</sup> Meeting of the Council of Bureaux on issuance of Yellow Cards to non-resident motorists were incorporated into the manual.

### **GROUP THREE**

68. Recommendations submitted by Group three and adopted by the Plenary:

#### **Constitution of the COMESA Yellow Card Reinsurance Pool**

69. **ARTICLE 5** - Organs of the pool: To be amended and read as follows:

- i. **The Council of the Bureaux** (Replacing the General assembly); and
- ii. **The Management Committee (MC)** (Replacing the Technical Management Committee).

70. The above amendments to be reflected in the definitions and any reference to General Assembly and Technical Management Committee thereafter the document will be replaced accordingly.

71. **ARTICLE 7:** the MC Composition, Functions and Meetings - The MC to ideally serve as the Board of the Pool and the Yellow Card Scheme. The following additional tasks were proposed and adopted:

- i. The MC shall review the performance of the Pool Manager according to approved annual work program;
- ii. The MC shall monitor National Bureaux performance and give direction. The National Bureaux shall submit their annual financial performance reports to the MC for review;
- iii. The MC shall have the authority to allocate funds, not exceeding US \$100,000, to activities that will facilitate growth of the Yellow Card Scheme; and
- iv. The MC shall consider and give guidance on claim issues where matters have failed to be amicably resolved through bilateral discussions and intervention of Secretariat and Pool Managers.

72. **ARTICLE 8:** The Manager - The renewal of contract of the Pool Manager to be subjected to satisfactory performance.

73. **ARTICLE 19:** Official languages - The Arabic language to replace the Portuguese and the Article to read "English, French and **Arabic.**"

74. **ARTICLE 22:** Interim Arrangements - The Article to be rephrased and read “**Until the Committee is duly constituted, the Chairperson of the Council of Bureaux shall convene the first meeting which shall constitute the Committee and consider such other matters as are necessary for the Pool to start operations.**”

#### **REVIEW OF THE YC REINSURANCE POOL MANAGEMENT AGREEMENT**

75. In light of the claims experience, members were of the view that:

- i. Cession should increase from 30% to 40%; and
- ii. Franchise of \$15,000 should be changed to deductible, subject to the Pool Managers coming up with a proposal to justify the above changes.

#### **Recommendation**

76. The Workshop adopted the recommendation that the clearing agency facility should have a limit of \$100,000 for any one Bureau.

77. **ARTICLE 8, Item (3):** Additional functions - The Workshop also adopted the following tasks for the Pool Managers:

- i. The Manager shall submit annual work plan and annual activity report to the MC for review and approval;
- ii. Add Item 8 (h) - Adopt Yellow Card Management Information System (YC-MIS) Computerisation as the approved way of conducting Yellow Card business; and
- iii. 8(i) Item h to be l.

78. **ARTICLE 9, MANAGEMENT FEE (COMMISSION):** adopted the provision that Members shall pay to the Managers a fixed management fee at a rate of 10% subject to a maximum of \$200,000, any amount over and above shall be based on performance evaluated on the following:

- i. Performance of annual activities according to the work plan;
- ii. Investment return;
- iii. Foreign exchange gain or loss; and
- iv. Profit of the pool.

#### **79. ARTICLE 10 - BANK ACCOUNTS**

##### **Recommendation:**

80. The Workshop adopted the recommendation that National Bureaux to maintain Dollar accounts to avoid exchange losses.

81. **ARTICLE 12:** Adopted the amendment of the amount to read “**\$15,000.**”

#### **REVIEW OF RULES OF PROCEDURES OF THE MANAGEMENT COMMITTEE (MC)**

##### **COMPOSITION AND APPOINTMENT**

82. The Workshop considered and adopted the addition of a new **Rule No 5** to read as “**Any member not elected to the MC who wishes to attend meetings may attend as observer and by covering their own expenses.**”

83. **RULE 9:** The Workshop adopted the amendment such as: The meetings .....on rotational basis amongst members **of the MC**.....

84. **RULE 15:** Quorum: The Workshop adopted the amendment on Rule 15 to include: **Quorum shall be simple majority.**

85. **RULE 38:** Adopted the amendment on the working languages of the Committee to **English, French and Arabic.**

#### **GENERAL RECOMMENDATION**

86. The Workshop also adopted the recommendation that the whole arrangement (Administrative, Technical and Institutional) must be studied with a view to commercialise the whole operation.

#### **GROUP FOUR**

87. The Plenary noted the presentation from Group four (4) on the review of the enhanced Yellow Card Management Information System (YC-MIS) and after discussion on the issues and concerns, the following were agreed:

#### **Recommendations**

##### **88. Home Page**

- a) The Interact Section
  - i. Frequently Asked Questions (FAQ) section be included where questions about the scheme will be posted and allow respective National Bureaus rights to respond to questions asked;
  - ii. Links to access Social media sites where users can interact;
  - iii. Enquiries section where users can post questions that will be sent to the respective National Bureaux; and
  - iv. A forum should be added where queries can be added
- b) Page Layout- It was observed that the slide show took up a big part of the page and suggested that the slide show be reduced to accommodate more relevant information.

##### **89. Login**

Secure Login- It was revealed that SSL was used to eliminate security concerns

##### **90. Settings**

- i. Exchange Rate- There is need to add a function where the exchange rate will be updated from on agreed intervals;
- ii. User Password Resets- There is need to add a feature where I.T Experts can reset user passwords from;
- iii. Auto Population- New users' common details like Branch Physical Address, Postal address, Phone number, Fax should automatically be populated once the user branch is selected, instead of having the I.T expert enter common details for all new users. There is also a need to minimize the number of fields to be entered e.g country when adding new users; and
- iv. System Access Rights- National I.T Focal Person rights should be given depending on national bureau policies, grant some National IT Focal Persons absolute access rights to some and limited to others.

**91. Stock Requisitions**

- i. System should automatically send an email notification to the NB after the PIC requests for stock;
- ii. Enable National Coordinators to be able to delete multiple unsupplied book requests to avoid having a lot of unsupplied requests from the PICs;
- iii. Enable the PICs to edit or cancel unsupplied book requests;
- iv. When receiving books, after successfully receiving let the window automatically close;
- v. Stock List not detailed - The stock lists in the current system do not give details of the individual cards in the book and their condition. The user should be able to drill down the book to view the cards in the book and see information like the condition of the book, if the card was issued and to whom it was; and
- vi. The re-order level should be set per Bureau and warnings flash on the screen to users when the re-order level is approaching.

**92. Issuance**

- i. The system should automatically input the country code on the card serial number based on the user entering;
- ii. After integrating the YC-MIS with the PIC systems, the YC-MIS should be able to lookup policy details when the policy number has just been input, to avoid duplication;
- iii. The system should check for and verify the primary cover period before submission;
- iv. There should be provision to preview the card details prior to submission;
- v. Rates table should be included for premium calculation in the system;
- vi. Include the number of passengers' field in the system and recommend that it be included on the manual card;
- vii. Replacements of cards should be included in the system; and
- viii. Fleet issuance still needs attention.

**93. Printing**

- i. Find space on the card to have the countries printed from as it is the main part with alignment issues. This will be a temporary measure until new redesigned cards are issued; and
- ii. Proposed to have the cards to be printed on modified A4 paper with the cut mark which can be used both manually or printed on.

**94. Cession Operations**

- i. Should show the expected returns from each PIC to the National Bureau; and
- ii. Premium Payments to be modified to calculate the Total Premium Amount, 30% Premium Cession, 5% reinsurance commission, Amount Paid, and Balance

95. **Claims-** Incident notification should be renamed to accident notification.

**96. Implementation Schedule**

Activity	Duration	Date (2015)
Development	4-8 Weeks	1 <sup>st</sup> July – 26 <sup>th</sup> August
Testing	2 weeks	27 <sup>th</sup> August – 9 <sup>th</sup> September
Data migration	2 weeks	10 <sup>th</sup> – 24 <sup>th</sup> September
Training of trainers Workshop	3 days	25 <sup>th</sup> – 28 <sup>th</sup> September
Training of users	2 weeks	29 <sup>th</sup> – 11 <sup>th</sup> October
Review user manual	1 week	12 <sup>th</sup> – 19 <sup>th</sup> October
Rollout	20 <sup>th</sup> of October 2015	

**97. System maintenance and review**

YC-MIS IT focal persons and Business Analysts (Insurance Experts) should be holding review workshops of progress made on the enhanced YC-MIS every six months.

**Any other Business** (*Agenda item 9*)

98. There was no any other business.

**Adoption of the report and closure of the meeting** (*Agenda item 10*)

99. The Meeting considered the draft report paragraph by paragraph and adopted the report after making some amendments.

100. At the close of the meeting, the delegate from the National Bureau of Djibouti, Mr. Mohamed Safi Seyadou, Insurance Supervisor thanked the Government of Tanzania and people of Tanzania for the warm hospitality extended to the delegates during their stay in Arusha. He also thanked the National Bureau of Tanzania, National Insurance Corporation of Tanzania Limited for hosting the workshop and for the excellent facilities offered to the delegates. Mr. Seyadou commended the Chairperson for the manner he guided the meeting deliberations, he further thanked the COMESA Secretariat for the good organization of the meeting, the delegates for having found time to attend the meeting and for their valuable contributions made during the deliberations.

101. In closing the meeting, the Chairperson thanked all the delegates for their valuable contributions and wished them a safe journey to their respective Countries.

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