

RECUEIL DES INSTRUMENTS JURIDIQUES ET INSTITUTIONNELS
DE FACILITATION DU TRANSPORT ET DES ÉCHANGES
EN AFRIQUE SUBSAHARIENNE

ANNEXE V-10

1985 NORTHERN CORRIDOR TRANSIT AGREEMENT
PROTOCOL No 9 THIRD PARTY MOTOR VEHICLE INSURANCE

THIRD PARTY MOTOR VEHICLE INSURANCE

Article 1: Application

Pursuant to Article 29 of the Northern Corridor Transit Agreement, the Contracting Parties agree to apply the provisions of this Protocol on the third party motor vehicle insurance, which is an integral part of the Agreement.

Article 2: Content of the Protocol •

This Protocol contains provisions on the establishment of an international compulsory motor vehicle third party liability insurance scheme enabling road carriers and other motorists from each of the Contracting Parties to be adequately insured against third party liability risks in traffic in the territory of the other Contracting Parties.

SECTION I: GENERAL PROVISIONS

Article 3: Definitions

For the purpose of this Protocol, and in addition to the definitions included in Section 2 of the Northern Corridor Transit Agreement, the following expressions shall have the meaning herein assigned to them:

National Bureau: Insurance company designated in each of the Contracting Parties to perform the issuing and handling functions necessary for the operation of the international compulsory motor vehicle third party liability insurance scheme;

Member: Insurance company or underwriting group which is a member of any one of the *National Bureaux*;

Council of Bureaux: Body composed of all *National Bureaux* and in charge of the co-ordination and supervision of their operations;

International Insurance Card: Compulsory motor vehicle third party liability International Insurance Card, in accordance with the model agreed on by the *Council of Bureaux*;

Self-propelled vehicle: Any motor vehicle built or adapted for the carriage of persons or goods by road and any trailer or semi-trailer designed to be drawn by such vehicle;

Insurance policy: Contractual document issued by a *member* to an insured to cover liability arising out of the use of a *self-propelled vehicle*;

Policy holder: Legal or natural person who takes out an *Insurance policy* on payment of premiums to cover liability arising out of the use of a *self-propelled vehicle*.

Article 4: Implementation of this Protocol •

In addition to the responsibilities assumed under other provisions of this Protocol, the Contracting Parties shall take all necessary measures for the implementation of this Protocol and, in particular:

- (a) Undertake to require the insurance company or companies established in their territory and writing motor vehicle third party liability insurance to adopt the international insurance scheme described in this Protocol;
- (b) Enact any domestic law provisions required for the implementation of this Protocol; and
- (c) Allow funds to be transferred for the reimbursement of compensation paid by the National Bureaux of the other Contracting Parties as described in Article 10 *et seq.* of this Protocol.

Article 5: Insurance coverage

For the purpose of the international compulsory motor vehicle third party liability insurance scheme established by this Protocol, motor vehicle third party insurance shall provide at least all the guarantees required by the laws and regulations governing compulsory motor vehicle third party insurance in the country or countries of transit and of destination.

SECTION II: RULES RELATING TO INTERNATIONAL INSURANCE CARDS

Article 6: Obligation to hold an International Insurance Card •

The driver of any self-propelled vehicle who leaves the territory of one Contracting Party to drive in the territory of the other Contracting Parties shall hold an International Insurance Card. This Card shall be carried on board the self-propelled vehicle and shall be presented upon request.

Article 7: Issue of the International Insurance Card

The International Insurance Card shall be issued by the National Bureaux to be established in the territory of each of the Contracting Parties, in accordance with Article 12 of this Protocol.

Article 8: Coverage and validity of International Insurance Cards •

1. The International Insurance Card shall be proof of the guarantees described in Article 5 of this Protocol.
2. The International Insurance Card shall be equivalent to a certificate of insurance.
3. The International Insurance Card shall be issued for a specific period of time not to exceed one calendar year, irrespective of the number of journeys to be made.
4. The International Insurance Card shall be valid for a particular self-propelled vehicle and shall in no case be transferred to another self-propelled vehicle.

Article 9: Content and form of the International Insurance Card •

1. The International Insurance Card shall, *inter alia*, include the following particulars:
 - (a) Name and address of the issuing National Bureau;
 - (b) Name and address of the insurer;
 - (c) Signature and stamp of insurer;
 - (d) Identification of the self-propelled vehicle;

- (e) Name and address of the policy holder;
- (f) Date of commencement and date of expiry of the card;
- (g) Name and address, in each Contracting Party, of the National Bureau which the policy holder is to notify in the event of an accident;
- (h) Number of the insurance policy; and
- (i) Serial number of the card.

2. The model of the International Insurance Card shall be decided upon by the Council of Bureaux. It shall be printed both in English and in French.

SECTION III: NATIONAL BUREAUX

Article 10: Establishment of National Bureaux •

The Contracting Parties undertake to require the insurance company or companies established in their territory and writing motor vehicle third party insurance to set up National Bureaux whose functions as issuing and handling agencies are defined in Articles 12 and 13 of this Protocol.

Article 11: Designation of National Bureaux •

In each Contracting Party, the National Bureau shall be an insurance company selected by and from among the insurance companies authorized by the national authorities responsible for insurance to transact motor vehicle third party insurance and wishing to issue International Insurance Cards to their policy holders.

Article 12: The National Bureau as issuing agency •

As an issuing agency, the National Bureau shall perform the following operations:

- (a) Provide International Insurance Card forms to member insurers of the Bureau who request them, arrange for the printing of the Card forms and assign each one a serial number. Insurers shall keep a record of Card holders and shall undertake not to issue Cards to persons other than

their own motor vehicle third party liability policy holders;

- (b) Give each National Bureau in the other Contracting Parties a mandate to receive statements and claims by its policy holders concerning accidents occurring in the territory of each other Contracting Parties, to investigate such accidents and to pay compensation on the basis of claims accompanied by the usual supporting evidence. In the case of claims for damages which are expected to exceed this amount, the Bureau shall obtain prior authorization from the Issuing Bureau before agreeing to any settlement;
- (c) Reimburse the National Bureau which has paid compensation for:
 - (i) The total amount paid by way of damages, expenses and disbursements or the amount equivalent to the settlement, where the settlement is made by amicable agreement. Fines shall on no account be reimbursed;
 - (ii) Expenses actually incurred during the investigation and settlement of the claim; and
 - (iii) The handling fee to be determined in advance and for all cases by the Council of Bureaux.

Reimbursements shall be made at the registered office of the requesting National Bureau, without any transfer or exchange-rate fees to be charged to the Handling Bureau. A clearing facility may be devised by the Council of Bureaux.

Article 13: The National Bureau as handling agency •

As a handling agency, the National Bureau shall perform the following operations:

- (a) It shall act in the best interests of the Issuing Bureau whenever it is informed of an accident caused in its territory by the holder of an International Insurance Card for motor vehicle third party liability issued by the National Bureau of another Contracting Party. It shall in particular, verify the circumstances of the accident and, on the basis of its

findings, take any action it deems necessary. As indicated in Article 12, paragraph (b), it may, without the prior authorization of the Issuing Bureau, settle claims up to a limit to be set by the Council of Bureaux. It shall, in any event, advise the Issuing Bureau of any claims it is handling on the latter's behalf. In its capacity as handling agency, the Bureau shall be entitled to institute legal action;

- (b) When the compensation in question is equal to or more than an amount to be set by the Council of Bureaux, the Handling Bureau may instruct the Issuing Bureau to request its bank to place immediately at its disposal an amount corresponding to the amount of compensation.

Article 14: Guarantee of the solvency of the National Bureaux

Each Contracting Party shall guarantee the solvency of its National Bureau for its obligations under Articles 12 and 13 of this Protocol by:

- (a) Depositing directly at its Central Bank a letter of credit in the amount of at least 100,000 United States dollars, or
- (b) Ensuring that its National Bureau deposits a letter of credit in the amount of at least 100,000 United States dollars at its Central Bank.

SECTION IV: THE COUNCIL OF BUREAUX

Article 15: Establishment of a Council of Bureaux •

A Council of Bureaux shall be set up to co-ordinate and supervise the legal, technical, administrative and financial operations of the National Bureaux.

Article 16: Composition and meetings of the Council of Bureaux •

1. The Council of Bureaux shall consist of two representatives appointed by each National Bureau and of two representatives of the Transit Transport Co-ordination Authority.

2. The Council of Bureaux shall elect its Chairman and its Vice-Chairman from among the representatives appointed by the National Bureaux for a specific term and according to the rotation principle.

3. The Council of Bureaux shall meet twice a year. Extraordinary meetings may be held at the request of one of the National Bureaux.

4. Each National Bureau shall have one vote. The Council of Bureaux shall only sit validly when three quarters of the Bureaux are present or represented. However, one Bureau shall represent only one other Bureau. Decisions shall be taken unanimously by the Bureaux present and represented.

Article 17: Functions of the Council of Bureaux •

The Council of Bureaux shall:

(a) Co-ordinate the operations of the National Bureaux. To that end, the Council shall prepare an Inter-Bureaux Agreement which is to be signed by all the Bureaux and which the Council alone shall be entitled to amend;

(b) Make recommendations to the competent authorities with a view to improving the international compulsory motor vehicle third party liability insurance scheme, harmonizing procedures for compensation for road traffic accidents and strengthening accident prevention, where necessary, through amendments to the laws and regulations in force in the Contracting Parties;

(c) Settle disputes between two or more National Bureaux relating to the application or interpretation of the provisions of this Protocol. The decisions of the Council shall be notified to the National Bureaux and the Council shall ensure their implementation. The decisions of the Council shall be taken by unanimous vote. If no unanimous decision is obtainable, the matter shall be referred to a commission composed of the Ministers responsible for insurance affairs or of their representatives. The decisions taken by the commission shall be final and binding on the parties to the dispute.

**ACT CONCERNING THE CONDITIONS OF
ACCESSION AND ADJUSTMENTS OF THE
NORTHERN CORRIDOR TRANSIT AGREEMENT**

Kigali, 8 May 1987

PART ONE: PRINCIPLES

Article 1

For the purpose of this Act, the following expression shall have the meaning hereby assigned to them:

Original Agreement: The Northern Corridor Transit Agreement, its nine Protocols and its Annex as entered into force on the 15 November 1986;

Northern Corridor Transit Agreement: The original Agreement supplemented or amended;

Original Contracting Parties: The Government of the Republic of Burundi, the Government of the Republic of Kenya, the Government of the Republic of Rwanda and the Government of the Republic of Uganda;

New Contracting Party: The Executive Council of the Republic of Zaïre.

Article 2

From the date of accession, the provisions of the *original Agreement* and the acts adopted in accordance with that Agreement shall be binding on the *new Contracting Party* under the conditions laid down in the Northern Corridor Transit Agreement and by this Act.

Article 3

The *new Contracting Party* shall be in the same situation as the *original Contracting Parties* in respect of resolutions and decisions taken by the Transit Transport Co-ordination Authority. They shall accordingly observe the principles and guidelines deriving from the resolutions and decisions and will take such measures as may be necessary to ensure their implementation.

PART TWO: ADJUSTMENTS TO THE NORTHERN CORRIDOR TRANSIT AGREEMENT

Northern Corridor Transit Agreement (Basic text)

PREAMBLE

The words "*and the Executive Council of the Republic of Zaïre*" should be added to the Governments mentioned at the beginning.

In the fifth paragraph, the words "*to which they have subscribed*" should be replaced by the words "*to which most of the Contracting Parties have subscribed*"

PROTOCOL NO. 2 TRANSIT ROUTES AND FACILITIES

SECTION 1: DESIGNATION OF TRANSIT ROUTES

Article 3: Transit routes for road traffic

2. For the passage of traffic in transit by road through Uganda, the Government of Uganda adds the following roads:

From	By way of	To
Malaba	Jinja-Kampala	Ishasha River
Malaba	Jinja-Kampala	Mpondwe
Malaba	Tororo	Goli
Malaba	Tororo	Arua
Busia	Jinja-Kampala	Ishasha River
Busia	Jinja-Kampala	Mpondwe
Busia	Tororo	Goli
Busia	Tororo	Arua
Kasese		Mpondwe
Kasese		Ishasha River

3. For the passage of traffic in transit by road through Rwanda, the Government of Rwanda adds the following roads:

From	By way of	To
Kagitumba	Kigali-Butare	Cyangugu
Kagitumba	Kigali-Ruhengeri	Gisenyi
Gatuna	Kigali-Butare	Cyangugu
Gatuna	Kigali-Ruhengeri	Gisenyi

2. The Council of Bureaux shall elect its Chairman and its Vice-Chairman from among the representatives appointed by the National Bureaux for a specific term and according to the rotation principle.

3. The Council of Bureaux shall meet twice a year. Extraordinary meetings may be held at the request of one of the National Bureaux.

4. Each National Bureau shall have one vote. The Council of Bureaux shall only sit validly when three quarters of the Bureaux are present or represented. However, one Bureau shall represent only one other Bureau. Decisions shall be taken unanimously by the Bureaux present and represented.

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(b) Make recommendations to the competent authorities with a view to improving the international compulsory motor vehicle third party liability insurance scheme, harmonizing procedures for compensation for road traffic accidents and strengthening accident prevention, where necessary, through amendments to the laws and regulations in force in the Contracting Parties;

(c) Settle disputes between two or more National Bureaux relating to the application or interpretation of the provisions of this Protocol. The decisions of the Council shall be notified to the National Bureaux and the Council shall ensure their implementation. The decisions of the Council shall be taken by unanimous vote. If no unanimous decision is obtainable, the matter shall be referred to a commission composed of the Ministers responsible for insurance affairs or of their representatives. The decisions taken by the commission shall be final and binding on the parties to the dispute.

RESERVATIONS

Text of the reservation made by the Republic of Uganda

"At the moment of signing the Northern Corridor Transit Agreement, the Government of the Republic of Uganda makes the reservation that in applying Article 24 of the Agreement payment for fuel and lubricants necessary for the operation of traffic in transit on its territory will have to be effected in convertible currency in accordance with regulation currently in force in Uganda."

RATIFICATIONS AND ACCESSIONS

Uganda (ratification)	30 April 1985
Rwanda (ratification)	5 September 1985
Kenya (ratification)	10 September 1986
Burundi (ratification)	14 October 1986
Entry into force	15 November 1986
Zaire (accession)	28 May 1987

EXPLANATORY NOTES TO PROTOCOL NO. 9

THIRD PARTY MOTOR VEHICLE INSURANCE

General Note

This Protocol, signed on 8 November 1985 in Nairobi, provides that the Northern Corridor insurance companies agree on an Inter-Bureaux Agreement and establish a Council of Bureaux. In accordance with those provisions, the insurance companies of Burundi, Rwanda and Uganda met in Bujumbura to create the Council of Bureaux and sign the Inter-Bureaux Agreement on 18 April 1986.

The national insurance companies in Kenya and Zaïre - having been designated national bureaux of their respective countries - acceded to the Inter-Bureaux Agreement on 5 May 1987.

Article 2

This Protocol applies to all motor vehicles of each of the Contracting Parties, used either for carrying goods in transit or for other purposes, passing through the territories of the other Contracting Parties. This extension to all vehicles proved to be indispensable to protect the highest number of road accident victims in a more efficient way in the States concerned, guaranteeing them a prompt compensation for the damage sustained, in accordance with the local laws and regulations.

SECTION 1

Article 4 (c)

Transfer of funds, needed to reimburse payments made by the National Bureaux to compensate the victims of road accidents caused on their territories by vehicles insured according to the provisions of this Protocol in the other Northern Corridor countries, is indispensable for applying the international system of insurance established through this Protocol. Such measures are supported by the PTA treaty, Protocol on Clearing and Payments Arrangements, Article 7, which states that "The Member States undertake not to impose any restrictions on the making of bona-fide payments and transfers relating to

concluded eligible transactions among themselves".

Article 5

As the national laws on third party motor vehicle liability do not give the same financial coverage for accident risks in all the Northern Corridor States, it is provided that the international insurance should always cover the guarantees that exist in the States where vehicles move which are insured in accordance with this Protocol.

SECTION 2

Article 6

The obligation to hold an International Insurance Card evidencing that a third party liability insurance policy has been arranged, in accordance with the provisions of this Protocol, assures transit countries compensation for damages caused in the case of accidents on their territories.

For this reason the authorities in charge of control of traffic have the right to demand the presentation of that Card at points of entry and exit to their national territories, as well as en route.

Article 8

Paragraph 3 states that the validity of the International Insurance Card is fixed at one year in order not to link the insurer and the policy holder for too long a period. Moreover, this allows annual adjustment of the insurance premium paid by the policy holder for his vehicle.

Article 9

The model of the International Insurance Card (or "Beige Card") was adopted during the first meeting of the Council of Bureaux in Bujumbura on 18 April 1986.

Article 17

In conformity with Article 16, paragraph 4 which states that the Council of Bureaux shall only sit validly when three quarters of the Bureaux are present or represented, the Inter-Bureaux Agreement foreseen in paragraph (a) of Article 17 has therefore been signed in Bujumbura on 18th April 1986 despite the absence of the representative of the Kenya National Bureau.