



# ECOWAS BROWN CARD INSURANCE SCHEME

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# GENESIS



Before Brown Card, we knew what is commonly called the geographical cover extension. This calls for compensation for accidents caused by citizens or nationals of a given state outside its geographical borders.

This cover is termed extension□ whereas the needed external supports are not in place in advance. Thus there are situations whereby the motorists do not know whom to talk to when an accident.

These provisions are drawn from bilateral conventions or agreements entered into by insurance companies of neighboring countries. As a matter of fact, in many cases this geographical extension is not supported by any such valid agreement

These bilateral agreements were tacit, informal and void of any legal ground. They were simple verbal agreements which are not recognized by the state



# GENERALITY



The ECOWAS Treaty of 1975 revised in 1993 established a free-trade Under the ECOWAS Trade Liberalisation Scheme (ETLC).

Protocols and decisions which govern transit operations and the movements of goods and persons within the 15 ECOWAS member States.

Protocol A/P1/5/82 signed by the Summit of Heads of States of ECOWAS on the 29th May 1982

Articles 32, 33 and 34 of ECOWAS Treaty on Transport, Communication and Tourism

# ESTABLISHMENT

ECOWAS Brown Card Insurance Scheme was established by Protocol A/P1/5/82 signed on 29th May 1982 in Cotonou by the Heads of State and Government of the Economic Community of West African States.



# OBJECTIVES

Facilitate free movement for motorists within the Community,

Enable international carriers to comply with land motor vehicle insurance in force within the countries of the community,

Encourage the development of trade and tourism exchanges between states,

Establish a common system for the settlement of claims arising from free movement of persons and goods within ECOWAS,

Offer the ECOWAS insurance markets a means to develop international links and exchanges.





# STRUCTURAL SET UP



COUNCIL OF BUREAUX



EXECUTIVE COMMITTEE



PERMANENT GENERAL SECRETARIAT



NATIONAL BUREAUX AND THEIR MEMBERS COMPANIES

# OPERATIONS

The Brown Card Scheme is an Insurance Project. As such, it is a social based mechanism conceived and launched in order to facilitate and provide financial guarantee to the movements of motorists and their vehicles within the sub region. The scheme is a nonprofit making organization. It is required from various segment of the citizen of the sub region to perform some specific functions for its optimum realization

a- All motor Insurance companies capable of writing motor insurance should cooperate with the National Bureau and issue Brown Card to their insured.

b- The National Bureau, in its capacity of an agency in charge of issuing the Brown Card and the management of claims which may result from the use of the card must absolutely play its role with due diligence. This would contribute to strengthen the scheme credibility.

c- the law enforcement agencies in member states should make sure that all motorists crossing the borders of their state hold a valid Brown Card. The Scheme cannot play the role assigned to it insofar as the Brown Card is not considered a compulsory traveling document with automatic issuance

d- Inter-states drivers must display probity by getting brown card in their traveling documents. One of the objectives of the Scheme is to facilitate their trade activities and spare them financial troubles in the event of an accident far from their home territory.





# ADVANTAGES



The motorist enjoys a psychological freedom which frees him from all worries that may come up in case of accident in a country outside his own. In other words, motorists can henceforth move freely throughout the sub region.

Thus, holding a Brown Card provides the motorist with full guarantee for a prompt, fair and immediate compensation in case an accident is caused by him outside its home territory

The motorist holder of a Card is treated exactly as if the basic insurance policy is subscribed with a company within the visited or transit country.

Given that Brown Card is recognized by the government authorities, the motorist is exempt from any formality related to guarantee against risks of civil responsibility



# ACHIEVEMENTS



Establishment of Permanent General Secretariat ,

Establishment of National Bureau in all the member states of the Scheme,

Supplementary Protocol A/SP./12/01 amending Protocol A/P1/5/82 on the establishment of a Brown Card relating to Motor Vehicle Third Party Liability Insurance,

Inter-Bureaux Agreement,

Harmonized Convention,

Designing of a new secure brown card certificate,

Adoption of Additional Act A/SA.3/6/16 on the Automatic issuance of ECOWAS Brown Card by the 78th ordinary Session of Council of Ministers of ECOWAS and Supplementary Protocol AS/01/06/20 amending the original Protocol A/P/05/82

# ACHIEVEMENTS (Cond)

- Improved prompt claim settlement through bilateral meetings and arbitration commission

# Challenges of the Scheme

having gone through the role of stakeholders and the observations the summary of challenges of the Scheme are provided as follows:

- Non settlement of the claims promptly and fairly.
- Harassment of international motorists involved in international accidents
- Arbitrary detention of the vehicles involved in accidents
- Illegal fines imposed on Drivers/Vehicle's owner.
- Non payment of budgetary contributions to council of bureaux and national bureaux
- Inadequacy and non-application of sanctions
- Lack of data, reports and statistics to enable the analysis and decision making
- Non enforcement of sanctions
- Non uniformity in the issue of Medical, Police and Survey reports

# SOME NEW TRENDS & DEVELOPMENTS

- The adoption of the Supplementary Protocol AS/01/06/20 making the Brown Card a specialized institution of ECOWAS
- The Automatic Issuance of the Brown Card to all motorists of the sub region
- The Digitalization of the Brown Card Operation
- The establishment of the ECOWAS Brown Card Day and the awareness creation in sub region
- Establishment of Arbitration Commission



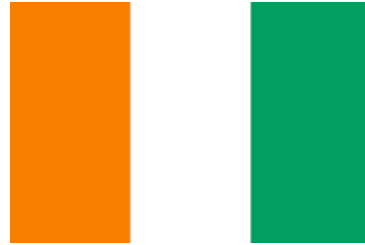
# MEMBER STATES OF THE SCHEME



**BENIN**



**BURKINA FASO**



**COTE D'IVOIRE**



**GAMBIA**



**GHANA**



**GUINEE**



**GUINEE BISSAU**



**LIBERIA**



**MALI**



**NIGER**



**NIGERIA**



**SENEGAL**



**SIERRA LEONE**



**TOGO**

# WAY FORWARD

- With the establishment of the African Continental Free Trade Area ( AfCFTA); which seeks to promote trade and free movement of goods and services across the continent, there is the need for the regional cards to forge and a unified front and establish a common secretariat to harmonized the operation of the various cards and protocol.
- That will really support the development of the Continent and help the AfCFTA with its mission.

*Thank  
you*

