



IUMI 2018

COMPULSORY CARGO INSURANCE LAW IN AFRICA:
OPPORTUNITIES FOR LOCAL PARTNERSHIP

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OBJECTIVES OF THE PRESENTATION



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1

- Show a snapshot of the countries where **marine cargo importation insurance is mandatory**

2

- Present the successful experience in the **CIMA** countries

3

- Demonstrate the **opportunities** the African continent offers for a win – win **partnership** between local and international actors in the marine and insurance sectors

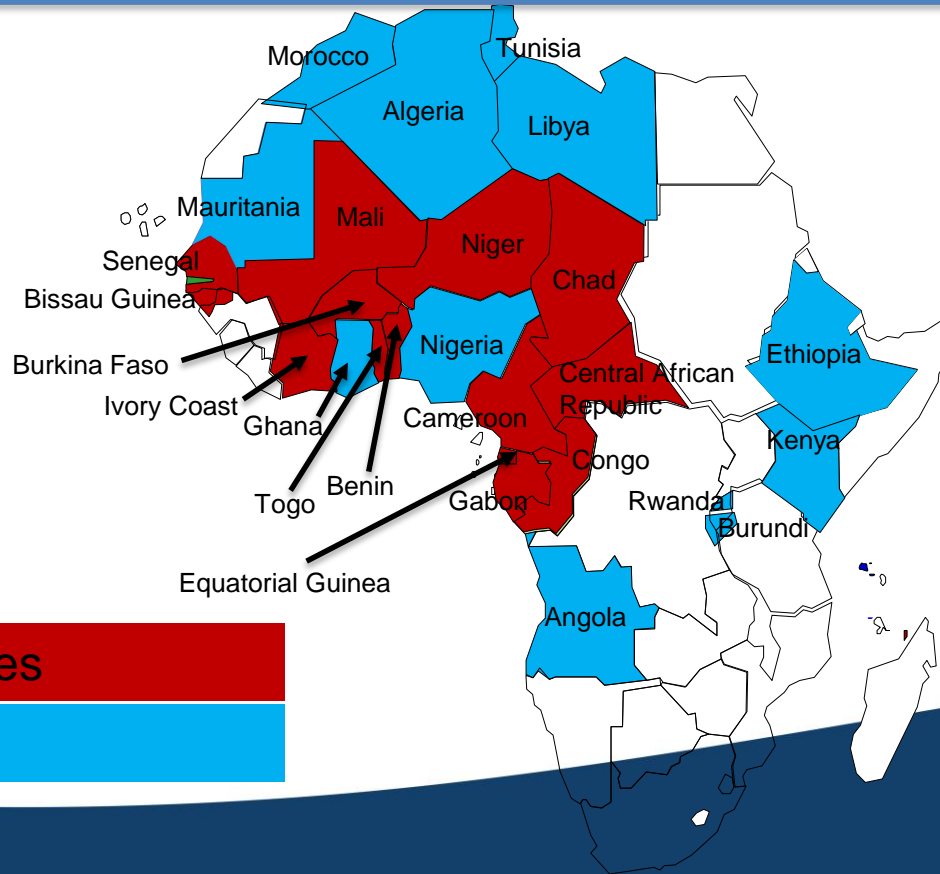
4

- Lay emphasis on the positive **enabling environment** which ensures that partnership is very effective, notwithstanding the challenges

COMPULSORY CARGO INSURANCE: AN OVERVIEW OF THE IMPLEMENTATION IN AFRICA



COMPULSORY CARGO INSURANCE LAWS IN AFRICA



CIMA Countries

Non CIMA

COMPULSORY CARGO INSURANCE: THE SUCCESSFUL EXPERIENCE IN THE CIMA COUNTRIES



CARGO IMPORTATION: MAIN PROVISIONS IN THE CIMA CODE

Article 278 of the CIMA Code: Mandatory insurance on Cargo importation

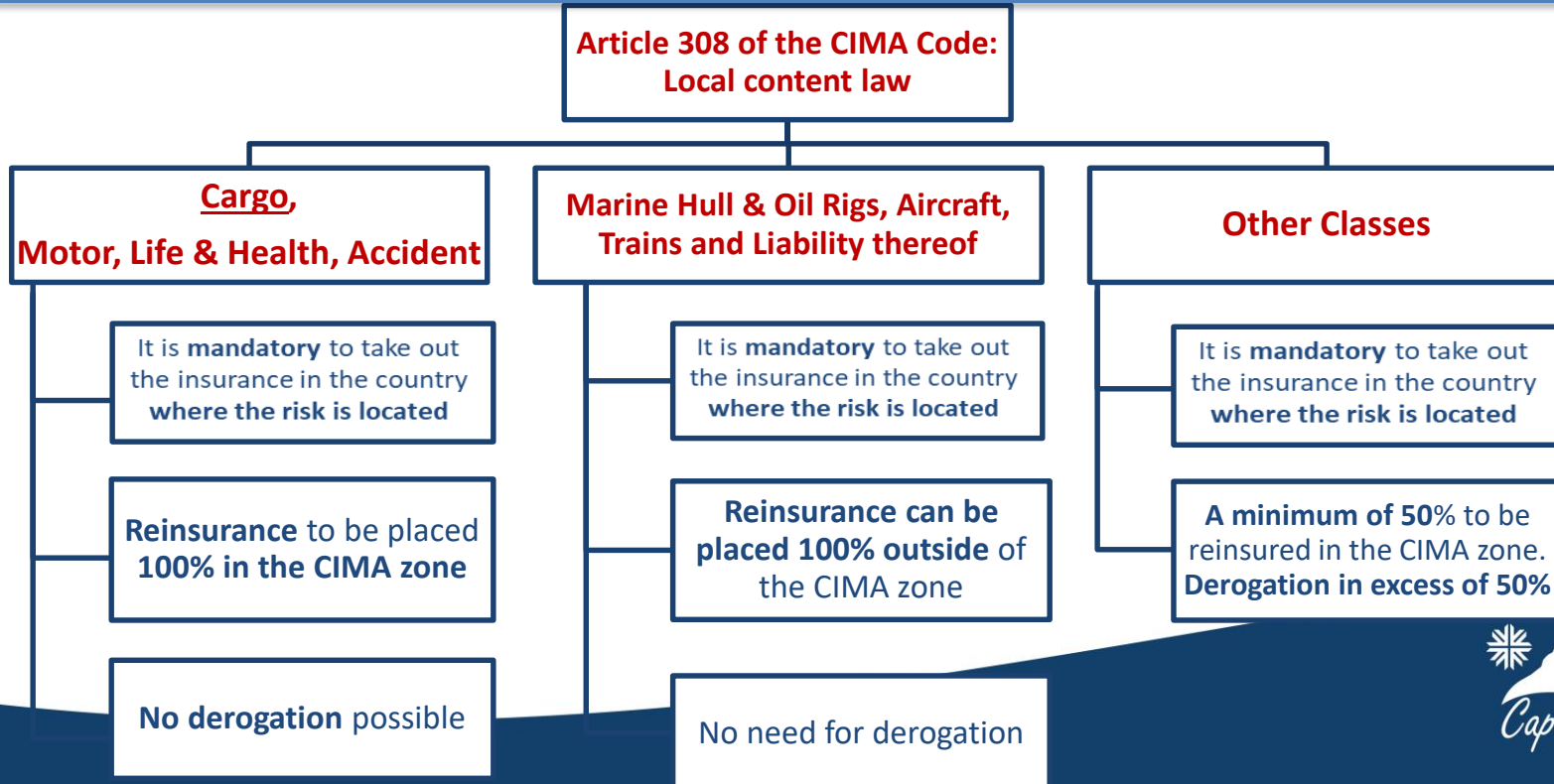
Cargo insurance is **mandatory and is to be taken out in the country of importation**, subject to the provisions of the law and regulation of that country

At the origin, in the 60s, the **UNCTAD** intended to introduce mandatory cargo insurance domiciled in the country of importation

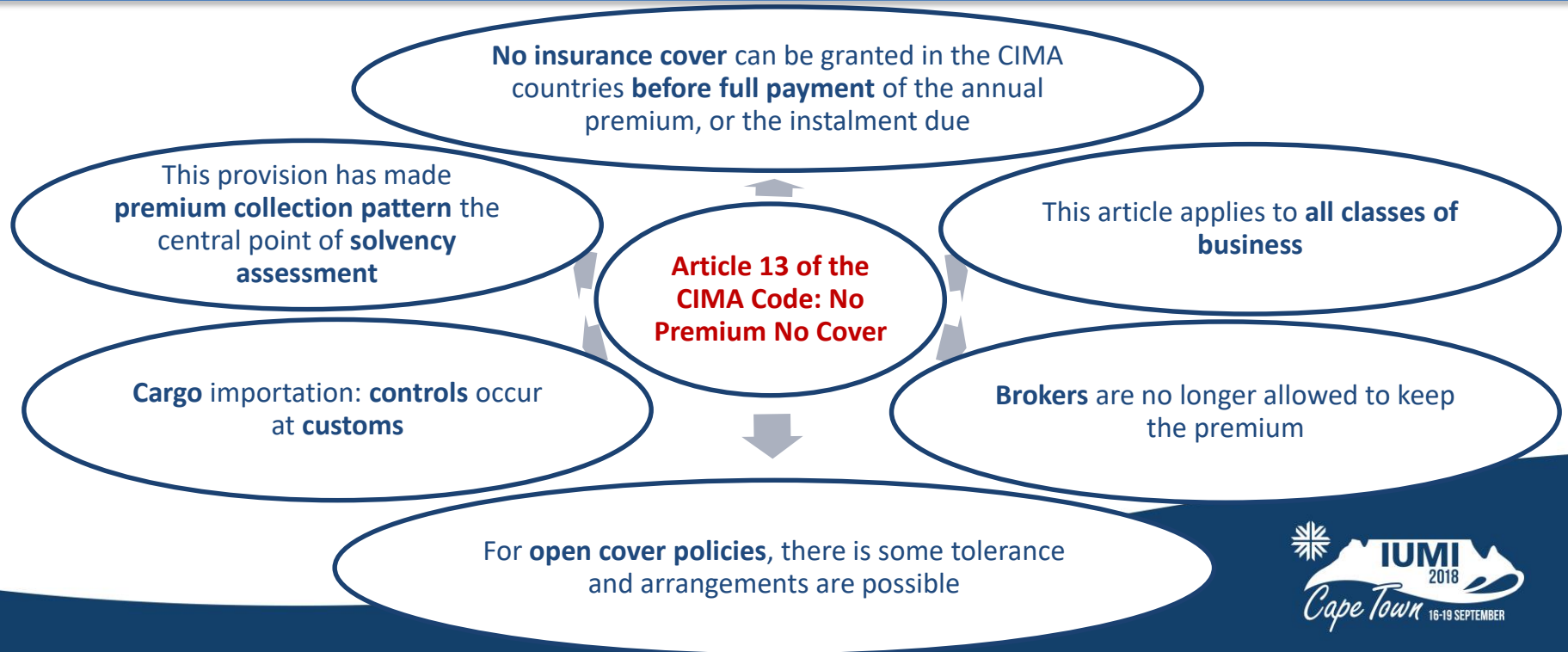
The **WTO** brought in a liberalization and some countries withdrew the mandatory insurance, then brought it back

The article 278 was **enacted to reinforce the implementation** of the mandatory insurance and domestication

CARGO IMPORTATION: MAIN PROVISIONS IN THE CIMA CODE



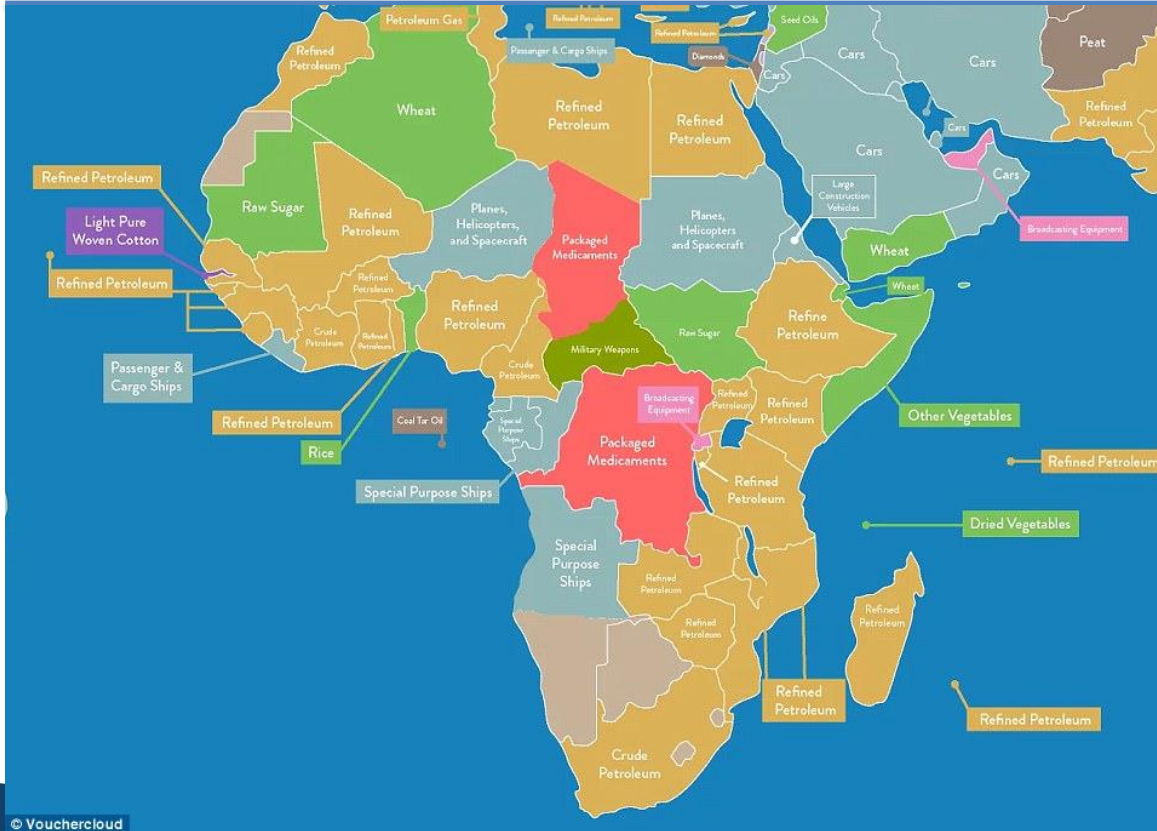
CARGO IMPORTATION: MAIN PROVISIONS IN THE CIMA CODE



PARTNERSHIP OPPORTUNITIES BETWEEN LOCAL AND INTERNATIONAL PLAYERS



AFRICA IS A VERY BIG IMPORTER



- Food (>\$35bn/annum)
- Refined/Crude Petroleum
- Raw Sugar
- Special Purpose ships
- Packaged medicaments
- Military weapons
- Wheat
- Helicopters, planes
- Etc.

PARTNERSHIP OPPORTUNITIES



PARTNERSHIP OPPORTUNITIES

Regulatory Certainty,
Better **Governance**, **Premium** credit regulation



Africa is open to **international collaboration** and **partnership**
in Marine Cargo business

CONCLUSION



CONCLUSION

- Doing business in Africa can be **challenging**
- The **local content laws** are constraining for foreign players
- However Africa offers great opportunities for those who come with a **partnership mindset**
 - Governance and ease of doing business are improving very rapidly
 - Africa is certainly the next economic engine room for the world
 - Areas such as the CIMA zone offer high security for cargo importation and insurance
 - Africa is very open to collaboration and partnership

THANK YOU

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