



## KEY FACTS ABOUT THE PROPOSED MOTOR THIRD PARTY INSURANCE PLATFORM

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### What is this Mobile Motor Third Party Insurance Platform about?

The Insurance Regulatory Authority (IRA) working with the Uganda Revenue Authority (URA) and other stake holders such as the Ministry of works and Transport have developed a platform to streamline the operations of Motor Third party Insurance in the country. The benefits of the platform *inter alia* includes the following;

**Improved Claims process and Reduced Fraud case:** There is a general outcry in the populace about Insurance companies not being able to compensate them yet they have consumed Motor Third Party Insurance. This is largely attributed to a huge fraud and forgeries network in the Motor Third Party space, which leaves a lot of unsuspecting consumers conned because the insurance companies are unable to compensate them in cases of forgeries. This project will go a long way in addressing this challenge.

**Traceability in the consumption of Motor Third Party Insurance:** Owing to the Centralization of the consumption process and data, it will be easy to trace payments done for this service. This will go a long way in protecting the public, which in most cases may not even keep the records of payments once they get displaced or lose them.

**Linkage Benefits to Government:** The collaboration of the various government agencies involved in the Motor Industry will bring about some benefits to government which will range from an improved regulatory framework, improvement of road safety, easier enforcement mechanisms and growth in government revenue.

### Who is affected?

Under THE MOTOR VEHICLE INSURANCE (THIRD PARTY RISKS) ACT, CHAPTER 214 of July, 1989, It is stated that

“It shall not be lawful for any person to use, or to cause or to permit any other person to use, a vehicle on a road unless there is in force in relation to the use of the vehicle by that person or that other person, as the case may be, a policy of insurance in respect of third party risks that complies with the requirements of this Act”

- This therefore means that as long as any one uses an item categorized as a vehicle on the road, this law affects them.
- Vehicle categorization extends to mean Motor Vehicles, Motor bikes, Trailers and other Motorised categories or Hauled categories.

This law however does not apply to a vehicle owned by the Government of Uganda.

### How is the Public purchasing Motor Third Party (MTP) now?

The process is as follows

- Move to any Insurance outlet (agent/Insurance company) and present your log book
- A computation will be made by the agent as to how much your MTP premium is
- Make a payment (usually cash) and receive a Motor Third Party sticker
- Display the sticker in a conspicuous position in your car and off you go

### Is there anything wrong with how people are currently consuming MTP?

There is inherently nothing wrong with how people are currently consuming MTP.

The industry is however faced with a challenge of unscrupulous people who have penetrated the system and are using illegal means to issue forged MTP stickers to the unsuspecting public.

There are several cases of loss of stickers and other related documents making it hard for potential claimants to approach the insurance companies when they don't have such documents.

The centralization of the payments for the service is meant to cut out such criminality and correct the image and reputation of the Insurance Industry.

### How will people now Purchase Motor Third Party using this platform?

Several avenues for payment have now been created and the process made more unique to cater for the interests of the public

You will be able to purchase Motor third party insurance using Mobile Money (MTN and AIRTEL) and agent banking services anywhere at any time.

1. You will not need a copy of your log book while purchasing Motor third Party.
2. Your Motor Third Party details will be secured in a central data base for all insurance companies making it easier for one to process a claim.
3. Your car Registration now will be your key identifier making it easy to process claims even when stickers and other documents are lost.

### How to Purchase Motor Third party Via MTN, AIRTEL and Centenary Bank Agency Banking.

<p><b>MTN</b></p>	<ul style="list-style-type: none"> <li>-Customer dials *165#</li> <li>-Select(4) Payments</li> <li>-Select (5) Fees and Taxes</li> <li>-Select(5) Motor 3<sup>rd</sup> Party</li> <li>-Customer is prompted to enter the car number plate</li> <li>-The car details and Amount to be paid are returned, and the customer is prompted to enter PIN and approve the payment.</li> <li>-Customer will receive a message with a sticker Reference Number.</li> <li>-Customer presents the sticker Reference Number to any insurance agent</li> <li>- Insurance agent verifies authenticity of the payment</li> <li>- Insurance agent prints sticker for customer to display on their car</li> </ul>
<p><b>AIRTEL</b></p>	<ul style="list-style-type: none"> <li>-Customer dials *185#</li> <li>-Select (7) Financial Services</li> <li>-Select (6) Insurance</li> <li>-Select (1) Motor Third Party</li> <li>-Customer is prompted to enter the car number plate</li> <li>- The car details and Amount to be paid are returned, and the customer is prompted to enter PIN and approve the payment.</li> <li>-Customer will receive a message with a sticker Reference Number.</li> <li>-Customer presents the sticker Reference Number to any insurance agent</li> <li>- Insurance agent verifies authenticity of the payment</li> <li>- Insurance agent prints sticker for customer to display on their car</li> </ul>
<p><b>Centenary Bank Agency Banking</b></p>	<ul style="list-style-type: none"> <li>-Customer moves to any Centenary Bank agent</li> <li>- Bank agent goes to their menu</li> <li>-Selects Payments</li> <li>-Selects Motor Third Party</li> <li>- Cente Agent asks Customer for their Number plate</li> <li>- Cente Agent enters the car number plate.</li> <li>-The car details and amount to be paid are returned.</li> <li>- Customer hands over payment to the agent</li> <li>- The Agent is prompted to Enter PIN and complete the payment</li> <li>-Customer will receive a message with a sticker Reference Number.</li> <li>- Customer now moves to any insurance agent</li> <li>-Customer presents the sticker Reference Number to any insurance agent</li> <li>- Insurance agent verifies authenticity of the payment</li> <li>- Insurance agent prints sticker for customer to display on their</li> </ul>

	<p>car</p> <p>*There may be cases where a Centenary Bank agent is also an Insurance agent in which case the transaction is completed at the same point.</p>
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**Is this service available for every Motor Vehicle Owner?**

The service is available for everyone though consumption of the same will be dependent on your vehicle data appearing in the Motor Vehicle registry currently at URA. This means that if your vehicle does not appear in that database, you will not be able to consume the service at the onset.

**How do I get my vehicle updated on the URA DATABASE?**

URA will have Motor vehicle validation desks at their service centers across the country meaning that it will be easy to get this process done in a very short time and then you will be ready to consume the process.

**Is this platform for only Personal vehicles? Does it affect Commercial vehicles?**

The platform will serve all kinds of vehicles (personal and commercial) that will be operational on the Roads in Uganda. When linkages are complete with Ministry of Works and Transport, the platform will be relied upon to provide your insurance details during the process of granting licenses such as PSV and PMO. This will be extended to other government agencies when most linkages are complete.

**What about New Cars/Motor Bikes entering the country for the first time?**

All fresh imports will be expected to consume MTP services through the platform. As a matter of fact, URA has already implemented the payment of stamp duty at customs level in relation to MTP Insurance for all first time-registered vehicles.

This means that for all fresh registrations, stamp duty is paid at the customs level and when paying for MTP Insurance, the stamp duty (UGX 35,000) should not be charged. This is only possible when consumption is made through the new platform.

In future, release of a vehicle from a customs bonded warehouse may rely upon the platform to confirm if such a vehicle paid MTP insurance.