

**PARTE PRIMA**  
**ATTI LEGISLATIVI ED AMMINISTRATIVI**  
**FIRST PART**  
**LEGISLATIVE AND ADMINISTRATIVE ACTS**

LAW n. 20 of 15 January 1973.

Compulsory Third Part Motor Insurance.

THE PRESIDENT  
OF THE SUPREME REVOLUTIONARY COUNCIL

HAVING SEEN Law establishing the National Insurance Agency;

TAKING NOTE of the approval of the Joint Session of the Supreme Revolutionary Council and Council of Secretaries;

HEREBY PROMULGATES

The following: Law:

Chapter I.

THE REQUIREMENT OF THIRD PARTY INSURANCE

Article 1

*Motor vehicle to be insured against third party liabilities*

1. Subject to the provisions of this law, motor vehicles not operated on rails, including trailers, shall not be used on public roads, or similar areas, unless they are insured against third party liabilities arising under the relevant provisions of the Civil Code.

2. The policy of insurance stipulated in compliance with the provisions of the preceding paragraph, shall have effect also when a motor vehicle is used without the consent of the owner or tenant; provided that any amount paid by the National Insurance Agency (hereinafter referred to as the Agency) as compensation for damages in such case shall be recoverable from the person who used the vehicle.

3. The policy of insurance shall also cover legal liabilities in respect of personal injuries caused to passengers carried in motor vehicles for public use, such as vehicles for hire with drivers, or vehicles with permanent seating arrangements for the transportation of passengers, such as buses and coaches.

## Article 2

### *Definition of use*

A vehicle shall be considered to be in use also when it is parked on a public road, or similar area. For the purpose of this law, the expression «area similar to public roads» shall mean all areas, either public or private, which are open for public use.

## Article 3

### *Exclusion from benefits*

The following persons shall not be deemed to be the third party and, therefore, they shall be excluded from the benefits deriving from a compulsory insurance policy stipulated in compliance with the provisions of this law:

- a) the insured;
- b) the spouse, the ascendants and the legitimate natural, and adopted descendants of the insured, as well as all his other relatives related to him by consanguinity or affinity upto third degree, provided that the reside with the insured and are normally his dependents; provided that, where these persons are carried as passengers in the vehicles referred to in Article 1 (3) of this law, they shall not be excluded from the benefits;
- c) the passengers carried by the insured, except as otherwise provided in Article 1 (3) of this law;
- d) the unlimited partners, where the insured is a partnership, and their relative as defined in sub-paragraph (b) of this Article.

## Article 4

### *Exception from the requirements of third Party insurance*

The requirements of third party insurance established under this law shall not apply to vehicles owned by the Armed Forces not bearing civilian number plates.

## Article 5

### *International certificate of insurance*

1. All vehicles referred to in Article 1 above, which are registered abroad and are temporarily used in the territory of the So-

mali Democratic Republic, shall be insured, in accordance with the provisions of this law, for the duration of their stay in Somalia.

2. The requirements of third party insurance established under this law shall be waived when the user of a motor vehicle is the holder of international certificate of insurance issued by an authorised agency abroad certifying that the holder is in fact insured against third party liabilities arising from the use of his vehicle abroad; provided that such certificate is valid in Somalia and is recognised as such by the Agency on the basis of existing agreements of collaboration and reciprocity.

3. The provisions of this law shall apply also to vehicles, irrespective of their place of registration or number plates, owned by Diplomatic or Consular Agents and international officials, and to vehicles owned by foreign States and International Organisation.

## Article 6

### *Suspension of Insurance*

1. The fulfillment of the requirement of third party insurance established under this law shall be confirmed with a certificate issued by the Agency showing the period of validity of the insurance cover for which the premium rates have been paid.

2. When a policy holder fails to pay the premium rates as stipulated in the contract, the effects of the policy of insurance shall be suspended until midnight on the day in which the outstanding payment is made.

## Chapter II.

### CERTIFICATE OF INSURANCE AND MARK

## Article 7

### *The Certificate of insurance*

The certificate of insurance issued in compliance with the provisions of this law shall contain the following particulars:

- a) name of the National Insurance Agency;
- b) name and domicile of the insured in case of a person, or title and name and Head Office in case of concern;
- c) type and marke of the vehicle;
- d) plate, chassis and engine number of the vehicle;
- e) number of the policy of insurance;
- f) period of validity of the policy of insurance for which the premium or premium rates have been paid.

Article 8

*The insurance mark*

1. All vehicles insured in compliance with the provisions of this law shall display, in a visible manner, the insurance mark supplied by the Agency. The insurance mark shall contain the following particulars:

- a) plate, chassis and engine number of the vehicle;
- b) number of the policy of insurance;
- c) date of expiry of the validity of the insurance cover, as shown in the certificate referred to in the preceding Article 7 of this law;
- d) seal of the National Insurance Agency;

2. Separate insurance marks shall be issued for trailers and semi-trailors.

Article 9

*Duplicates*

1. Where the certificate or insurance of the insurance mark referred to in the preceding Articles 7 and 8 of this law, are accidentally damaged or lost as a result of justified cause, the Agency will issue a duplicate copy of the document upon request and at the expense of the insured. Whether the loss occurs as a result of the theft or accident, the insured shall prove that he had reported the loss to the competent authority in writing as soon as he had discovered it, by sending a copy of such report to the Agency Head Office by registered mail or by hand.

2. Details of the insurance of a duplicate shall be entered in the original copy of the policy of insurance held by the insured and on the copy kept by the Agency.

3. The word DUPLICATE shall be stamped in red colour on all duplicate copies of certificates of insurance or insurance marks.

Article 10

*Transfer of insurance contracts*

Upon the sale of a vehicle, the Agency may, at its own discretion, allow transfer of the insurance contract to the buyer unless the seller requests that, subject to prior payment of premium adjustments, if required, the insurance contract be maintained in respect of another vehicle owned by him. In this case, the insurance contract shall start to have effect in respect of the new vehicle from the date of issue of the new certificate of insurance or endorsement noting the change.

Article 11

*Control*

The revenue Office and the Public Administration Office for motor vehicles, prior to issuing a circulation stamp or registering a bill of sale or any other deed in respect of a vehicle, shall ascertain that the vehicle is insured in accordance with the provisions of this law.

Article 12

*Claims*

A person who suffers damage caused by the use of a vehicle insured in accordance with the provisions of this law, shall have direct action for damages against the Agency within the limit of the amount stated in the insurance policy.

Article 13

*No further liability of the Agency beyond  
the limit stated in the policy of insurance*

1. Where several persons suffer damages resulting from the same accident and their total compensations exceed the limit of the amount stated in the policy of insurance, the individual awards to be paid by the Agency shall be proportionally reduced so that their total sum does not exceed such limit.

2. Where the Agency, having taken all reasonable care to identify all aggrieved parties in one accident, settles their claims after 30 days from the date of the accident and subsequently finds that there are additional claimants hitherto unknown, its liability towards such new additional claimants shall not exceed the unused amount, if any, remaining under the limit of the insurance policy after the settlement of the original claims.

3. The provisions of the preceding paragraph of this Article shall not prejudice the right of the parties concerned to recover the amounts unduly collected by others.

Article 14

*Legal action*

A legal action for compensation of damage caused by a vehicle insured in accordance with the provisions of this law, may be commenced only after 60 days from the date on which the claimant has notified his claim to the Agency by registered letter.

Chapter III.  
PENAL PROVISIONS

Article 15

*Penal Provisions*

1. Whoever uses, or permits any other person to use, a vehicle in contravention of the requirements of third party insurance established under this law, shall be punished with fine or contravention from So. Sh. 200/- to 2000/- or with imprisonment for a contravention from 15 days to three months, or with both such fine and imprisonment.

2. The driver of a vehicle which is regularly insured in accordance with the provisions of this law, who fails to display, in a visible manner, the insurance mark referred to in Article 8 of this law while the vehicle is in use, shall be punished with an administrative sanction from Shs. 5/- to 25/-.

Article 16

*Assessment of violation*

The Police Force shall have the power to assess the violation of the provisions of this law.

Article 17

*English text to prevail*

Where there is a conflict between the English and Italian text of this law, the former shall prevail English.

Article 18

*Entry into force*

This law shall come into force on 1st February, 1973, provided that vehicles at present in use in the Republic shall have a grace period of 3 months from the date of coming into force of this law. During such period owners of vehicles shall ensure their vehicles as laid down under the provisions of this law.

Mogadishu. 15th January, 1973.

*Jaalle Mjor Gen. Mohamed Siad Barre*  
PRESIDENT  
of the Supreme Revolutionary Council