



# THE CELL NEWS



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## Organisations, decide on your Insurance programs in time .....

As the June renewals are fast approaching it is very imperative for corporate organisations to focus on their current insurance needs so as to make the right decisions in time. The cost of insurance is sky-rocketing and this is just made worse by chronic inflation and depressed production. What does an organization need to do then to have a cost effective as well as adequate insurance package? The following points are very vital for arriving at the right decision:

### Pre-renewal surveys & asset evaluations

Inflation has made it very impossible to have the correct values on one's assets. Since the insurance values are based on actual replacement cost of any asset, it is therefore very paramount that an evaluation be conducted by professionals to determine the actual values for insurance purposes. If incorrect figures are used there will be serious problems when a loss occur which normally results in average being applied. Pre-renewal surveys also help in identifying hazards and areas of high risk which help in making the right insurance decisions.

### Claims analysis

Most organisations are not aware of the benefits of analyzing their claims. In most cases losses that an organization experiences can be contained, controlled or minimized. Under such circumstances an organization can opt for rent-a-cell captive insurance instead of conventional insurance. Once an organization does claims analysis, they are in a better position to identify areas of weakness and be able to improve on them.

### Identification of insurable and non-insurable risks

Risk identification is an important process for an organization to take before deciding on their insurance program. Where an organization does not have the expertise outsourcing is an alternative. An organization needs to identify its threats from insurable and non-insurable risks and decide on the best solution. Most of the times more emphasis is given to insurable risks which may just be the tip of the iceberg. Non-insurable risks are normally ignored because of the lack of expertise in dealing with them. Non-insurable risks can be insured through the rent-a-cell arrangement which will ensure an organization is fully covered. Where the insurance cover is not available locally organizations have the option to source for external cover from more developed markets.

### Benefits of insurance

An organization must take into account how it will benefit from its insurance program before they make a decision. In most instances some programs do not translate into any corporate benefit. Insurance must add value to a company and help achieve its goals. Where an organization plans to enjoy long term benefits from insurance the rent-a-cell captive is the best program. The rent-a-cell product is complemented by risk management programs and organizations are involved in the program. There is also a financial return on rent-a-cell program as compared to other insurance programs.



### Did you know?

Bees are the most important pollinating insects and their interdependence with plants makes them an excellent example of a type of symbiosis known as mutualism, an association between unlike organisms that is beneficiary to both parties.....(National Geographic Channel)

## Environmental liability- miners beware!

Loss of reputation for mining organisations, especially in the developed world has been identified as the greatest management fear. This comes as no surprise due to the negative publicity associated with poor environmental management. Mining organisations need to make sure that they have properly managed their environmental risks in the most comprehensive and cost effective manner.

Identifying environmental risks and exposures is very important as this is the first stage of the risk management process. Usually the main environmental risks include the following:

- Water pollution
- Land contamination
- Waste issues
- Atmospheric emissions
- Regulatory compliance.

The major drivers behind environmental risk management appear to be as follows:

- Statutory requirements and complying with government and regulators.
- Another driver would be customer and supplier pressure
- Achieving recognized environmental standard
- Reducing insurance costs

Further development is needed in environmental management as the process can be costly in both time and resources. Methods of environmental management need to be more practical in their approach. Government and regulators must continue with their leadership role and actively encourage the public and private sector to adopt a risk-based approach to environmental management through legislation and guidelines. Each mining must, however assume responsibility for their own actions and the subsequent environmental impact, by incorporating control measures into existing management framework designed and exceed statutory environmental regulations.

*\*The next issue will focus on the legislation that governs environmental management in Zimbabwe.*

# Tips to survive hijacking (Part 1)

The problem of hijacking has seen a sharp increase in Zimbabwe and the region as a whole. Many people have lost their hard earned vehicles and valuable assets not to mention lives in the process. This has been exacerbated by the high networking and sophisticated methods being implemented by the perpetrators which have seen a smooth flow of vehicles from one country to another. With the ever increasing costs of new vehicles what can one really do to reduce this ever growing problem? Here are a few tips put together from various sources which can be quite instrumental to solving this problem

## How to avoid Hijack situations

**First and foremost always take all necessary precautions;** they might sound obvious but very important:

- Be familiar with your environment.
- Get to know who belongs in the vicinity of your home or workplace, and who does not.
- Keep your eyes open for anything out of the ordinary.
- Lock all doors and close windows before driving off.
- Try to vary your route to work, the gym – all places you travel to regularly.
- Hijackers are professionals too; they plan their attacks carefully.
- Ensure all your mirrors are adjusted to give you an optimal all-round view of your surroundings.
- Try to stop about 5m behind the car in front of you at a stop sign or traffic light – it makes for an easy getaway if trouble arises.

## Secondly never fall for false alarm:

- False appeals for help.
- “Accidents” such as having your car rammed from behind.
- Someone trying to get help from a stationary car.
- your electric gates being jammed

## Thirdly, know your environment

- If approached by a stranger while in your car, drive off if possible and/or use your hooter to attract attention.
- Be constantly on the lookout for suspicious looking characters or vehicles and do not hesitate to report them to the Police.
- Always be on the alert for potential danger, and be on the lookout for possible escape routes and safe refuge along the way.
- If your suspicions are aroused by any person or vehicle in a high-risk area, treat it as hostile and take appropriate action (i.e. Ignore a red robot if it is safe to drive through; turn off and speed away from the perceived danger zone) and call for assistance where necessary. Always have your identity document and driver's license on your person; and a pen and notepad ready to make necessary notes.

- If possible, avoid driving in the dark. Hijackers may stage a minor accident; e.g. If your car is bumped from behind and you do not feel comfortable with the individual/s involved in the situation, drive to the nearest Police Station for help.
- Never open your vehicle window or door for any stranger. If a suspicious person is near your unoccupied car, do not approach the vehicle. Keep walking to the nearest public area and ask for assistance. *(courtesy of Hijack Update R.S.A)*

There is an Anti-Hijack Trust in Zimbabwe which can give up to date information and professional advice on the same issues. The contact details are as follows:

National Hotline 091242512 (24 hours)  
Telephone numbers (04) 309870, 3098009 09) 24393, 011701323  
e-mail [hijack@mweb.co.zw](mailto:hijack@mweb.co.zw) , [hijack@zol.co.zw](mailto:hijack@zol.co.zw)

**The next issue will cover the following on hijacking:**

*How to reduce the risk*

*Who are hijackers?*

*Preventative measures to property*

## The February Earthquake's implications on insurance

February 23, for most Zimbabweans, is a day that sent shivers down their spines. At 20 minutes past mid-night the earth shook for a few minutes, a totally unusual phenomenon in Zimbabwe. Not only did it affect us here in Zimbabwe, but also most parts of South Africa and Mozambique. Some actually believed that it was the end of the world. These tremors were a result of an earthquake, whose epicenter was in Espungabera, a small farming town in Mozambique.

The tremors were felt 1000km from the center and measured 7.5 on the Richter scale. In Zimbabwe the first tremor measured 5.3 which was followed by another one two hours later which measured 5.6 on the Richter scale. This might suggest that Southern Africa is no longer immune to these catastrophes.

What are the implications then with regards to insurance cover? The Zimbabwean market has an Assets All Risks Policy of which one of the perils covered under fire is earthquakes. The question is, does this policy alone provide enough cover for such damages? There was no reported property damage as a result of the tremors, but who knows; probably a full fledged earthquake or a volcano is waiting to unleash its wrath any time soon. *\*In our next bulleting we will focus on our local insurance market and the extent of cover available on the earthquake damages.*



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