SECRETARIAT

DISPOSAL OF COE - TRANSFER OF DISPOSAL REVENUE TO T/PCCS

Secretariat Issue Paper # 20

1. ISSUE PAPER THEME: Major Equipment & Self-sustainment

2. SUMMARY / BACKGROUND / PREVIOUS HISTORY

The rapid drawdown and liquidation of the Multidimensional Integrated Stabilization Mission in Mali (MINUSMA) highlighted several inefficiencies in the disposal and/or repatriation of contingent-owned equipment. One concern identified was that certain T/PCCs were reluctant to accept UN assistance to rapidly dispose of COE locally as they would be excluded from any revenue related to the scrap or sale of such items under the existing COE Manual policy (related excerpt below).

Chapter VIII. Disposal of contingent owned equipment. Para 34.
Troop/police contributors may request the assistance of the mission to dispose of contingent-owned equipment through arrangements established for the disposal of equipment owned by the United Nations. In these cases, a formal agreement between the troop/police contributor and the mission will need to be prepared to formalize the handover of such equipment for subsequent disposal action. The agreement should specify that the troop/police contributor will make no claims for financial compensation for any potential revenue generated from the disposal action associated with the contingent-owned equipment.

The proposal has not previously been considered by the Contingent-Owned Equipment Working Group.

3. DETAILED PROPOSAL

To address this concern, encourage the utilisation of in-mission disposals by T/PCCs, and reduce overall quantities of major equipment requiring international shipment during unit repatriation and/or mission closure, the Secretariat proposes to amend Chapter 4, VIII. Disposal of contingent owned equipment of the COE Manual to reflect that any revenue derived from the disposal of T/PCC COE will be transferred back to the owning T/PCC, less any direct administrative costs incurred by the UN during the processing of the disposal.

4. FINANCIAL IMPLICATIONS

This proposal aims to enable missions to seek cost-effective opportunities to reduce financial and logistical impacts during final unit repatriation and/or mission liquidation. It is anticipated that amounts reimbursed to T/PCCs will be balanced directly against an income from scrap or sale of material, less any administrative processing costs. Where the administration cost of a disposal exceeds the revenue, the UN mission will continue to absorb the cost, as per current practices. As such, there is no additional financial implication on the COE budget from this proposal; it instead represents a re-routing of any potential revenue.

5. PROPOSED 2026 COE MANUAL TEXT

To implement this proposal, Chapter 4, VIII. Disposal of contingent owned equipment, p. 147, para 34 is proposed to be changed (struck out text to be deleted; text in bold to be added):

34. Troop/police contributors may request the assistance of the mission to dispose of contingent-owned equipment through arrangements established for the disposal of equipment owned by the United Nations. In these cases, a formal agreement between the troop/police contributor and the mission will need to be prepared to formalize the handover of such equipment for subsequent disposal action. ~~**The agreement should specify that the troop/police contributor will make no claims for financial compensation for any potential revenue generated from the disposal action associated with the contingent-owned equipment.**~~ **Any potential revenue generated from the disposal action associated with the contingent-owned equipment will be reimbursed to the troop-and-police contributor, less any administrative processing costs incurred by the United Nations.**