

BANGLADESH

REVIEW OF REIMBURSEMENT RATE – BNS SANGRAM (CORVETTE) DEPLOYED IN UNIFIL, MTF

1. ISSUE PAPER THEME: Self-Sustainment

2. SUMMARY

As per LOA forwarded vide UNIFIL-LOA/Mil/2018/05 dated 16 April 2018 the Government of Bangladesh is providing the services of one Corvette status naval platform in support of UNIFIL from 01 Jan 2018. But the reimbursement rate of a Corvette is equivalent to an Offshore Patrol Vessel (OPV), ie, \$ 10,598/day. As per LOA received vide UNIFIL-LOA/Mil/2010/4497 dated 12 April 2010 reimbursement rate for Frigate and OPV was \$ 22,928/day and \$ 10,598/day respectively.

Corvette class ships are compact naval platform which can carry out multi role mission. It is capable of all the peacetime and most of the wartime role higher than OPV. As such the present reimbursement for Corvette in MTF, UNIFIL may be fixed nearer to the rate of reimbursement for Frigate. Alternatively, a new class of ships may be introduced to justly reimburse ships of Corvette class.

3. BACKGROUND

Bangladesh became a proud member in UNIFIL since 06 May 2010 under MTF. Bangladesh Navy deployed BNS OSMAN (Frigate) and BNS MADHUMATI (Large Patrol Craft) in Mediterranean for four years and then they were replaced by BNS ALI HAIDER and BNS NIRMUL which were also replaced by BNS BIJOY on 01 January 2018 as per the decision of UNHQ (DPKO). Lastly, BNS SANGRAM took over from BNS BIJOY in September 2020.

Presently, considering sea deployment, only the operating cost per day for POL, food, miscellaneous and running maintenance is considered to be high let alone covering all associated expenditures of major repair, scheduled docking, hull maintenance etc. For example, docking of a ship like BNS BIJOY for under water repair cost is approx 0.75 million dollars. As such, docking for major repair is an expensive affair which if ignored the lifecycle of naval ship is degraded and operational capability will be jeopardized.

4. DETAILED PROPOSAL

Consequently, we propose:

Contingent Owned Equipment (COE) Working Group (WG) may take appropriate effort to make a separate/ new slab of reimbursement rate for Corvette closer to a Frigate. As such financial implication for establishing new slab of Corvette can be ascertained after determination of reimbursement rate of the ships.

The capability difference between Corvette and OPV are as follows:

Ser		Corvette	OPV
1.	Fighting Capability	Fitted with guns, Missile systems, Anti- Submarine capability and provision for helicopter	Fitted with only a medium caliber gun
2.	Purpose	War Fighting	Designed to protect a nation's resources within the Exclusive Economic Zone and law-enforcement
3.	Maximum Speed	20-25 kts	15-20 kts (approximate)
4.	Length	80-90 meter (approximate)	60-80 meter (approximate)
5.	Manning	150-200 (approximate) Personnel	70-90 (approximate) Personnel
6.	Fuel Consumption	350 (approximate) with one engine and one generator	180 (approximate) with one engine and one generator

A corvette carries more armaments and machinery than OPV which entails higher operating and maintenance cost. Moreover, the complement of a corvette is more than double than an OPV, as such provisions and up keeping cost of crew for Corvette is much higher.

In this regard necessary steps may be taken to “**determine a separate/ new slab of reimbursement rate for Corvette**” for justifiably proportionate reimbursement of combat ships.

Proposed reimbursement rate for corvette should be 1,1796.00 USD.

Leg	Port	ETA (Local Time)	ETD (Local Time)	Average Speed
1	Chattogram, Bangladesh		091300 July 2020	16.50 kn
2	Colombo, Sri Lanka	130700 July 2020	151400 July 2020	16.30 kn
3	Goa, India	170900 July 2020	191000 July 2020	16.31 kn
4	Port Salah, Oman	221400 July 2020	250800 July 2020	16.32 kn
5	Jeddah, KSA	281850 July 2020	010700 August 2020	16.31 kn
6	Beirut, Lebanon	041000 August 2020		

Total distance – 6,400 NM (Approximate)

Total Time – 26 Days