

THE ARAB REPUBLIC OF EGYPT

COMPENSATION FOR REDUCED/CANCELED EQUIPMENT DUE TO PUBLISHING OF A NEW STATEMENT OF UNIT REQUIREMENTS (SUR), AFTER A MEMBER STATE HAS PURCHASED/DEPLOYED THE REQUIRED EQUIPMENT

1. ISSUE PAPER THEME

- Major Equipment
- Self-sustainment
- Medical
- Other / cross cutting

2. SUMMARY / BACKGROUND

The Military/Police contributing country shall provide level of major equipment and self-sustainment in accordance with the Statement of Unit Requirements (issued by the United Nations) or according to the approved Memorandum of Understanding (MOU).

SUR & MOU include categories, quantities, and specifications of the required equipment or services.

During the process of generating and equipping the unit, MS purchases equipment in accordance with the quantities, specifications stipulated in the SUR, these equipment almost differ than the national needs or even the standards for similar equipment.

The dilemma arises when the United Nations publish a modified statement of unit requirements that contains less major equipment or self-sustainment services, and request the MS to modify accordingly.

Such reductions cause significant financial and administrative burdens to MS after it made available those equipment (before or after deployment of equipment)

Financial and administrative costs include (purchasing / importing / completing procedures / special requirements / painting / deployment), without receiving any financial benefits or compensation. The matter that calls for add a paragraph to Chapter II "Binding arrangement" of the COE Manual.

3. DETAILED PROPOSAL

As mentioned above, Member States, during the process of generating and equipping the unit, is obligated to provide equipment in accordance with the quantities, specifications stipulated in the SUR.

Which incurs MS to significant financial and administrative burdens to provide required equipment of a special nature in accordance with the requirements of United Nations, which sometimes differ than national standards.

When United Nations amends the SUR and request the MS to reduce or cancel some equipment after the MS has already made it available. This represents a financial and administrative cost to the state without getting back any financial benefits or compensation. And by ending, MS will have useless brand new or lightly used equipment that is not matching its national needs or specifications.

The proposal aims to come up with a solution to this important topic, by compensating the MS for the administrative and financial burdens.

Accordingly, it is proposed to add a paragraph to Chapter II “Binding arrangement” of the COE Manual with one of the following proposals:

- **Allocate monthly reimbursement representing 25% of the maintenance rates of the equipment that the troop-contributing country has made available in accordance with the statement of unit requirements, and then reduced or canceled by the United Nations, while keeping it in the contributing country as a peacekeeping capability ready for deployment (for a limited period)**
- **United Nations will assume liability to compensate MS for the purchase and supply process in proportion to the fair market value of the equipment to be reduced or canceled, and the actual operating period.**