

**Implementation by the Secretariat of paragraphs 9 through 12 of the draft resolution, circulated on 15 April 2013, on the Senior Advisory Group on troop reimbursements (SAG)**

**Methodology for updating and revising memorandums of understanding (MOU) and implementing the safeguards inherent in the verification process**

**Memorandum of understanding (MOU)**

The MOU is a negotiated, formal agreement between the United Nations (UN) and the troop or police contributing country (TCC or PCC) that establishes the responsibility and standards for the provision of personnel, major equipment and self-sustainment support services for both the UN and the contributing country. It is signed by representatives of the Department of Field Support (DFS) and the contributing country's Permanent Mission to the UN. It remains in force until the end of the mandate of the peacekeeping operation, when the formed military/police unit repatriates from the mission. As may be agreed between the UN and the TCC or PCC, an MOU may cover the deployment of a person, a unit, a company, a battalion.

Paragraph 9 of the draft resolution circulated on 15 April notes that *“each deployed unit may operate under a separate memorandum of understanding, if so requested by the troop or police contributing country”*. Paragraph 10 of the draft resolution stresses that the *“evaluation of contingent-owned equipment and its impact on the ability of the unit to perform its duties should be on the unit basis”*. In implementing the draft resolution, if adopted, the review of each MoU could, at the request of the TCC or PCC, be undertaken on a unit basis in order ensure that unit level equipment requirements set out in each MOU would in each case be in line with current operational requirements. For example, the MoU could be updated for a specific transport or medical unit, infantry battalion or formed police unit.

Under paragraph 11 (a) of the draft resolution, no deduction would in any case be applied before 31 October 2013, so as to give time for TCCs and PCCs to ensure that their MOUs were technically in line with current force requirements and operational circumstances in each mission where they were deployed. If adopted, DFS, in consultation with the Office of Military Affairs and the Police Division, would work with TCCs and PCCs to review their MOUs with the UN to ensure that each reflects any changes in the amount and/or type of equipment required based on current force requirements and operational circumstances in each mission.

The reimbursement for equipment under the MOU would also allow for different environmental and mission factors. To compensate for the differences between operating conditions in different mission areas, adjustments would be made to the standard reimbursement rates for major equipment, to take into account such conditions as harsh terrain and climate, road conditions in the mission area, length of logistics chains, size of area of operations and the hostility of the environment.

### Verification process

If adopted, the contingent owned equipment inspection and verification process to be put in place under paragraph 11 of the 15 April draft resolution would be the following:

Within 30 days of deployment to the mission area, an arrival inspection would be conducted to confirm that the equipment deployed meets the requirements agreed in the MOU, and that it is serviceable. Thereafter, assisted by technical experts at the mission level - which include personnel of the military or police components - the mission's COE Unit would conduct quarterly physical inspections of the contingent's equipment. Quarterly verification reports would be signed by contingent commanders or police commander of the TCC or PCC concerned. Inspections would occur periodically throughout the quarter, at a time agreed in advance with contingents. During inspections, the contingent's personnel would accompany and assist the COE inspectors in preparing the inspection report. The inspection report would note any unresolved differences of opinion regarding the absence or non- functionality of equipment during the inspection. These reports would be co-signed by the relevant contingent and COE Unit representatives.

An additional review mechanism would be the mission's COE and MOU Management Review Board (CMMRB), which is composed of senior officials of the mission's support, military and police components and the contingent commanders. CMMRBs are established in each peacekeeping mission. At all stages, the process would be consultative and, in keeping with paragraph 11 b of the draft resolution, the COE system principle of 'reasonability' would be applied. In implementing paragraph 11 b of the draft resolution of 15 April, if adopted, the verification process would ensure that any major equipment that was absent or non-functional for reasons beyond the control of the TCC or PCC would be reflected, in detail, in the verification report. Where the absence or non-functionality of particular equipment was deemed to be beyond the control of the TCC or PCC, this equipment would be excluded from the determination of any applicable deductions for that quarter.

The COE verification reports, which would confirm equipment presence and functionality, would then be forwarded to DFS Headquarters, for initial review and processing.

At this point, if the provisions of the 15 April draft resolution were adopted, in keeping with paragraph 12, the Secretariat would notify the relevant TCC or PCC of any unsatisfactory major equipment reports immediately upon certification of the verification report by the Secretariat. This would provide the TCC or PCC with detailed information about what equipment, at the unit level, was absent or non-functional. During the subsequent three-month verification period, the TCC or PCC would therefore have the relevant detail to address any shortfall. If, after a second quarterly period, there were still a shortfall between the major equipment specified in the MOU and the equipment verified in the inspection report, an associated deduction of the percentage of the shortfall would be applied to the personnel reimbursement for that unit. In notifying the TCC or PCC of the payment, DFS would provide a full description and explanation of any deduction based on the COE verification and certification reports of the two prior, consecutive quarters.

If the provisions of the 15 April draft resolution were adopted, in keeping with paragraph 11 c, a '90 per cent rule' would be applied, whereby TCCs and PPCs would be reimbursed for 100 per cent of the vehicles specified in the MOU provided that 90 per cent of the vehicles (combat vehicles, which include APC, reconnaissance vehicles and tanks, and soft-skin vehicles including cars and trucks) are present. If the provisions of the 15 April draft resolution were adopted, in keeping with paragraph 11 c, this "90 per cent rule" would be extended to include non-functional as well as absent vehicles; so that, no deduction to troop reimbursement would be made unless more than for 10 per cent of vehicles were certified to be absent or non-functional.

If the provisions of the 15 April draft resolution were adopted, in keeping with paragraph 11 d, no deduction above 35 per cent would be made against troop reimbursement in respect of any two consecutive unsatisfactory quarterly contingent-owned equipment verification reports.

DFS stands ready to work with TCCs and PCCs to update their MOUS in line with current operational requirements, before 31 October 2013.

In addition, DFS will provide full information, upon request, to each TCC or PCC on the status of the equipment specified in their MOUs and the potential impact of the implementation of the draft resolution, if adopted.