



## Secretariat

ST/AI/149/Rev.3  
17 November 1988

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### ADMINISTRATIVE INSTRUCTION

To: Members of the staff

From: The Controller

Subject: COMPENSATION FOR LOSS OF OR DAMAGE TO PERSONAL EFFECTS

#### Purpose

1. Staff rules 106.5, 206.6 and 306.4 provide that staff members shall be entitled, within the limits and under the terms and conditions established by the Secretary-General, to reasonable compensation in the event of the loss of or damage to their personal effects, determined to be directly attributable to the performance of official duties on behalf of the United Nations. The purpose of the present instruction is to define the terms, conditions and limits governing such compensation and to set forth the procedure for the submission and examination of claims in connection with such loss or damage.

2. The present instruction takes effect from 1 September 1988. It cancels and supersedes administrative instruction ST/AI/149/Rev.2 of 17 February 1984.

#### Entitlement to compensation

3. (a) Without restricting the generality of the rule, loss of or damage to the personal effects of a staff member shall be deemed to be directly attributable to the performance of official duties when such loss or damage:

- (i) Resulted as a natural incident of performing official duties on behalf of the United Nations; or
- (ii) Was directly due to the presence of the staff member, in accordance with an assignment by the United Nations, in an area involving special hazards and occurred as a result of such hazards; or
- (iii) Occurred as a direct result of travelling by means of transportation furnished by or at the expense or direction of the United Nations in connection with the performance of official duties;

(b) No compensation shall be paid for any loss or damage which was occasioned by the negligence or misconduct of the claimant.

#### Exclusions and limits

4. The personal effects of a staff member shall be deemed to include the personal effects of the staff member's spouse and dependent children residing with the staff member at the time of the damage or loss, provided that no claim shall be admissible for loss of or damage to the personal effects of the spouse or dependent children in a mission area if the Secretary-General has decided that special circumstances or local conditions make it undesirable for the staff member to be accompanied by dependants.

5. This instruction shall not apply to loss of or damage to personal effects with respect to which staff rules 107.22 (b) and (c) or 207.21 (b) and (c) concerning insurance coverage in connection with the removal of household goods or unaccompanied shipment of personal effects apply. Loss of or damage to such goods or effects shall not be compensated for under this instruction but shall be governed exclusively by the provisions of those rules.

6. (a) No compensation shall be paid for loss of or damage to animals, motor cycles, boats, motors of all types and their appurtenances, jewellery, money (except as provided in subpara. 6 (b) below), money instruments, securities, tickets or documents, or any other articles which in the opinion of the Secretary-General cannot be considered to have been reasonably required by the staff member for normal living under existing circumstances;

(b) Compensation in respect of the items listed below shall be subject to the maximum limits indicated:

	\$
(i) Automobile (and all accessories)	10 000
(ii) Television or video tape machine	500
(iii) Radio, record-player, tape recorder, stereo-amplifier, compact-disc player, speakers	350
(iv) Watch	350
(v) Camera (still or movie)	350
(vi) Video camera	600
(vii) Binoculars or typewriter (manual or electric)	175
(viii) Electronic typewriter	300
(ix) Personal computer	1 000
(x) Cash	400

No compensation shall be paid for loss of or damage to more than one of each of the articles mentioned above;

(c) Compensation in excess of \$1,000 shall not be paid in respect of any one article, including its accessories, with the exception of an automobile.

7. (a) The maximum allowable compensation shall be \$12,000 in respect of any one incident for a staff member without recognized dependants residing with him or her at the duty station. The maximum allowable compensation shall be \$20,000 in respect of any one incident for a staff member with recognized dependants residing with him or her at the duty station;

(b) The maximum limits for compensation established in this paragraph shall apply in addition to any compensation in respect of an automobile (and all accessories), the maximum limits for which are set out in paragraph 6 (b) above.

Notification of loss and presentation of a claim for compensation

8. In the event of any loss of or damage to a staff member's personal effects, he or she shall, as soon as possible, notify the appropriate United Nations and other authorities, including the local police, and submit any pertinent evidence. Where articles have been lost, the staff member shall take all reasonable steps to recover said articles or to receive suitable compensation from the party responsible for such loss and, where articles have been damaged, to receive suitable compensation from the party responsible for such damage.

9. In order to be receivable, claims for compensation shall be made within two months of the discovery of the loss or damage, shall include copies of reports of investigations into the loss or damage and shall be submitted by the claimant to his or her executive officer/chief administrative officer for examination and submission to the Claims Board (referred to in paras. 12 to 14 below). Both the submissions by the claimant and the executive officer/chief administrative officer shall be in the form of signed statements as described below.

10. The claimant shall set out in detail:

(a) Information pertinent to the amount of compensation claimed, including:

(i) A description of the article;

(ii) The age and the condition of the article;

(iii) The original cost of the article and the date of purchase or acquisition;

(iv) The replacement cost of the article and supporting documentation on both price and comparability of the proposed replacement article;

(b) All the circumstances pertinent to the loss or damage and the action taken by the claimant in respect thereof (see para. 8 above), including:

- (i) Statements signed by any other person or persons in a position to furnish information relating to the loss or damage, including copies of reports of investigations into the loss or damage (see para. 8 above);
- (ii) Personal insurance coverage, if any, the action taken to claim under that coverage and the results thereof;
- (iii) In the case of travel by common carrier (air, rail, etc.), a copy of the lost property report and information on any reimbursement claimed from the carrier;
- (iv) In the case of damage, the cost of repair supported by a copy of the invoice and receipt.

11. The executive officer/chief administrative officer on receipt of a claim, shall:

(a) Examine the claim and ascertain whether all required information and material as set forth in the present instruction have been provided and, if necessary, request such further information or material as he or she considers desirable;

(b) Provide any additional information on the causes and circumstances of the loss or damage including copies of any investigation reports on the incident which may be available;

(c) As appropriate, certify and provide supporting documentation:

(i) With regard to subparagraph 7 (a), as to the dependency status of the staff member;

(ii) With regard to subparagraph 3 (a) (iii), that the staff member was in official travel status;

(d) Supply a copy of the inventory filed by the staff member in accordance with the applicable security plan as appropriate;

(e) Provide other pertinent observations including information regarding the replacement cost claimed as appropriate;

(f) Forward the claim, other relevant documents, and his or her comments thereon to the Secretary of the Claims Board.

#### Consideration of claims

12. All claims shall be examined by the Claims Board in accordance with its terms of reference, set out in annex I to the Secretary-General's bulletin ST/SGB/Organization. The composition of the Board and its administrative arrangements are announced periodically in information circulars. At locations away from Headquarters, local claims review panels may be established, as authorized by the Controller.

13. The Claims Board shall determine its own rules of procedure.
14. The Claims Board shall act in an advisory capacity to the Controller and shall transmit its recommendation regarding the settlement of each claim to the Controller.
15. (a) Where an article is lost, the amount of compensation shall be determined having regard to the following factors:
- (i) The age, condition and place of purchase of the article;
  - (ii) The original cost and the amount by which it had depreciated in value at the time of loss;
  - (iii) The replacement cost of the article; and
  - (iv) Any other relevant factors;
- (b) Where an article is damaged and can be repaired, the amount of compensation shall be equal to the actual cost of repairs but shall not exceed the amount that would have been payable under subparagraph (a) if the article had been lost;
- (c) Where an article is damaged and cannot be repaired, the amount of compensation shall be equal to the amount that would have been payable under subparagraph (a) if the article had been lost;
- (d) In calculating the amount of compensation payable, consideration shall be given to such amounts as the claimant might have recovered or might be entitled to recover under insurance arrangements or from a third party liable for the loss or damage.

16. If, in the opinion of the Claims Board, unusual hardship would be caused or it would be clearly unreasonable if the amount of compensation was limited to the relevant maxima prescribed in paragraphs 6 and 7 above, or if compensation was refused on the ground that the claim for loss or damage to personal effects was not compensable under this instruction, the Claims Board may forward its recommendation in the particular case to the Controller together with its views as to what would constitute reasonable compensation.

#### Payment of compensation

17. Payment of compensation shall be the responsibility of the respective executive officer/chief administrative officer who will initiate action upon receipt of the notification of the Controller's decision as communicated by the Secretary of the Claims Board.
18. Payment of the approved compensation shall be conditional on the recipient signing an instrument entitled "Undertaking and assignment". A specimen thereof, which should be used, is contained in the annex to the present instruction.

Annex

UNDERTAKING AND ASSIGNMENT

HCB \_\_\_\_\_  
As recommended at the \_\_\_\_\_ meeting  
and approved by:

Certified for payment  
Account No. \_\_\_\_\_

\_\_\_\_\_  
Secretary,  
Headquarters Claims Board

\_\_\_\_\_  
Certifying Officer

I hereby confirm that:

(a) I, \_\_\_\_\_, will accept payment  
First name Surname  
of the sum of \_\_\_\_\_ on account of  
Currency/Amount

the loss and/or damage to my personal effects, attributable to service with the  
United Nations, arising from claim No. \_\_\_\_\_ dated \_\_\_\_\_

(b) The sum total of the amount to be paid by the United Nations and the  
amount recovered or to be recovered by me from insurance, if any, in respect of  
said personal effects will not exceed the amount of the loss or damage or personal  
effects sustained by me.

(c) In consideration of the payment of said sum, I assign to the United  
Nations all rights and claims I may have against any third persons, and the United  
Nations is hereby authorized to retain, out of any amounts recovered in prosecution  
of any such claim, the sum total of the amount paid to me by the United Nations as  
well as the costs, if any, incurred by the United Nations in the prosecution of  
such claim.

IN WITNESS WHEREOF, the undersigned has executed the present instrument  
this \_\_\_\_\_ day of \_\_\_\_\_ 19\_\_\_\_.

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

Please make payment to:  
(insert current name and  
address of claimant)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_