



ST/AI/149
16 July 1962

ADMINISTRATIVE INSTRUCTION

To: Members of the Staff of the United Nations

Subject: COMPENSATION FOR LOSS OF OR DAMAGE TO PERSONAL EFFECTS

Purpose

1. Staff Rule 106.5 (or 206.5 for technical assistance project personnel) provides 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 loss 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 this instruction is to define the limits, terms and conditions governing such compensation and to set forth the procedure for the examination of claims submitted in connexion with such losses or damages.
2. This instruction cancels and supersedes Administrative Instruction ST/AFS/AI/84 dated 26 October 1950.

Entitlement to compensation

3. (a) Without restricting the generality of the rule, loss 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 connexion 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.

4. The personal effects of staff members shall be deemed to include the personal effects of a dependent spouse and a dependent child of a staff member residing with the staff member at the time of the damage or loss, provided that no claim shall be admissible for loss or damage in a mission area to the personal effects of a dependent spouse or dependent child unless such spouse or child was in such mission area with the permission of the Secretary-General.

5. This instruction shall not apply to losses or damage to personal effects in respect to which Staff Rule 107.22 (b), (c) and (d) (or 207.21 (b) and (c) for project personnel) applies, which shall be governed exclusively by the provisions of that rule.

6. (a) No compensation will be paid for loss or damage to animals; automobiles, motor cycles, boats, and other conveyances, motors, and their appurtenances; jewellery, money (except as provided in 6(b)) or money instruments, securities tickets, and documents or such other articles as in the opinion of the Secretary-General cannot be considered to have been reasonably required by the claimant for normal living under existing circumstances.

(b) When in the opinion of the Claims Board (established under paragraph 10 of this instruction) compensation is justified, such compensation in respect of the items listed below shall be subject to the maximum limits indicated:

- (i) Camera (still or movie), binoculars - - - - - \$100 each
- (ii) Radio, record player, tape recorder, typewriter - - - - - \$100 each
- (iii) Watch - - - - - \$ 50 each
- (iv) Light meter - - - - - \$ 25 each
- (v) Cash - - - - - \$ 50 each

No compensation will be paid for loss or damage to more than one each of the articles listed in (i), (ii), (iii), and (iv) above.]

(c) Compensation in excess of \$200 shall not be paid in respect of any one article, including its appurtenances.

(d) No sum in excess of \$1000 shall be paid by way of compensation to any one claimant in respect of any one incident, provided that where the claim involves more than one person in the same family group the maximum allowable compensation shall be \$2000.

Notification of loss and presentation of a claim for compensation

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

8. Claims for compensation shall be made as soon as possible after the loss or damage and within two months thereof, and be submitted by the claimant through his Administrative Officer to the Claims Board (referred to herein) in the form of a statement in triplicate, signed by the claimant and setting out in detail:

- (a) (i) A description of the article;
- (ii) The age and the condition of the article;
- (iii) The original cost of the article.

(b) All the circumstances pertinent to the loss or damage and the action taken by the claimant in respect thereof.

(c) 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.

9. The Administrative Officer on receipt of a claim will

(a) Examine the claim and ascertain the accuracy of statements made therein;

(b) Consider whether all relevant information and material have been furnished and if necessary call for such further information or material as he considers desirable;

(c) Attach copies of any investigation reports on the incident to which the claim relates, and prepare a statement on any pertinent information on the causes and circumstances of the loss or damage as is available to him;

(d) State, giving his reasons, whether in his opinion compensation is payable;

- (e) Forward the claim, other relevant documents, and his opinion thereon to the Secretary of the Claims Board.

Consideration of claims

10. All claims shall be examined by a Claims Board consisting of one representative each from the Office of Legal Affairs, the Office of the Controller and the Office of Personnel. The representative of the Office of the Controller shall be Chairman of the Board. The Under-Secretaries in charge of the Office of Legal Affairs, the Office of the Controller and the Office of Personnel, respectively, will designate in writing a representative and an alternate to the Board. The Secretary to the Board shall be designated by the Controller.
11. (a) The amount of compensation payable for any lost article shall be determined having regard to the following factors:
- (i) The condition of the article;
 - (ii) The age of the article;
 - (iii) The original cost of the article, the amount by which it has depreciated in value at the time of loss; and
 - (iv) Such other factors as may be relevant.
- (b) Where an article is damaged and can be repaired, the amount of compensation shall be equal to the estimated cost of repairs but shall not exceed the amount that would have been payable under sub-paragraph (a) if the article had been lost.
- (c) In the case of a damaged article which cannot be repaired, the amount of compensation shall be equal to the amount that would have been payable under sub-paragraph (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.
12. The Board will determine its own rules of procedure.
13. The Board, which will act in an advisory capacity to the Controller in respect of the settlement of claims, shall transmit its recommendations in respect of each claim to the Controller.

14. 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 maxima prescribed in paragraph 6 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 shall forward its recommendations in the particular case to the Controller together with its views as to what would constitute reasonable compensation.

Payment of compensation

15. Payment of compensation shall be conditional on the recipient signing an instrument releasing the United Nations from any liability with respect to the particular claim. The claimant will be required, at the same time, to assist, and to grant the United Nations freedom of action, in recovering the amount of compensation paid the claimant from any third party who might be liable in respect of the loss or damage, including, where necessary, the prosecution, or the assignment to the United Nations of any right of action against such third party, and also the right to retain out of any monies so recovered a sum equal to the amount paid to the claimant plus any expenses incurred by the United Nations in its recovery.

B.R. Turner
Controller
