



ADM 122

ST/AI/149/Rev.1
1 November 1975

ADMINISTRATIVE INSTRUCTION

To: Members of the staff
From: Assistant Secretary-General (Controller)
Office of Financial Services

Subject: COMPENSATION FOR LOSS OF OR DAMAGE TO PERSONAL EFFECTS

Purpose

1. Staff rules 106.5 and 206.5 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 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 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 loss or damage.
2. This instruction cancels and supersedes administrative instruction ST/AI/149 dated 16 July 1962.

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 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 or damage in a mission area to the personal effects of the spouse or dependent children 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 or damage to personal effects in respect to which staff rules 107.22 (b) and (c) or 207.21 (b) and (c) concerning insurance coverage in connexion with the removal of household goods or unaccompanied shipment of personal effects apply. Loss or damage to such goods or effects shall not be compensated under this instruction but shall be governed exclusively by the provisions of those rules.

6. (a) No compensation will be paid for loss or damage to animals; motor cycles, boats, motors of all types and their appurtenances; jewellery, money (except as provided in subparagraph 6 (b)), money instruments, securities, tickets or documents; or all such other articles as 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)	\$2,500
(ii) Camera (still or movie) and all accessories	\$150
(iii) Radio, record player, tape recorder or typewriter	\$150
(iv) Watch or binoculars	\$75
(v) Cash	\$100

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

(c) Compensation in excess of \$500 shall not be paid in respect of any one article, including its appurtenances, with the exception of an automobile.

(d) No sum in excess of \$4,000 shall be paid by way of compensation to any one claimant in respect of any one incident, provided that the maximum allowable compensation shall be \$6,000 in any of the following cases:

- (i) If the spouse or dependent children of the staff member reside with him or her at the duty station; or
- (ii) If the staff member has exercised a removal entitlement to the duty station; or
- (iii) If the staff member has resided at the same duty station for more than five years.

(e) When the loss of or damage to personal effects occurs in an emergency situation resulting from war, civil commotion or natural disaster in field areas where the staff member was obliged to be for the discharge of his or her official duties, the maxima mentioned in subparagraph (d) above will be \$7,500 and \$12,500, respectively.

(f) The maximum limits for compensation established in subparagraphs (d) and (e) above shall apply in addition to compensation in respect of an automobile or its accessories.

Notification of loss and presentation of a claim for compensation

7. In the event of any loss of or damage to his or her 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, the staff member shall take all reasonable steps to recover the articles lost 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.

8. In order to be receivable, claims for compensation shall be made as soon as possible after the loss or damage and in all cases within two months of the discovery of the loss or damage and be submitted by the claimant through his or her 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 and the date of purchase or acquisition;
- (iv) The existence of insurance coverage, if any.

(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 shall

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

(b) Ascertain whether all relevant information and material have been furnished and, if necessary, call for such further information or material as the administrative officer 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 the administrative officer;

(d) State, giving reasons, whether in the administrative officer's opinion compensation is payable;

(e) Forward the claim, other relevant documents and his or her comments 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 Financial Services and the Office of Personnel Services. The representative of the Office of Financial Services shall be Chairman of the Board. The heads of the Office of Legal Affairs, the Office of Financial Services and the Office of Personnel Services, respectively, shall designate in writing a representative and an alternate to the Board. The Secretary to the Board shall be designated by the Assistant Secretary-General (Controller), Office of Financial Services.

11. (a) Where an article is lost, the amount of compensation shall be determined having regard to the following factors:

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

(ii) The original cost of the article, the amount by which it has depreciated in value at the time of loss; and

(iii) 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 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.

12. The Claims Board will determine its own rules of procedure.

13. The Claims Board will act in an advisory capacity to the Assistant Secretary-General (Controller), Office of Financial Services, and, in respect of the settlement of each claim, shall transmit its recommendation to the Assistant Secretary-General.

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 may forward its recommendation in the particular case to the Assistant Secretary-General (Controller), Office of Financial Services, 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 the right to retain out of any moneys so recovered a sum equal to the amount paid to the claimant plus any expenses incurred by the United Nations in its recovery.
