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Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Reformed procedures for determining reimbursement to Member States for contingent-owned equipment

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions considered the report of the Secretary-General on reformed procedures for determining reimbursement to Member States for contingent-owned equipment (A/65/800) as well as the report of the 2011 Working Group on Contingent-Owned Equipment (A/C.5/65/16). During the consideration of the report of the Secretary-General, the Committee met with representatives of the Secretary-General, who provided additional information and clarification. The documents reviewed and those used for background by the Committee in its consideration of the report of the Secretary-General are listed at the end of the present report.

2. Pursuant to General Assembly resolution 54/19 B, the Secretary-General convened the 2011 Working Group on Contingent-Owned Equipment to carry out a comprehensive review of the contingent-owned equipment system and reimbursement rates, in accordance with the formats established by the Phase V Working Group. The 2011 Working Group, comprised of 354 technical, financial and medical experts from 95 Member States, met in New York from 17 to 28 January 2011 to carry out a comprehensive review of reimbursement rates for major equipment, self-sustainment and medical support services, and to review the contingent-owned equipment system. The report of the Working Group (A/C.5/65/16) summarizes its discussions and contains its recommendations. **The Advisory Committee recommends approval of the recommendations of the Working Group contained in the report of the Secretary-General.**

3. The Advisory Committee makes the following observations and comments on aspects of the recommendations of the Working Group contained in the report of the Secretary-General.



4. According to the Secretary-General, should the General Assembly approve the recommendations of the 2011 Working Group, with effect from 1 July 2011, additional resource requirements estimated in the total amount of \$16.3 million would be reported in the context of financial performance reports for individual peacekeeping operations for the 2011/12 period. The additional resources comprise an increase of 1.7 per cent in requirements for major equipment (\$8,554,884); an increase of 1.8 per cent for self-sustainment (\$7,061,878); the revision of special case reimbursement rates (\$206,129); the addition of portable X-ray machines (\$187,920) and ultrasound machines (\$125,280) in all level II hospitals; and the addition of orthopaedic modules and gynaecology modules in 50 per cent of level II hospitals (\$142,656). Representatives of the Secretary-General informed the Advisory Committee that the additional requirements would be met, to the extent possible, through reprioritization of approved resources under the individual peacekeeping missions.

5. The Advisory Committee was informed that the three capability modules for level II hospitals, comprising orthopaedic, gynaecology and additional internal medicine modules, were developed in the context of the modular medical support concept endorsed by the General Assembly in its resolution 62/252 and that they would: enhance the delivery of medical services in level II hospitals in response to natural disasters, public health events and mass casualties; allow missions to stabilize and manage patients in a timelier manner; and reduce the number of evacuations to higher-level medical facilities, thereby mitigating costs. The Committee was also informed that the modules will be developed and deployed to peacekeeping operations on the basis of need and following a technical assessment by the Secretariat and the negotiation of memorandums of understanding. According to the Secretary-General, the additional estimated cost of contingent-owned equipment of \$120,000 for the orthopaedic modules deployed to 50 per cent of the 16 level II hospitals currently in the field in the 2011/12 period was calculated on the basis of a monthly wet-lease rate of \$1,250.30 (see A/C.5/65/16, annex 5.2); the estimated cost of contingent-owned equipment of \$22,656 for gynaecology modules deployed to 50 per cent of the 16 level II hospitals currently in the field in the 2011/12 period was calculated on the basis of a monthly wet-lease rate of \$235.99 (see A/C.5/65/16, annex 5.2); and the internal medicine module did not imply additional equipment costs, as it would rely on existing level II contingent-owned equipment. **The Committee expects that the various medical capability modules will be deployed promptly following negotiations with troop- and police-contributing countries.**

6. The representatives of the Secretary-General informed the Advisory Committee that the permanent mission web module (A/65/800, paras. 21 and 22) would allow the Permanent Missions to the United Nations at Headquarters, within a secure and controlled environment, to: retrieve accurate and timely information regarding their contributions to peacekeeping operations; access and manage information with regard to signed memorandums of understanding; and monitor the status of claims. The web module will also facilitate dynamic and interactive views of data contained in the government claims management system, an internal Secretariat database maintained by the Field Budget and Finance Division in the Department of Field Support. The Committee was further informed that the Secretariat would accord a high priority to the security of national data to prevent the disclosure of information to unauthorized individuals or systems. The web module will provide secure access

for each Permanent Mission to its information on the internal database by means of authorized user names and passwords. **The Committee trusts that the confidentiality of information regarding troop- and police-contributing countries contained in the web module will be strictly maintained.**

7. The actions to be taken by the General Assembly in connection with the report of the 2011 Working Group on Contingent-Owned Equipment (A/C.5/65/16) are contained in paragraph 51 of the report of the Secretary-General (A/65/800). **As stated above, the Advisory Committee recommends approval of the proposals of the 2011 Working Group on Contingent-Owned Equipment.**

- Report of the Secretary-General on reformed procedures for determining reimbursement to Member States for contingent-owned equipment (A/65/800)
- Report of the 2011 Working Group on Contingent-Owned Equipment (A/C.5/65/16)
- Report of the Advisory Committee on Administrative and Budgetary Questions on the reform of the procedures for determining reimbursement to Member States for contingent-owned equipment (A/62/851)
- Report of the 2008 Working Group on Contingent-Owned Equipment (A/C.5/62/26)
- General Assembly resolution 62/252