

Settlement of disputes or claims

38. Disputes or claims of a private law character shall be settled in accordance with the following provisions:

(a) The United Nations shall make provisions for the appropriate modes of settlement of disputes or claims arising out of contract or other disputes or claims of a private law character to which the United Nations is a party other than those covered in sub-paragraphs (b) and (c) following.

(b) Any claim made by

(i) a Cypriot citizen in respect of any damages alleged to result from an act or omission of a member of the Force relating to his official duties;

(ii) the Government against a member of the Force; or

(iii) the Force or the Government against one another, that is not covered by paragraphs 39 or 40 of these arrangements, shall be settled by a Claims Commission established for that purpose. One member of the Commission shall be appointed by the Secretary-General, one member by the Government and a chairman jointly by the Secretary-General and the Government. If the Secretary-General and the Government fail to agree on the appointment of a chairman, the President of the International Court of Justice shall be asked by either to make the appointment. An award made by the Claims Commission against the Force or a member thereof or against the Government shall be notified to the Commander or the Government, as the case may be, to make satisfaction thereof.¹

(c) Disputes concerning the terms of employment and conditions of service of locally recruited personnel shall be settled by administrative procedure to be established by the Commander.

39. All differences between the United Nations and the Government arising out of the interpretation or application of these arrangements which involve a question of principle concerning the Convention on the Privileges and Immunities of the United Nations shall be dealt with in accordance with the procedure of Section 30 of the Convention.

40. All other disputes between the United Nations and the Government concerning the interpretation or application of these arrangements which are not settled by negotiation or other agreed mode of settlement shall be referred for final settlement to a tribunal of three arbitrators, one to be named by the Secretary-General of the United Nations, one by the Government and an umpire

¹ In this respect attention must be drawn to operative paragraph 6 of the Security Council resolution of 4 March 1964 (S/5575) whereby the Council, *inter alia*, recommends that all costs pertaining to the Force be:

"met, in a manner to be agreed upon by them, by the Governments providing contingents and by the Government of Cyprus. The Secretary-General may also accept voluntary contributions for this purpose".

It is understood that the obligations of the Commander to make satisfaction as provided for in paragraph 38 (b) of the present arrangements are necessarily limited under the aforementioned paragraph of the Security Council resolution to the extent (a) that funds are available to him for this purpose and/or (b) alternative arrangements are arrived at with the Participating Governments and the Government of Cyprus.