



unitar

United Nations Institute for Training and Research

Board of Trustees Fifty-second session

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CONCLUSIONS AND RECOMMENDATIONS OF THE FIFTY-SECOND SESSION OF THE BOARD OF TRUSTEES

1. The Board of Trustees of the United Nations Institute for Training and Research (UNITAR) convened in New York from 5 to 6 November 2012 for its fifty-second session.
2. The following members of the Board were present or represented at the session:

Mr. Simon Compaoré (Local authority)

Ms. Geraldine Fraser-Moleketi.....(UN)
Also represented by Mr. Jonathan Zigrand (Designated alternate)

Mr. Henri Lopes (Chair)..... (Congo-Brazzaville)

Mr. Nicolas Michel (Vice Chair).....(Academia)

Ms. U. Joy Ogwu.....(Nigeria)

Mr. Alfonso Quiñónez(Guatemala)

Ms. Anne Kristin Sydnes..... (Norway)

Mr. Alfredo Valladão.....(Academia)

Ex Officio:

Mr. Ban Ki-moon, Secretary-General, United Nations (item 5)

Ms. Sally Fegan-Wyles, Executive Director, *ad interim*, UNITAR

Secretary:

Mr. Brook Boyer, UNITAR

The following observers were present at the session:

United Nations

Mr. Won-soo Kim, Special Advisor of the Secretary-General for Change Implementation, United Nations (item 5)

Ms. Susana Malcorra, Chef de Cabinet, United Nations (item 5)

United Nations Institute for Training and Research

Mr. K. Offei Dei, Chief, Administration and Finance Section

Ms. Yvonne Lodico, Head, New York Office

Mr. Ahmad Kamal, Senior Fellow (item 5)

3. The Chairman welcomed members and the new Executive Director, *a.i.*, Ms. Sally Fegan-Wyles, to the fifty-second session of the Board of Trustees. He mentioned the extraordinary nature of the session with the change in UNITAR leadership, the planned consolidation of the United Nations research and training institutes, and the scheduled presence of the Secretary-General. Before giving the floor to the Executive Director, the Chairman announced that the Board had constituted quorum with seven members present.
4. The Executive Director thanked the Chairman for his welcome and noted how honored she was to take up this important assignment under the guidance of such distinguished and committed trustees. She underscored the interim nature of her appointment and its relation to the consolidation exercise. She also noted the special venue of the session and thanked trustees for their understanding with regard to the difficulty in confirming the rescheduled dates. The Executive Director recognized her predecessor, Mr. Carlos Lopes, who led the Institute through a transformation process and noted that he had contributed greatly to enhancing the Institute's image, visibility and growth. The Executive Director also noted that 2012 has marked the beginning of a new biennium, which builds on a very successful 2010-2011 biennium with increased beneficiary outreach and increased visibility through outreach events including, most recently, some 20 side events organized or co-organized by UNITAR at the Rio+20 Conference. The Institute has developed a number of important new partnerships which would be discussed in more detail under item 8. In concluding, the Executive Director brought to the attention of the Board several administrative circulars which Management has issued since the last session. These include the new Monitoring and Evaluation Policy Framework, the advanced purchase policy for air travel, and guidelines applying to preliminary fact-finding investigations of the Integrity and Ethics Oversight Committee. **The Board took note.**
5. Under item 2, "Adoption of the agenda", the Chairman reviewed the proposed provisional agenda as submitted. Before inviting members to comment he suggested that the Board may wish to move items 6 (Follow-up from the Fifty-first session) and 7 (Finance and administration) up on the agenda since the Secretary-General was only scheduled to address the Board on item 5 (Consolidation of the United Nations research and training institutes) in the afternoon. Several members felt that given the importance of the item, it would be useful to have some discussion on the matter prior to the Secretary-General's appearance and remarks. One member recognized the linkages on some of the items (e.g. 5, 6 and 7) and suggested that while addressing the items in turn, it would be useful to discuss matters while taking the linkages into consideration.
6. The Executive Director indicated that she could give a brief overview on item 5 prior to the afternoon meeting of the Board. Following some discussion, the Chairman proposed

that the Board begins with item 6 and then turns to an overview on item 5 before suspending its business at 13:00. The Chairman also suggested that the Board takes note of linkages between/among relevant items during discussions. **The Board agreed and adopted the agenda as discussed.**

7. Under item 3, "Organization of work", the Chairman proposed for the Board to conduct its business from 10:00 to 13:00 and from 15:00 to 18:00 on Monday, 5 November 2012. For Tuesday, 6 November, he suggested that the Board reconvenes at 10:00 with a view to moving forward with discussions on the conclusions and recommendations in order to adjourn by 13:00. **The Board adopted the organization of work as announced by the Chairman.**
8. Under item 4, "Appointment of members to second terms and tribute to outgoing members of the Board and the outgoing Executive Director," the Chairman announced second term appointments for three members and expressed his appreciation to H.E. Mr. Chen Jian, H.E. Mr. Jean-Baptiste Mattéi and H.E. Mr. Valery Loshchinin for having served on the Board and making important contributions to the work of the Institute. The Board also recognized the important contributions of the outgoing Executive Director, Mr. Carlos Lopes.
9. Members also welcomed the new Executive Director and acknowledged the role she has played in other assignments. In relation to outgoing members, one trustee inquired if there would be new appointments so long as there was uncertainty on the status of the Board in connection with the planned consolidation. One member requested clarification on the mandate of the new Executive Director. With respect to some items on the agenda (e.g. relations with the United Nations Office at Geneva (UNOG)), two members inquired if it would be possible to be in contact with the outgoing Executive Director on specific matters such as those related to items on finance.
10. The Executive Director briefed the Board on her appointment process, the duration of her assignment, the relationship between her UNITAR appointment and the planned consolidation, as well as the anticipated timeframe of the consolidation process. The Executive Director confirmed that while she would be working with the Special Advisor for Change Implementation on the consolidation process, she reassured members that she would be fully responsible as the Executive Director of UNITAR. She also indicated that if there were specific questions requiring information from the former leadership, the Board could contact the outgoing Executive Director. **The Board took note.**
11. Under item 5, "Consolidation of the United Nations research and training institutes", the Executive Director briefed the Board on the need to strengthen the research, training and knowledge sharing services of the United Nations and the current plan to bring together seven entities into one (UNITAR, the United Nations System Staff College (UNSSC), the United Nations Institute for Disarmament Research (UNIDIR), the United Nations Research Institute for Social Development (UNRISD), the United Nations Interregional Crime and Justice Research Institute (UNICRI), the Dag Hammarskjöld Library and the UNOG Library). She mentioned that the Secretary-General wanted to consult with the Board of Trustees, Member States and with the concerned organizations prior to making a concrete proposal, and that the Special Advisor to the Secretary-General for Change Implementation had asked the Executive Director to work closely with the staff of the seven entities to prepare a first draft proposal document for review by mid-November prior to its circulation to Member States towards the end of the year. The proposal would be discussed subsequently by the General Assembly in February or March of 2013. The Executive Director stressed that the decision to consolidate would be an intergovernmental one which would be based on the guidance of Boards and consultations with Member States, hosting countries and other interested parties. If

approved, the idea would then be elaborated into a detailed plan and a budget prepared and submitted to the Advisory Committee for Administrative and Budgetary Questions (ACABQ) and the Fifth Committee. The Executive Director concluded by indicating that the anticipated start-up date of this new entity would be 1 January 2014.

12. Although the new entity would have functions similar to UNITAR, the Executive Director emphasized that the scope and magnitude of its work would be much greater. She indicated that the entity would include three pillars, including research, knowledge services and learning, with each pillar functioning as a centre of excellence. The research pillar would consist of UNRISD and UNIDIR, in addition to the research elements of UNICRI and UNITAR. The research pillar would likely be closely affiliated with the UN Library at Geneva and would also reach out to universities around the world, as well as those in Geneva. The knowledge services pillar would include an easily searchable UN electronic data repository with public access to publications, studies, etc. generated by the UN and a database of UN good practices. Finally, the third pillar, learning, would target five different client groups, including delegates of Member States at New York and Geneva, government officials at the country level, UN staff, training institutions at the country level, and a more globalized public through e-Learning.
13. The Executive Director recognized that the physical location of the pillars would be somewhat controversial. She indicated that research would clearly be in Geneva and the UN electronic data repository would be based in NY. Some other elements of knowledge services would also be in Geneva with the UNOG Library. Most likely learning support would be led from Turin, with training being based in different venues with 'form following function'. An important core diplomatic training service would continue to be offered in Geneva and New York, but that much of the entity's face-to-face training would likely be located in Turin given the need to consolidate learning assets between UNITAR and UNSSC, as well as the relatively low cost for staff and residential training in Turin.
14. Trustees congratulated the Executive Director for the useful and clear presentation and generally expressed interest with the idea. Several members noted the ambitious nature of the idea, with one member noting the relationship to the second term and priorities of the Secretary-General, and two members expressing regrets that more information on the plan was not circulated to members in advance of the session particularly given the role that the Board plays on strategic issues.
15. Trustees put forth a number of questions and observations. One member inquired how the Institute's Operational Satellite Applications Programme (UNOSAT) would fit into the new structure. The Executive Director replied that UNOSAT had activities that could be included in the three pillars, as the programme was conducting applied research into ways to use global imaging for development as well as sharing knowledge with key partners, and doing much training of national staff on how to use such data. However, the project would stay in Geneva because it is fully dependent on the free computing power it receives from the European Organization for Nuclear Research (CERN) and it would not make sense to break up the project activities. One member emphasized the importance of independence for the research function and noted that it would be important to establish independent advisory bodies and avoid overly bureaucratic processes. The Executive Director underscored that it would be indispensable for the research pillar to maintain a high level of independence and made reference to how the UNDP Human Development Report is overseen by an independent advisory body. In response to a question by the Chairman, the Executive Director confirmed that the new entity would be a single organization as opposed to another form of organization. One member asked if there was a strategy for marketing the plan particularly among Member States. Another member, while applauding the Executive Director for being transparent, cautioned on the

need to look at the broad implications of costs, including those for relocation, the possibility of donors reorienting current funding in relation to where activities and programming take place and the risks related to staff leaving.

16. At the session's afternoon meeting on Monday, 5 November, the Secretary-General addressed the Board on the planned consolidation. Following the presentation, trustees thanked the Secretary-General for spending so much time with them, expressed general support for the idea and made a number of observations. One member expressed satisfaction that the idea was not only about avoiding duplication and preserving what currently exists, but also about enhancing and building on existing capacities. Another member expressed that the idea would reinforce the One UN concept, and another trustee emphasized the important role that UNITAR played in strengthening capacities of local elected officials and expressed hope that this would continue to be a focus of the new entity. Another member recalled the importance of rationalizing resources and the relation to increasing efficiencies in donor funding. One trustee recognized that this process would necessarily require negotiation and institutional realignment, and that it would be important to learn from the consolidation process giving rise to UN Women. The member also emphasized the importance of the broader concept of learning as opposed to the narrower concept of training. One trustee cautioned on the need to avoid bureaucracy and questioned why the United Nations University was not included. Another trustee emphasized the need to examine cost implications in the broad sense. Finally the Chairman underlined the importance of recognizing what the Institute has accomplished over the years, including the recent growth and development along a number of fronts. He qualified UNITAR as a "success story" in the UN family. He added that the challenge was clearly one of reshaping and creating a new entity, and expressed the Board's support as the process evolves.
17. The Secretary-General expressed encouragement by the trustees' comments. He underlined that discussions have been evolving for some 15 years on the research and training institutes, and that the current plan is part of the Change Management proposals. He made reference to recent experiences on reform and indicated that initial reservations can turn into acceptance and cited peacekeeping and the significant changes made by consolidating the small United Nations entities to form UN Women.
18. Following the departure of the Secretary-General, the Special Advisor of the Secretary-General for Change Implementation, Mr. Won-soo Kim, continued the question and answer session with the Board. The Special Advisor emphasized the importance of synergy by creating an inclusive learning, research and knowledge service entity with three pillars, which would be guided by a central governing body in addition to a number of subsidiary advisory bodies. The Executive Director indicated the need for an advisory board where independence is critical, such as in the research areas. One member expressed the need for an extensive mapping exercise on what the existing entities are doing and that it would be important to recognize the work that the institutes are already doing. The Chairman concluded discussion on the item by underscoring the evolving nature of the process and anticipated another exchange of views at the next session of the Board and/or through correspondence. **The Board took note.**
19. Under item 6, "Follow-up from the fifty-first session", the Chairman drew the Board's attention to the five sub-items. Under sub-item 6a, "Delegation of authority for limited financial functions", the Chairman recalled the decision to request him to write a letter to the Secretary-General with a view to obtaining delegation of authority for financial functions and, if necessary, an amendment to paragraphs 11 and 13 of Article VIII of the UNITAR Statute. He also recalled the outgoing Executive Director's up-date on the item and the agreement that was reached with the Controller in the first quarter of 2012.

20. The Executive Director underscored several aspects related to this sub-item, the first being the 2005 Memorandum of Understanding (MOU) between the United Nations Office at Geneva (UNOG) and UNITAR on the provision of services (without any mention of payment modalities for those services). She indicated that the costs of providing services to UNITAR have increased greatly for UNOG over the years as UNITAR has grown, and that the Institute did not pay for services received, in contrast to other organizations such as UNIDIR, UNRISD, UNICRI or UNSSC. The second aspect relates to the requested delegation of authority for limited financial functions, which the Institute has been aiming to obtain for several years and which UNOG requested the Controller to grant in a 2011 memorandum. In response to that memorandum, the Controller denied the request and instructed UNOG to bill the Institute for services rendered in 2010-2011 which the Institute refused to pay. In February 2012, the outgoing Executive Director met with the new Controller and reached an agreement for no retroactive payment for 2010-2011, but that payment would commence as of 1 January 2012 and a transitional agreement would be put in place for the first six months of 2012 with work undertaken on a longer term arrangement between UNOG and UNITAR. As a follow-up to the Controller's letter of 16 April 2012, UNOG prepared a draft MOU based on arrangements with other UN agencies for which UNOG provides services on a fee basis. The Executive Director informed the Board that the outgoing Executive Director did not sign the MOU since he felt that it would have been more appropriate for his successor to discuss the details of the agreement. The Executive Director confirmed that the outgoing Executive Director felt that the Institute would need to begin paying for such services and that it would be important to implement delegated authority as soon as possible in order to keep administrative costs down.
21. The Executive Director informed the Board that she had met with the UNOG Director of Administration to discuss the matter with a view to obtaining delegation of authority for certain services, such as allotments. She further indicated that UNITAR would be meeting with the Director of Administration and the Controller as an immediate follow-up to the fifty-second session to discuss modalities in order for certain delegated functions (e.g. allotments) to be effective as of 1 January 2013. At the same time, the Executive Director confirmed that UNITAR
- a) should now sign the new MOU with UNOG, subject to the current BOT discussion;
 - b) had to begin to reimburse costs for 2012 services on the basis of the estimated \$486,000 for the first six months;
 - c) would pay \$180,000 immediately using funds from past projects which are now closed; and
 - d) would aim to reach a payment target of \$300,000 by the end of 2012 with the balance for 2012 being paid in installments over a three-year period.

Moreover, she indicated that the Institute was changing its business practices with a view to reducing costs by e.g. pooling low value contributions into one account. Finally, the Executive Director said that she had informed the Director of Administration prior to the session that she would bring the matter before the Board for approval.

22. In response to the question from one trustee, the Executive Director confirmed that the Institute would have the needed capabilities by January 2013 to implement delegation of authority for allotments. The Chief of the Administration and Finance Section (AFS) elaborated on the necessity to have segregated duties for approving and certifying functions for processing allotments and other related delegated functions.
23. Another trustee drew a connection between delegation of authority and discussions with UNOG over costs to perform financial and other functions, on the one hand, and the

overall financial situation of the Institute, on the other. The member requested clarity on the legal basis of the invoice in light of the 2005 MOU and the past practice of UNOG not requesting reimbursement from the Institute for the provision of such services. In referring to the letter from the Controller of 16 April 2012, the member observed the agreement for UNITAR to begin paying for services as of 1 January 2012 and requested clarity on what the agreement with the Controller actually was. The member also advised Management not to conclude an open-ended MOU and to limit it to one year, after which the agreement could be re-examined. The Executive Director mentioned that the bill could have been reduced considerably had action been taken earlier, and that action needs to be taken now to address this outstanding matter.

24. Another member stressed the need to move away from a very informal arrangement to something more formal and suggested that internal capacity or some kind of shared service may actually be less costly than what is billed by UNOG. Other inquiries were made on what the impact would be on the overall financial situation of UNITAR, the intricacies of using funds from remaining balances of past projects for which such costs were not intended, and if the Institute had specific budget lines for such services. The Executive Director replied the service costs for which UNITAR is asked to reimburse are those that are performed regularly for ongoing project implementation, and that projects with residual balances that had generated such service charges would be so charged. The Executive Director further mentioned that UNITAR would be looking at its business model and practices. She mentioned that the current recovery rate, which includes the 7 per cent PSC and additional percentages for knowledge services applied, amounts to some 23.5 per cent which, while may appear high, is actually a bit low when compared to other organizations.
25. **The Board took note of its discussions and the need for Management to sign the MOU with the understanding that this would represent a solution to the problem for 2012 and that a new agreement would be envisioned for 2013 with the highest possible level of delegated authority. The Board further took note that agreement would be made for payment in staggered installments and that such payments would not endanger the continuity of the Institute's operations.**
26. Under sub-item 6b, "Office space", the Executive Director recalled the update that the outgoing Executive Director provided to the Board in March 2012 on various offers the Institute had received. With the change in leadership and the planned consolidation, the Executive Director suggested that the matter be placed aside until the consolidation is further understood and considering the reduction in income that the Institute may experience in 2012. Finally, the Executive Director indicated that given current income projections, the Institute may actually want to reduce office space in Geneva and seek to relocate part of its offices into the building with less expensive rent.
27. One member recalled Article IX of the Institute's Statute which stipulates that the UNITAR headquarters shall be in Geneva, and that an eventual relocation of headquarters outside of Geneva would require an amendment to the Statute. The member further mentioned the need for Management to be in touch with the directly interested host countries, as it would be important for the Board to know what the real costs would be for relocation (e.g. how much the host country would contribute, what arrangements would be provided) and what impacts there might be for key donors. While sharing these concerns, another member emphasized that the Board was no longer discussing the issue of relocation to other venues.

28. The Chairman proposed to postpone any decision on relocation given developments related to the planned consolidation and the need to reduce office space. **The Board took note.**
29. In introducing sub-item 6c, “draft Communications Strategy”, the Chairman recalled the Board’s decision to request Management to prepare a study to strengthen the dissemination of information on UNITAR and its activities to Member States and the general public. The Executive Director indicated that implementing the strategy would depend on the consolidation process and that while some actions were either already being implemented or could be addressed with zero cost, other elements of the strategy would require significant investment. Taking this into consideration she suggested that the strategy be put aside until March 2013 when more information on the consolidation would be known. One member indicated some initiatives such as branding and the use of social media were already under implementation. Another member stressed the importance of engaging stakeholders and that it would be important to identify and reach out to new groups of stakeholders particularly when considering the research or learning functions of the planned consolidation. **The Board took note.**
30. Under sub-item 6d, “Rio+20”, the Executive Director suggested that the Board take note of the numerous events organized or co-organized by UNITAR in connection with the United Nations Conference on Sustainable Development. While congratulating the Institute on its achievements at Rio, one member suggested that given its role, UNITAR could participate in discussions on assessing or reassessing how to best address development issues in the multilateral context. Another member mentioned that the Institute would need to monitor the link from Rio to the post 2015 initiatives closely and to see how UNITAR could contribute. **The Board took note.**
31. Under sub-item 6e, “United Nations Summer Academy”, the Executive Director suggested that the Board note that the initiative was well appreciated and that UNITAR would consider repeating the initiative if there was continued interest. **The Board took note.**
32. Under item 7 of the agenda, “Finance and administration”, the Chairman reviewed the four sub-items. Under sub-item 7a, “Audited financial statements for the biennium 2010-2011”, the Executive Director invited the AFS Chief to introduce the item, who then referred the Board to the financial statements for the biennium ended 31 December 2011 and reported that total income for the biennium ending 31 December 2011 increased by approximately \$7.9 million or 23 per cent to \$42.1 million compared to \$34.2 million for the previous biennium. He also reported that expenditures increased by a corresponding amount, from \$35.0 million in the biennium ending 31 December 2009 to \$42.6 million or 22 per cent in the biennium ending 31 December 2011. In referring to statement two of the financial statements, the AFS Chief mentioned that liquidity of the Institute at the biennium ended 31 December 2011 in comparison to the previous biennium has remained the same. Cash on hand including the United Nations Offices away from Headquarters cash pool was \$13.5 million in the previous biennium compared to \$14.5 million. Total assets were \$16.7 million at 31 December 2011 compared to \$15.4 million at 31 December 2009. For the same period, total liabilities increased by \$3.0 million due to increased expenditure in implementation.
33. The Executive Director referred the Board to the heading reserves and fund balances in statement number two of the financial statements and emphasized that the total of the section is reserves plus fund balances which is \$791,000 for the General Fund and some \$10.5 million which are carried over for projects in the Special Purpose Grants Fund. While indicating that the amount appeared considerable and consistent with previously reported amounts, the Executive Director emphasized that the only part which is non-

earmarked is the \$791,000 and that it is important not to conclude that the Institute has \$11 million that are available for any purpose. Most of the total amount is carry-forward project balances which can only be used for the projects for which the funds were given. The Executive Director remarked that this would have important implications with the transition to the International Public Service Accounting Standards (IPSAS) since the Institute does not have a non-earmarked reserve (with the exception of the \$791,000).

34. In relation to a misunderstanding on the presentation on the reserves and fund balances, one member requested clarification on the Institute's financial situation. The Executive Director replied that the Institute had grown very quickly over the past several years with income and programme activities increasing remarkably. Despite this very positive growth, she indicated that UNITAR was exposed to a very high level of risk without non-earmarked funds in reserve especially as the rate of implementation for special purpose grants was 100 per cent. While this very high implementation rate is a cause for celebration, looking forward, she stressed the need to establish a larger margin of non-earmarked reserve and indicated that it would be important to exercise caution with estimates of projected income in the current financial environment. The Executive Director indicated that the introduction of IPSAS would bring challenges since funding for 12 months of salary would have to be secured upfront in order to issue staff contracts, unlike the current practice. One member cautioned about the challenges in retaining or attracting staff if contracts would be limited in duration. In making reference to the conclusions and recommendations from the Board's fifty-first session, members inquired what possibilities there might be for building up reserves or establishing an endowment fund given the alarmingly decreasing contributions to the General Fund, and suggested that the Board should be ready to assist if possible.
35. The Executive Director suggested that the Board examine at its fifty-third session the business model both in terms of the programme support cost formula and the small volume of core resources. The Executive Director requested the Board's support in reviewing the cost recovery formula and emphasized that the planned consolidation offers an opportunity to secure an endowment fund for a more predictable funding base.
36. In emphasizing that the reform process presents much opportunity, another trustee commented on the funding and financial situation and stressed that in parallel to recognizing such challenges, it would be important to underscore the positive developments UNITAR has achieved on delivering outputs over the past several years as this is what attracts donor interest. Referring to the audited financial statements and the decrease in percentage of programme support costs (PSC) from 13 per cent to 7 per cent, a trustee requested clarification on the technical process by which an additional 25 per cent is taken to meet institutional and administrative costs and why this is not indicated in the financial statements. The AFS Chief replied that the additional 25 per cent which stays in the SPG Fund is intended to fund elements of programme delivery which are related to direct delivery costs (as opposed to the 7 per cent non-earmarked overhead) and noted that this percentage is incorporated into the programme budget as part of the new budget presentation following the Board's decision at the forty-fifth session to reduce PSC from 13 per cent to 7 per cent. He further noted that the 25 per cent is only applied to salary and operating expenses and not to direct activities such as grants, staff travel, consultants, etc.
37. The Executive Director made reference to other UN organizations in which programme support is applied to projects for unrelated costs (such as building security) and that additional administrative fees are applied for items such as coordination, strategic direction, high level advocacy, etc. Indicating that the total percentage of such costs for other agencies is around 25 per cent, the Executive Director mentioned that the

Institute's cost recovery percentage may actually be too low, particularly in light of the transition to IPSAS.

38. **The Board took note of its discussions under this sub-item, including reference to the conclusion and recommendation of its fifty-first session on the declining non-earmarked voluntary contributions, concluded that the current cost recovery formula is not sufficient, and that the formula should be discussed at its fifty-third session.**
39. Under sub-item 7b, "Report of the external audit for the biennium ending 31 December 2011", the AFS Chief summarized the external audit exercise and the three recommendations on disclosing information on programme support income; articulating the application, scope and definition of PSC and administrative cost; and intensifying plans to implement IPSAS. The AFS Chief confirmed that first two recommendations could be readily implemented together with UNOG, while the third recommendation would be challenging given the resources required for IPSAS implementation. He concluded by indicating that Management would report to the Board at its fifty-third session on the implementation of the recommendations. The Executive Director suggested that the fifty-third session of the Board examine how the Institute calculates its programme support, how the Institute presents the information on programme support and to propose a new methodology. The Executive Director confirmed that the IPSAS related recommendation would present a number of challenges as IPSAS would require UNITAR to front load contributions and have a dialogue with donors in this respect.
40. In expressing appreciation to the Executive Director for acting on the recommendations, one member mentioned concern that some stakeholders may have on the programme support percentage applied. In reference to the report of the external audit, one trustee sought clarification from a representative of the Board of Auditors if there could be another interpretation on their recommendations. The member mentioned that the Auditors confirmed that their recommendations do not go beyond what is contained in the report and that it is essential that Management clarifies the application, scope and definition of PSC.
41. On IPSAS, two trustees indicated that there could be a dialogue in terms of learning from other organizations, including UNDP and the Organization of American States, and offered to be of assistance in this regard. **The Board took note.**
42. Under sub-item 7c, "Programme Performance Report for the biennium 2010-2011", the Executive Director invited the Manager of the Institute's Monitoring and Evaluation Section to elaborate. The Manager indicated that programme performance reporting is a key element of the Institute's accountability framework and is conducted as a self-assessment exercise to assess actual results against targets as recorded in the revised 2010-2011 programme budget. Following the presentation, several trustees commended the Institute on the high quality, usefulness and readability of the report. One trustee requested information on the use of baseline indicators in relation to training and learning. Another member asked how the Institute tracks results of outcomes related to its learning-related programming. As the programme performance exercise is based on self-assessment, the Executive Director added that the Monitoring and Evaluation Section would be conducting spot checks on self-assessments in the future. The Manager mentioned that the Institute has revised the definition of many outcomes and outputs, as well as identified more appropriate and measurable indicators and performance measures, including those for learning outcomes, and that these improvements were included in the 2012-2013 programme budget. The Manager also drew the Board's attention to the Institute's key performance indicators, including the

composite indicator used to track overall usefulness of learning-related events. **The Board took note.**

43. Under sub-item 7d, “Finance Committee elections”, the Chairman announced that consultations prior to and during the session produced nominations of the following three members: Ms. Geraldine Fraser-Moleketi, Mr. Nicolas Michel and Mr. Alfonso Quiñónez. One nominee accepted with the understanding that he could be accompanied by a specialist on finance-related matters. **The Board agreed, and the nominated members were elected by acclamation.**
44. Under item 8, “Update on key partnerships and lessons-to-be-learned” the Executive Director reviewed several partnership developments since the fifty-first session, including the CIFAL Maghreb in Algiers and youth entrepreneurship training and the possibility of replicating such programming in Tunis. The Executive Director regretted the closure of the Brasilia Office earlier this year and indicated that this was triggered largely by a reorientation of Brazil’s development priorities and challenges with the Institute’s partners in interpreting the executing modalities of the multipartite agreement. The Executive Director mentioned that the state of non-earmarked contributions to the General Fund remains of great concern, as was expressed by the Board at its fifty-first session, and that UNITAR is working with Member States to support the development of an endowment fund and that this is work in progress and needs to be examined in light of the planned consolidation.
45. One member underscored the importance of ensuring support at the highest possible level in any collaboration with Brazilian authorities. The trustee noted that the Institute has managed to leverage opportunities in Brazil with other specific entities and that such cooperation could be pursued. The member also inquired on the outlook in Algeria. The Executive Director said that at the moment things are going well, citing the example of youth entrepreneurship and the facilitating role that UNITAR would be playing with a number of national institutions with a view to promoting a common national strategy.
46. Another trustee underscored the importance of the Institute developing new partnerships and emphasized that in parallel to promoting partnerships with national government level entities, as highlighted in the item’s annotation, she would like to see partnerships with civil society strengthened. **The Board took note.**
47. Under item 9, “2012 review on the implementation of the 2010-2011 Strategic Plan, key performance indicators and proposed interim strategic framework”, the Executive Director informed the Board that the referenced document, Leveraging Strength with Determination, resulted from a stocktaking exercise this past summer in which Managers reviewed results achieved and actions to be taken under the four priority areas of the 2010-2012 Strategic Plan. On this occasion, Management also reviewed the status of the Institute’s key performance indicators. The outcome of this exercise was presented during a Management Retreat at the end of August at which the Chairman and Vice Chairman were able to participate in the final session.
48. The Executive Director proposed that in the months ahead, rather than articulating a new plan during the change implementation process and planned consolidation, it would be preferable to focus on implementation of the existing objectives and to ensure that there is the needed financial support, as well as to closely monitor the consolidation exercise to see what opportunities exist for UNITAR.
49. One trustee observed the wisdom in deciding not to change strategic direction at this stage and inquired about the representational offices with particular reference to Africa (Nigeria and South Africa). She mentioned that given the emphasis on broadening the

Institute's stakeholder base to include important elements such as civil society, representational offices could provide such a platform, especially given Nigeria's important role as a donor and beneficiary of the Institute.

50. Another trustee supported the strategic approach and noted its challenging nature given the current dynamic environment and the uncertainty surrounding what institutional framework there would be in one to two years. The trustee mentioned that this uncertainty underscores the argument to work to further strengthen the Institute's position during the reform process. **The Board took note.**
51. Under item 10, "Any other business", the Chairman made reference to the fiftieth anniversary that the Institute will mark in 2013. Following some discussion on possible ways to mark this milestone in light of the planned consolidation, **the Board agreed to re-examine this matter as a separate item at its fifty-third session with a proposal from the Executive Director taking into account developments on the consolidation process.**
52. One trustee inquired about the research agenda under the new entity. The Executive Director replied that in the initial phase there would be research programmes in the current areas of disarmament, social development and criminal justice, as well as a small amount of research into the use of nanotechnologies in developing countries and the use of knowledge systems and new technologies in learning. She indicated that there would be limited room to change the research agenda in the first two years.
53. Under item 11 of the agenda, "Adoption of the report and setting of dates for the fifty-third session of the Board", the Chairman announced that the Secretary would prepare and circulate the draft report after which members would have until 13 November 2012 to react. A revised draft incorporating edits would then be circulated to trustees for validation. **The Board agreed.**
54. **The Board agreed to convene its fifty-third session in Geneva from 18 to 19 April 2013. The Board also agreed to convene an informal consultation on the consolidation through video and/or teleconference after the report of the Secretary-General is issued in January 2013.**
55. The session was adjourned.