



Board of Trustees
Fortieth session
Geneva, 30 April - 2 May 2002

**CONCLUSIONS AND RECOMMENDATIONS OF
THE FORTIETH SESSION OF THE BOARD OF TRUSTEES**

1. The Board of Trustees of the United Nations Institute for Training and Research (UNITAR) held its fortieth session in Geneva from 30 April to 2 May 2002.
2. The following Board members attended the session or were represented:
 - Ms. Agnes Y. AGGREY-ORLEANS..... (Ghana)
 - Mr. Munir AKRAM (Pakistan)
Alternate: Mr. Farrukh Iqbal Khan
 - Mr. Gustavo ALBIN..... (Mexico)
Alternate: Ms. Socorro Roviroso
 - Ms. Rasha AL-SABAH (Kuwait)
 - Ms. Celina Maria ASSUMPÇÃO DO VALLE PEREIRA (Brazil)
Alternate: Mr. Olyntho Vieira
 - Mr. Bernard FAUTRIER (Monaco)
Alternate: Mr. Jean-Philippe BERTANI
 - Ms. Naéla GABR MOHAMED GABR ALI (Egypt)
Represented by: Mr. Mohamed TAWFIK

- Mr. Omar HILALE..... (Morocco)
Alternate: Mr. Khalid SEBTI
- Mr. Yuji IKEDA..... (Japan)
Alternate: Ms. Hiroko SHIMADA
- Mr. Mukesh KAPILA.....(United Kingdom)
- Mr. Bernard KESSEDJIAN (Vice-Chairman)(France)
Alternate: Mr. Thierry BERTHELOT
- Mr. Milos KUZVART (Czech Republic)
Alternate: Ms. Iveta Konakovska
- Mr. Chief Arthur C.I. MBANEFO (Chairman)(Nigeria)
Alternate: Mr. T. A. Suleiman
- Mr. George NENE..... (South Africa)
Represented by: Ms. Laura Joyce
- Mr. François NORDMANN (Switzerland)
Alternate: Ms. Gabriela Nützi
- Mr. Nico SCHRIJVER(Netherlands)
- Mr. SHA Zukang (China)
Alternate: Ms. LIANG Bizhen
- Mr. Leonid A. SKOTNIKOV(Russian Federation)
Alternate: Mr. Konstantin Shakhmuradov
- Mr. Ernst SUCHARIPA(Austria)

Ex Officio:

- Mr. Marcel A. BOISARD, Executive Director, UNITAR
- Mr. Sergei ORDZHONIKIDZE , representing the Secretary-General

Secretary of the Board

- Ms. Nassrine AZIMI

3. Under **Agenda Item 1 (Adoption of the Agenda)**, **Item 2 (Introduction of New Trustees)** and **Item 3 (Arrangement of the Work of the Session)** the Chairman, Chief Arthur Mbanefo, welcomed eight new Trustees to the Board, namely, Mr. Gustavo Albin of Mexico, Ms. Naéla Gabr Mohamed Gabr Ali of Egypt, Mr. Omar Hilale of Morocco, Mr. Mukish Kapila of the United Kingdom, Mr. George Nene of South Africa, Mr. François Nordmann of Switzerland, Mr. Sha Zukang of China and Mr. Leonid Skotnikov of the Russian Federation. The Board also elected Ambassador Kessedjian of France as its Vice-Chairman. It adopted its agenda and working arrangements for the session.
4. **Agenda Item 4, Oral Presentations of Selected Programmes.** Following a practice established over the last few years, selected UNITAR staff presented five ongoing programmes to the Board, namely those pertaining to Peacemaking and Preventive Diplomacy, Decentralized Cooperation, Debt and Financial Management, Training in International Affairs Management and the Preparatory Phase of the UNITAR Hiroshima Programmes. These were summarized as follows:

- Peacemaking and Preventive Diplomacy

The presentation of the Programme in Peacemaking and Preventive Diplomacy focused on the "Briefing and Debriefing of Special and Personal Representatives and Envoys of the Secretary-General." The Board was informed that the purpose of this initiative was to preserve and pass on the valuable lessons and experiences of Special Representatives of the Secretary-General and to ensure that these were used to refine and enhance on-going and future United Nations peace operations. The in-depth debriefing of Special Representatives would be used as the basis for a Handbook for Special Representatives. In addition, a set of DVD/videotapes would accompany the Handbook and would be given to new Special Representatives when they were briefed at Headquarters. A sample videotape of Special Representatives discussing issues of importance to United Nations missions was shown to the Board. UNITAR would also be holding an annual seminar to bring together Special Representatives and senior Secretariat staff -- the first of these was successfully carried out in 2001 with the attendance of 22 of the 26 Special Representatives, and the most senior staff of the United Nations Secretariat, including the Secretary-General himself. A second seminar was being planned for October 2002.

Trustees expressed much interest in the programme and among the points raised was a request to make the less sensitive aspects of this material more widely available for training and scholarly work in peacemaking and preventive diplomacy, including the possibility of having such material translated into other United Nations languages.

- Decentralized Cooperation

The CIFAL Programme (International Training Centre for Local Actors, some of the activities of which are located in Divonne-les-Bains, France), based on a public-private partnership, was structured as a response to the United Nations Millennium Declaration and its provisions related to the UNITAR project on "Decentralized Cooperation and Sustainable Development". Further to seminars and training activities developed throughout 2001 in Tunisia, Senegal and Kosovo in the fields

of implementation of local Agenda 21, promotion of social dialogue by using New Technologies for Information and Communications (NTIC) and decentralized cooperation in post conflict reconstruction, CIFAL has been mandated by the United Nations Department of Economic and Social Affairs (DESA) to prepare local authorities for the World Summit on Sustainable Development (WSSD). In that perspective, five regional forums (Africa, Latin America, Asia and the Pacific, the Southern Mediterranean Coast and Europe) on sustainable urbanization have been organized between December 2001 and July 2002. The Board was also informed of other plans for 2002 to present a comprehensive Training Programme, including developments for an on-line environmental e-network support for local authorities, based on the recommendations of the pre-Summit workshops at the WSSD in Johannesburg.

The Board took note with interest of the of the programme's developments.

- Debt and Financial Management

The presentation for the programme on the *Legal Aspects of Debt, Financial Management and Negotiation* focused on three aspects: (a) global overview of the programme; (b) enhancement of the debt programme website; and (c) development of on-line courses. The Board was informed of the recent expansion of the programme to 16 countries in French-speaking Africa, the launching of a new training phase for Viet Nam, as well as the status of developing six on-line training courses as part of a new initiative.

The main points raised by the Board members included cooperation with other institutions such as the World Bank, the International Monetary Fund and UNCTAD, as well as the expansion of this programme to other regions such as Asia-Pacific. Board members also showed great interest in the enhanced programme website and the development of on-line training courses using new information technologies.

- Training in International Affairs Management

The presentation of the international affairs management programme provided an overview of its three main components, namely (a) Training for the diplomatic communities in Geneva, Nairobi and Vienna; (b) Fellowship programmes; and (c) à la carte training. The main focus of the presentation was on the "à la carte" training activities, which have undergone considerable expansion over the last two years. Charts were presented listing the tailor-made activities carried out between 2000 and 2002, illustrating the increase in terms of training days as well as the enlarged budget. The publishing of the French language version of the "à la carte" booklet was also announced.

The Board took note with interest of the programme's developments.

- Preparatory Phase of the UNITAR Hiroshima Programmes

The presentation first reviewed the evolution of the "reformed" UNITAR over the last decade, the thinking that had led to the opening of the Institute's New York

Office, and the challenges and opportunities raised in the context of the Hiroshima Prefecture's invitation to host a UNITAR Centre. The current two-year pilot phase (2001-2003) was therefore to be viewed as a preparatory process, aiming to evaluate the feasibility of UNITAR's presence in the Asia-Pacific region. The challenging questions for both UNITAR and its Board of Trustees would be: what would a UNITAR Hiroshima Centre look like, what would its structure and scope be, and what would it imply for UNITAR's existing programmes? Most important, what would the Hiroshima Centre's training priorities, for the largest and most populated region of the globe, be? An overview of ongoing "test" activities of the pilot phase was presented.

The Trustees asked for clarification with regard to the costs of the Centre and were informed that, at least for the first three years, all fixed and operational costs would have to be met by the host. Other questions regarding UNITAR's mandate vis-à-vis other geographical regions and the decision-making process to establish future UNITAR centres were also raised.

5. The programme presentations were highly appreciated by the Trustees and elicited in-depth discussions. Some cross-cutting questions and comments raised could be summarized as follows:

- The importance of UNITAR's role as a neutral insider, to evaluate United Nations programmes and activities;
- The importance of providing training that keeps its focus on developing countries, and distinguishing therein the diversity of needs and means within developing countries themselves;
- The diversity of the Trustees' own backgrounds and expertise, and the importance of this diversity for developing UNITAR future plans;
- The need to partner with a broad range of institutions, including the private sector, to avoid duplication and ensure consistent follow-up;
- The need for UNITAR to develop partnerships and cooperation with international financial institutions for programmes on trade-related matters;
- The possibility of expanding the outreach of programmes through e-learning, as demonstrated by the success of the Debt and Financial Management Programme, and the need for other UNITAR programmes to follow suit;
- The rising number of requests for "à la carte" training, particularly in International Affairs Management Programmes, and the difficulty of trying to meet all the needs.

6. Under **Agenda Item 5, Programme Budget for 2002**, the Executive Director presented the Trustees with the Programme Budget as submitted to and approved by the Advisory Committee on Administrative and Budgetary Questions (ACABQ) in February 2002. UNITAR's increased stability had prompted ACABQ to recommend that accounts be presented in the future on a biennial (rather than annual) basis only. As for the Programme Budget itself, it would continue to be presented annually until 2004 and thereafter become biennial as well. However, in order to continue providing the Trustees with a transparent and detailed picture of the Institute's budgetary situation and to maintain focus and discipline internally, the Programme Budget would continue to be presented annually to the Trustees.

7. The General Fund covered the central direction and administration of UNITAR, as well as the training programmes for diplomats in Geneva, New York, Vienna and Nairobi. The Special Purpose Grants (SPGs), on the other hand, were earmarked for specific programmes identified by donors. Despite the substantive and apparent increase in the overall income of UNITAR (close to US\$10 million for General Fund and SPGs combined in the 2001-2002 biennium), a closer look at the Budget provided a different picture: while Special Purpose Grants and earmarked funds were increasing at a satisfactory rate, the General Fund remained weak and its increase was not commensurate with the number of programmes it funded. The strength and stability of the General Fund was nevertheless vital, as it is what allowed UNITAR to ensure continuity, to plan ahead and to be responsive to training requirements, notably from developing countries. Despite intense fund-raising efforts by the Executive Director and some Trustees, however, non-earmarked voluntary contributions to the General Fund as at the end of 2001 remained very low (US\$360,000) representing a mere 4,5 per cent of UNITAR's total Budget.
8. The Trustees discussed the weakness of the General Fund, the implications of this for UNITAR's activities and planning capabilities, and possible means of strengthening it. The Executive Director explained that, as a general rule, all SPGs were charged a 13 per cent programme support cost (PSC). Nevertheless, in those cases where donors were adamant or were limited due to internal reasons, UNITAR would sometimes accept less than 13 per cent. The Trustees felt this to be inconsistent with UNITAR's needs and situation. They requested the Executive Director to apply the 13 per cent rate systematically, both to ensure coherence across programmes, and in view of the fact that the General Fund of UNITAR was to such a high degree dependent on these overheads (In the 2001-2002 biennium, roughly 60 per cent of the General Fund was from overhead costs generated by SPGs).
9. Under **Agenda Item 6, New Trends**, the Executive Director explained that UNITAR seemed to have achieved a relative visibility within the United Nations System. Increasingly, its programmes were solicited or referred to, and received good support from the Secretary-General and United Nations Development Programme (UNDP) Offices in the field. High profile activities, such as the conduct of and participation in major conferences and world summits (i.e. World Summit on Sustainable Development and the World Summit on Information Systems), further enhanced this new visibility. The Trustees discussed UNITAR's increasing prominence, recognizing that the Institute was at a turning point, with immense potential for growth. They also recognized, however, that this visibility needed to go hand-in-hand with a stronger staff base, to ensure long-term sustainability. The Trustees agreed to assist the Institute in identifying areas of greatest need for training and related research in developing countries. Many felt that due to its flexibility and mandate, and funds permitting, UNITAR could be more courageous in taking on new issues and problems faced by developing countries.
10. **Agenda Item 7, Financial Report for the Period Ended 31 December 2001**. Though the Board of Auditors had yet to finalize its official Audit Report of UNITAR's Financial Statements for the 2000-2001 biennium, it had completed the assignment and had raised only minor concerns. The shortfall for the Biennium in the General Fund, however small, was a disquieting trend and required action. The Executive Director indicated certain options to redress this situation, such as (a) intensification of fund-raising activities, (b) increase in income from overheads, or (c) decrease of programmes financed

by the General Fund. The Executive Director further explained that, despite the shortfall, the General Assembly had requested an increase in programmes not only in Geneva, New York, Nairobi and Vienna, but also in other United Nations locations around the world. Clearly this was not tenable in view of the current status of the General Fund.

11. Under **Agenda Item 8, Possible Diminution of Activities Funded through the General Fund**, and **Agenda Item 10, Fund-Raising Strategy**, the Executive Director briefed the Trustees of his recent missions and visits to capitals to fund-raise for the General Fund, his lack of success so far, and his willingness to explore even drastic measures, i.e. reducing the number of programmes offered under the General Fund, or informing those industrialized countries that do not contribute to the General Fund that they would not have priority for admission to UNITAR programmes. The Executive Director felt that he needed the guidance and help of the Trustees to redress the overall situation.

12. In planning its next steps, the Board recommended the following:
 - (a) UNITAR should not reduce its current programmes nor refuse the participation of nationals from non-contributing countries in its programmes, as both of these measures could be counter-productive. However, participating countries should be made fully aware of the costs pertaining to the conduct of these activities and the overall financial situation of UNITAR;
 - (b) UNITAR should make a better case for its unique position as the first and foremost United Nations organization dedicated to training and research in the United Nations; efforts should be made to avoid any real or perceived sense of duplication and competition with other agencies;
 - (c) UNITAR should request the full amount of overheads (13 per cent) for its projects and continue to use this income for its General Fund, an approach that had ensured efficiency and dynamism and provided good value for the money;
 - (d) While UNITAR had a strong and laudable reputation for running cost-effective programmes, it should not be too modest in the amounts it requested for its projects, and should ensure that it fully took into account all the elements of cost pertaining to their conduct;
 - (e) UNITAR should continue with its fund-raising efforts, as these initiatives took years to bear fruit. Meanwhile, and with the assistance of the Trustees, it should identify desk-officers and key people in capitals responsible for allocating funds, and seek to better inform them on the performance and activities of UNITAR.

13. In conclusion, the Board considered that many avenues for fund-raising were still open and unexplored, and that the quality and credibility of UNITAR programmes and management provided a good "cause" to take to capitals. It decided therefore to establish a committee, initially composed of six Trustees, to assist the Executive Director in fund-raising tasks. At this stage the Trustees invited to form the Committee were Ambassador Kessedjian, Professor Kapila, Ambassador Sha, Professor Schrijver, Ambassador Hilale and Ambassador Sucharipa. The Committee would decide upon the modalities for its work and consider, among other, some of the ideas for fundraising suggested by the

Board, such as the conduct of donor round-tables, the increase in the number of Trustees, the exploration of methods to obtain contributions from the regular Budget.

14. Under **Agenda Item 9, Attribution of Dormant Funds**, the Executive Director explained the positive financial balance of a former UNITAR programme on Heavy Crude and Tar Sands, conducted for 20 years and closed in 1998. This excess belonged to some 20 donors, the five largest of which had been contacted by the Executive Director, informed of the situation and requested to authorize the attribution of the funds to other priority programmes within UNITAR in the energy sector. The Trustees expressed their appreciation of the transparency of UNITAR financial management and expressed the hope that, donors permitting, the funds could also be used to meet the requirements of those programmes funded by the General Fund.
15. Under **Agenda Item 11, Rental and Maintenance Costs**, the Board was briefed about the stalemate regarding maintenance costs of UNITAR headquarters in Geneva and rental costs for the New York Office. Despite negotiations by the Chairman and the urgings of the Second Committee to provide free of charge premises to UNITAR, the situation remained unresolved. The Director of Administration of the United Nations Office at Geneva (UNOG) explained that the United Nations Secretariat had the obligation not to authorize expenditures under the Regular Budget of the United Nations unless financial implications related to such expenditures were approved by the General Assembly. After extensive debate, the Trustees recommended a two-pronged approach: to seek an amendment to Article VIII, Para 13 of the UNITAR Statute, which could allow a contribution by the United Nations Regular Budget to UNITAR, while at the same time exploring with the Secretariat modes of offsetting the charges to the United Nations General Fund, so as to mitigate, to the fullest extent possible, rent and maintenance costs for offices in Geneva and New York, keeping in mind that the ultimate goal of the Board was to obtain free premises. The Trustees requested the Chairman and the Executive Director to continue negotiations in this context. They commended the clarity of the information provided and the visible-good will expressed by the new Director of Administration, and his efforts to try and find a satisfactory resolution to this issue
16. Under **Agenda Item 12, Personnel Policy**, the Executive Director first explained that the Statute of UNITAR provided much autonomy in the area of staff policy: the SG appoints the Executive Director and the Board establishes the level of the staff, while the Executive Director has direct responsibility for the recruitment and promotion of all other staff. During UNITAR's difficult years in the late 1980's, however, this had weakened the credibility of staff policies at UNITAR. The Board of Trustees, upon the request of the Executive Director, had therefore made quite an effort over the last few years to introduce appropriate changes in the system, and had established a more coherent and transparent policy. Nevertheless, in 2001, this system had come under the scrutiny of the Office of Internal Oversight Services (OIOS), which had recommended changes to bring it fully in line with United Nations policy and practices.
17. The Board discussed in detail the new draft Personnel Policy Guidelines prepared by the Executive Director in response to the OIOS review. It felt that the recommendations therein were of such a nature as to require a far more detailed study and review by the Board before approval. It decided to refer its questions and points to the Executive Director, and asked him to bring these guidelines fully in line with United Nations

regulations and practices and submit a new document for its consideration. Meanwhile the Board agreed to the request of the Executive Director to proceed with two specific items, notably the recruitment of a Chief for the New York Office and the resolution of four pending promotion cases. The Board decided to review the overall rules governing the staff policy in depth at its next session.

18. Under **Agenda Item 13, Fellows and Special Fellows**, the Board took note of the internal Guidelines pertaining to the recruitment of UNITAR Fellows and Special Fellows. The Board felt that the current document, despite amendments suggested by ACABQ and the Board of Auditors, remained vague and repetitive and requested one of the Trustees, Professor Nico Schrijver, to review the document.
19. Under **Agenda Item 14, Creation of a Post of Deputy Executive Director**, the Board had before it a document prepared by two of its outgoing members, Ambassador Petit of France and Minister Roch of Switzerland. Following a request by the Board of Trustees at its thirty-ninth session, the document analysed the current management structure of UNITAR, its financial situation, its weaknesses in internal coordination, the excessive workload of the Executive Director, and the need for ensuring the institutional memory of UNITAR. They had recommended that, financial conditions permitting, the creation of a post of Deputy Executive Director to assist with day-to-day management tasks, fund-raising and programme coordination should be considered.
20. The Board expressed its appreciation to Ambassador Petit and Minister Roch for the thorough and thoughtful document they had prepared. It concurred that clearly the Executive Director needed support, notably for day-to-day management as well as for fund-raising and coordination activities. The Board was also of the view that such a deputy could help address some of the systemic flaws in the current and prospective management structure of UNITAR. The Board felt however that the current financial situation of UNITAR did not allow the creation of such a new post, even as it decided to keep the whole issue of UNITAR's management structure open and address it at its next session.
21. Under **Agenda Item 15, New York Office**, the Executive Director informed the Board that filling the vacancy of the New York Office was a pressing concern. After an extensive search, seven candidates had been identified and the Executive Director would be interviewing them throughout the months of May and June, with an eye to filling the post at the latest by September 2002. The Board recognized the importance of having a head of the New York Office in place as soon as possible and the need to select a candidate able to maintain the momentum of the programmes while starting with fund-raising activities as soon as possible.
22. Under **Agenda Item 16, Follow-up to General Assembly Resolution 56/208, Agenda Item 17, Follow up on the Conclusions and Recommendations of the Board of Trustees at its thirty-ninth Session, Agenda Item 18, Follow up on ACABQ Recommendations, and Agenda Item 19, Follow up on Recommendations of the United Nations Board of Auditors**, the Board duly noted the responses of UNITAR as to the status of follow-up to all pending questions and recommendations.
23. Under **Agenda Item 20, Follow up to Recommendations of the Office of Internal Oversight Services**, the Board delegated authority to the Executive Director to lend

funds from the General Fund to a Special Purpose Grant Fund within a UNITAR programme ceiling of US\$25,000. This loan would only be requested provided that there exists a signed Memorandum of Agreement with a donor and that, in the opinion of the Executive Director, there is no risk that the funds will not be paid. The Board left the case-by-case decision to the discretion of the Executive Director with the understanding that he would bring any discrepancies there may arise to its attention.

24. Under **Agenda Item 21, Any Other Business**, Trustees held an informal session on strategic issues. They had a constructive discussion in particular on the profile envisaged for UNITAR in the future and on UNITAR's funding situation. To further guide the discussions some Trustees agreed to submit written proposals on these and other strategic issues.
25. **Agenda Item 22, Date and Venue of the next session of the Board**. The next session of the Board will be held in Geneva in the weeks immediately following the Commission on Human Rights. The Executive Director will revert to Trustees for possible dates.
26. Under **Agenda Item 23, Adoption of the Conclusions and Recommendations of the Board of Trustees** The Board adopted the conclusions and recommendations of its fortieth session.