REPORT OF THE FOURTEENTH SESSION OF THE FINANCE COMMITTEE
OF THE BOARD OF TRUSTEES


2. The following members of the Committee and observers were present at the session:

   Committee members:

   Ms. Diana Chavez (Chair)
   Mr. Nikolaj Gilbert
   Dr. Patti Phillips

   Ex Officio:

   Mr. Nikhil Seth, Executive Director, UNITAR

   Secretary of the Committee:

   Mr. Brook Boyer, Secretary of the Board (also in the capacity of Director, Division for Strategic Planning and Performance)

   Observers:

   His Excellency Mr. Luis Gallegos, Chair, Board of Trustees
   Ms. Marina I. Dinca Vasilescu, Director, Division for Operations, UNITAR
   Mr. Joel Thalla, Chief, Finance and Budget Unit, UNITAR
   Mr. Jonas Haertle, Chief, Office of the Executive Director, UNITAR

3. The Chair called the meeting to order and introduced the provisional agenda as circulated by the secretariat covering the items under partnerships (item 9) and finance and budget (item 10) of the provisional agenda of the Sixty-Second Session of the Board of Trustees. The Committee adopted the agenda as proposed.
4. The Executive Director welcomed members, the Chair of the Board of Trustees and other observers and recalled that the Committee’s purpose was to review the work and reports related to partnerships and resource mobilization, and finance and budget. He emphasized how much the Board counted on the Committee’s detailed review of the items prior to the main Board session, and thanked the Committee’s members for their time and engagement.

5. Under item 9a, “Update on the European Union pillar assessment of UNITAR”, the Chair recalled that UNITAR was in discussions with the European Commission on having a new pillar assessment be undertaken to enable UNITAR to be eligible to access funding opportunities with the European Union (EU) through the indirect modality under its financial regulations. In essence, the pillar assessment is an assurance framework that provides the European Union with assurances that UNITAR has the necessary systems and controls in place to be entrusted with EU funds. The Executive Director reviewed the two matters which have delayed the implementation of the assessment, viz, agreement on the funding modalities of the assessment and the extent to which the European Union’s General Data Protection Regulation would apply to the United Nations (UN) given the framework of privileges and immunities that are accorded to the UN under international law. He confirmed that the matters were understood to have been addressed and that the pillar assessment was scheduled to be undertaken in the first quarter of 2022, and expressed hope that completion of the assessment would open up opportunities for EU funding. The Committee recommended that the Board take note on Management’s update on the EU pillar assessment.

6. Under item 9b, “Proposed revision to the policy guidelines for financial agreements (Grants-in and Grants-out Policy Guidelines)”, the Chair stated that the Board had approved the policy guidelines at earlier sessions, with the most recent revision in 2019. Referring to the proposed revisions under annexes 10 and 11 of the Board’s documentation, she mentioned that over the course of 2021, Management had reviewed both guidelines with a view to addressing some bottlenecks that surfaced and to increasing controls as well as flexibility. The Executive Director noted the importance of having the Board approve the policies and that both were subject to internal consultations within Management and invited the Director of the Division of Strategic Planning and Performance to summarize the proposed revisions. Referring the grants-in guidelines, the Director explained that UNITAR at present did not have a policy statement governing to what extent and how fund balances from non-financial reporting projects earmarked for specific purposes could be used at project closure. He reviewed the proposed language to the guidelines. In responding to questions from the Committee, he indicated that language to apply these provisions would need to be incorporated into donor agreements and that one example of objective criteria that might provide guidance for the Executive Director to waive the monetary thresholds would be for low value projects e.g. less than $25,000, that the proposed thresholds might disadvantage programme units with small projects.

7. On the proposed revisions to the grants-out guidelines, the Director indicated that changes were to clarify existing provisions (e.g. exclusion criteria or use of local currencies), to account for loopholes that were not initially foreseen (e.g. provisions in the event UNITAR terminates unilaterally a grant) or to provide additional controls (e.g. due diligence requirement on specific human rights due diligence for grants to national or state security forces to align the policy to the UN Human Rights Due Diligence Policy). The Committee took note of the revisions and recommended that the Board approve the Revised Policy Guidelines for Agreements with Financial Implications (acceptance of voluntary contributions for specific purposes) and the Revised Policy Guidelines for the Disbursement of Funds to Implementing Partners.

8. Under item 9c, “Proposed Partnership and Resource Mobilization Strategy,” the Chair recalled that the Board requested Management to prepare a new strategy for the Board’s consideration at the Sixty-Second Session. Referring to the annual reviews by the Board of the current Resource Mobilization Strategy, the Chair noted that the Board agreed that the future strategy should integrate a partnership dimension, given the close relationship between partnerships and resource mobilization and the importance of partnerships in the delivery of programmes and the achievement of results. The Executive Director emphasized the importance of the discussion of this item, given the linkages to the Institute’s future, the strategic framework and programming and efforts to address needs of the most vulnerable populations. He reflected on the evolution of the Institute’s budget, noting that for years it was stuck around $45 million, but
recently over the past five or so years has been growing at an average rate of about 6 to 7 per cent. He referred to the possibility of the Institute plateauing at about $75 to 80 million, and questioned what strategic elements could propel UNITAR to make the next quantum jump, perhaps up to $100 million, and what enabling environment would be required to support this leap, mentioning the importance of e.g. programme innovation, strategic communication, data and analytics and new technologies. He referred to the proposed strategic orientations, such as focusing more on pooled and flexible funding, strengthening cooperation with UN agencies and other multilateral donors at the country level, further strengthening engagement with the private and business sectors, and considering the hosting of additional partnerships.

9. Recognizing that the increase from $45 million to the present situation represents considerable growth, the Chair of the Board of Trustees applauded UNITAR for this achievement and noted the unique characteristics of UNITAR being voluntarily-funded and not receiving contributions from the UN regular budget. While continued engagement with Member States as donors was important and expressed hope that it would continue to grow, he felt that strengthened engagement with the private sector was a promising avenue to pursue while performing the required due diligence.

10. The Committee congratulated UNITAR for the growth over the recent years. On the objectives of the proposed strategy, one member felt that there were some structural limitations, in terms of questioning what investments would be required for mobilizing additional funds. On the proposed objective to strengthen engagement with the private and business sector, it would make much sense to go in this direction (particularly in some thematic areas such as climate change), given the Institute’s training and research remit. While this sector was eager to engage more with the United Nations, strengthened engagement would need to be well thought through. Strengthened engagement with bilateral donors would be essential, particularly with key countries, and expanding the list of donors. It was questioned to what extent it would make sense to work with the UN at the country level, noting that many UN entities are struggling to raise funds and that the objective might require more UNITAR country presence with the required investments/resources. Reference was made to the current hosted partnership, The Defeat-NCD Partnership, and the question surfaced if UNITAR was the right type of organization to bring on board other partnerships, such as those presently hosted by other organizations such as the United Nations Office for Project Services or the United Nations Development Programme. Stressing the opportunity to leverage the mindsets of corporations (but also recognizing occasional reservations or push back in working with companies in certain thematic areas), another member suggested that demonstrating and communicating the value of the partnership to the larger community could counter any criticism received. The member also suggested that it may be possible to also partner with mid-sized enterprises and questioned what scenario in the proposed strategy that Management would aspire to achieve and suggested to then review the objectives in that light and set targets.

11. The Executive Director thanked the Committee for its comments, stating that he understood that the four-pronged strategy was fine but that it would need to be tweaked depending on the scenario to be pursued. On pooled and flexible funding, he noted that focusing on governments would be important and that UNITAR needed to also focus on developing countries, suggesting that cost-sharing could also be pursued with the countries benefitting from programmes. On decentralized funding, he recognized that it would not be easy but that by working simultaneously with bilateral donors supporting countries could be a worthy avenue to pursue. On strategic engagement with the business and private sector, the Executive Director noted that UNITAR would also look at the smaller and medium-sized enterprises. On pursuing new hosted partnerships, UNITAR would need to closely scrutinize possibilities by ensuring that there was a close fit with the Institute’s training and research function. He hoped that UNITAR could achieve the third scenario and surpass the $100 million mark, and he noted that he looked forward to continued discussion on the strategy at the Board’s session. The Committee recommended that the Board take note of the observations made, welcomed the Partnership and Resource Mobilization Strategy, and recommended that the Board continue discussions on the strategy at the session.

12. Under item 10a, “Audited financial statements for the year-ended 2020 and Report of the Board of Auditors”, the Chair referred to the item’s annotation, the Financial Report and Audited
Financial Statements for the year ended 31 December 2020 under Annex 12 of the Board’s documents.

13. The Executive Director drew the Committee’s attention to the unqualified opinion for the financial statements. He noted that the statements show a decrease in net assets of $1.156 million from a net assets balance of $31.987 million at 31 December 2019 to $30.831 million as of 31 December 2020. The net deficit in revenue over expenses in 2020 was $0.603 million (in contrast to a surplus of $16.004 million in 2019). He noted that under IPSAS, revenue from non-exchange transactions can be recognized in one financial year and the related expenses recorded in another, in particular, where agreements are signed late in the financial year and span over a multi-year period. He also mentioned that during 2020, the impact of COVID-19 triggered accounting adjustments to contribution revenues in the amount of $0.991 million (with a corresponding adjustment to voluntary contribution receivables), and that as of 31 December 2020 the liquidity position of UNITAR remained stable and the Institute had enough liquid assets to settle its obligations. The key liquidity indicators showed an increase of $8.229 million from the level of $38.229 million as reported at 31 Dec 2019 to $46.828 million as of 31 Dec 2020. Overall, the Executive Director assured the Committee was doing well.

14. In response to a question on multi-year funding and revenue recognition, the Chief of Finance and Budget noted that under the IPSAS standards, revenue is recognized at the time of the signature of an agreement with a donor. In response to a question from a member of the Committee on whether there is flexibility to recognize revenue in multiple years, the Chief of Finance and budget said there is not under IPSAS and the United Nation Financial Regulations and Rules.

15. On the report of the Board of Auditors (BOA), the Executive Director indicated that the BOA had issued eight recommendations as contained in the report and that Management has accepted all and has either implemented or is in the process of implementing them. He also reviewed the three audit recommendations from past cycles that are still under implementation. The Committee took note and recommended that the Board take note of the audited financial statements for the year-ended 2020 and The Report of the Board of Auditors.

16. Under item 10b, “Report on the application of the cost recovery approach and update on the General Fund”, the Chair recalled regular discussions since the formula was devised in 2013 on programme support costs (PSC) and direct service costs (DSC), and that Management has reported to the Board on the matter yearly. The Chair invited the Executive Director to brief the Committee on the application of cost recovery, including the exceptions to the formula that have been granted and summarize what reflection and analysis have been undertaken since last year’s session on a possible alternative approach taking into consideration the issues raised above.

17. The Chief of Finance and Budget recalled previous discussions and Management’s proposal two years ago to work on devising a possible new alternative model, based on the need to have traceability on direct costs and compliance with certain donor agreements. He noted two important characteristics of UNITAR: the high number of projects, with some 250 or so active projects yearly, and the headquartered-base nature of UNITAR with the lack of country or regional office presences. Functions to support project delivery (e.g. financial reporting, procurement, human resources) are therefore highly centralized and are billed as direct costs, but he noted that such functions also provide at times indirect costed services (e.g. policy support, audit coordination). As there lacks a clear demarcation between direct and indirect cost functions, direct costs become very difficult to trace to a specific project given these overlapping roles. He noted that this lack of direct cost traceability could present compliance challenges with some donors (e.g. European Union). He noted that over the past two years, Management has undertaken a job analysis within operations to assess cost pools and cost drivers to undertake specific tasks (e.g. recruitment, procurement, financial report). While an initial price list prototype was developed, the onset of COVID-19 and the transition to the new Enterprise Resource Planning (ERP) system requires additional year or two since work flow processes are likely to change. The Committee took note of the observations made, recommended that the Board take note of Management’s report on the application of the cost recovery mechanism and the situation of the General Fund and request
Management keep the Board apprised of the cost recovery situation in 2023 after the EU pillar assessment and migration to the new ERP.

18. Under item 10c, “Report of the Advisory Committee on Administrative and Budgetary Questions”, the Chair announced that the consultation took place in early October. The Executive Director reviewed the points raised in the report. On the Advisory Committee’s remark on unreported nationalities, he noted that the 2021 data provided was provisional as 2021 is not yet over and that in early 2022 the complete data would be provided. In para 11 of the Advisory Committee’s report in relation to how realistic UNITAR’s forecasted expenditures were, the Executive Director noted that a similar question was asked in 2020 and that the variance between planned and projected expenditures was about 1.86 per cent, and that Management was confident that a similar variance in the order of 1 to 2 percent would result in 2021. The Executive Director noted that the pattern was historical land that most expenditures are in the late third and fourth quarters. On cost recovery, he confirmed that Management would provide an update in the next report, and that it is a standing feature on budget submissions. On the point on operational reserves, the Executive Director noted that there was a fuller discussion in 2020, and that it would be prudent to have between 18 and 24 months of operational reserve. He noted that it was difficult to have a global norm given the variation with UN entities, and that 12 months would be ideal for UNITAR. He noted that it was expected that UNITAR would be at this level by the end of 2023. On the Institute’s global presence, he made reference to the chart of UNITAR’s footprint, mentioning that in addition to its outposted offices, network of the International Training Centres for Authorities and Local Actors (CIFAL) was expanding. He also noted the Advisory Committee’s observation on the need for UNITAR to assist country offices, particularly the project office in Nigeria to manage funding and programmes in the long-term in a sustainable manner. He mentioned that there were plans to move the office, currently a skeleton office, from Port Harcourt to Abuja, and that he was in contact with key stakeholders on this objective. On the status on implementation of recruitment tools, the Director of Operations reported that the tool was implemented for recruitment but that further work needed to be done to link the performance evaluation of consultants in the tool, and that UNITAR was working with UNDP, with work expected to be done in the second quarter of 2022. Finally, the Advisory Committee welcomed progress on gender and requested UNITAR to provide updates regularly. On the recommendation to improve the geographic composition of staff, the Executive Director noted that as a Geneva-Headquartered organization, there was naturally more European nationals than others. He also reported on the comments received from the Advisory Committee on COVID-19 response measures, multilingualism and the Sustainable Cycles Programme, which is to complete the transition from the United Nations University to UNITAR by the end of 2021. The Committee found that 12 months of operational reserves would be appropriate given the size of UNITAR. The Committee recommended that the Board take note of the Report of the Advisory Committee on Administrative and Budgetary Questions.

19. Under item 10d, “Proposed programme budget for the biennium 2022-2023”, the Chair noted that the proposed budget, attached as Annex 15 of the Board’s documents, amounts to $72.495 million, representing a 6 per cent increase from the approved revision of the 2020-2021 budget of $68.102 million. The Executive Director stressed that the UNITAR programme budget is a prospective budget based on projections, and that the funds to implement the budget and planned results are mobilized during the course of the biennium. He noted that the aggregate amount was higher, but that he opted to a more prudent approach given the present uncertain climate. He stated that the programme budget continues to follow the UNITAR strategic framework and its peace, people, planet and prosperity and crosscutting pillars. Of the total proposed budget of $72.495 million, he reported that $60.338 million corresponds to programme areas, and $12.157 million to the functional enablers (Division for Operations, Division for Strategic Planning and Performance and Office of the Executive Director, as well as Institutional Operating Expenses and General Operating Expenses) funded through the General Fund. The proposed programme budget represents the cost recovery of 18 per cent, with total indirect overhead costs at 9.12 per cent and total direct costs at 8.41 per cent. While programming covers a wide spectrum of SDGs, he mentioned that close to 40 per cent is aligned with Goal 16 of the 2030 Agenda. In response to a comment from the Committee on this imbalance and the coupling between SDG alignment and resource mobilization (and by extension the areas for growth and donor priorities), the Executive Director replied that there would be more discussion by the Board on the strategic framework moving forward over the
next cycle, but that the thrust areas would likely be climate change, public health, reducing the digital divide and promoting equality, combined with reaching the most vulnerable people in the most vulnerable parts of the world. The Committee took note of the observations made and recommended that the Board adopt the programme budget for the biennium 2022-2023 as proposed.

20. Under item 10e, “Update on the use of the revolving fund from the General Fund”, the Chair recalled that the Board approved the establishment of a revolving loan fund of $1 million to provide loans to programmes for cashflow support purposes to ensure programmatic activities are not interrupted by delays in done fund transfers. Further to the Board’s request, Management has been providing the Board with yearly updates on the revolving fund. The Executive Director informed the Committee that since 2015 until 30 September 2021, a total of 123 loans valued at $9 million have been issued of which 114 loans amounting to $8.41 million have been refunded, leaving a balance of $0.64 million as outstanding on 15 October 2021. This is a ring fenced fund and Management is using stringent criteria in the use of the fund. The Committee recommended that the Board take note of the Management report on the revolving fund.

21. Under item 10f, “Update on the Strategic Framework Fund”, the Chair recalled that the Board established the Strategic Framework Fund (SFF) in 2018 as a pooled funding instrument to support the implementation of the strategic framework. The Board also approved the Fund’s governing principles. The SFF was designed to offer opportunities for UNITAR to target programmes to countries and groups most in need of support, in accordance with the 2030 Agenda’s leave no one behind and reaching the furthest first principles. The Chair noted that the SFF currently enjoys support from seven donors, with the most important being the Swedish International Development Agency (Sida), and that since its establishment, the SFF has had a total of $5,776,759 in contributions and made $4,138,518 in expenditures. The Chair recalled that at its Sixty-First Session, the Board recommended that it take note of the Finance Committee’s observations and Management’s update on the Strategic Framework Fund, and the request to work with UNITAR to raise the visibility of the Fund and to promote the instrument within its networks.

22. The Executive Director noted that the SFF has received contributions from seven donors since its establishment, although at present the Fund is functioning only with the contribution from Sida. He mentioned that UNITAR consults closely with Sida annually, and that moving forward, fewer, but larger, multi-divisional allocations would be made, one on gender equality and empowerment in partnership with UN Women and one on data and COVID-19, with the UN Satellite Centre, in 2021. UNITAR has tried to raise the visibility of the fund and attract additional donor support, particularly through the meetings in Geneva of the Friends of UNITAR Group, with outreach also to the developing countries. The Executive Director also briefed the Committee on the results of the independent evaluation undertaken in 2021, which found the SFF to be relevant, although outreach to beneficiaries from countries in special situations and groups made vulnerable could increase. He reported that feedback on the effectiveness is satisfactory with regards to results achievement. Similarly, the efficiency of the SFF is found to be satisfactory. While the perceived likelihood of impact is high due to changes in individual knowledge and behavior, the evaluation found a lack of impact measures or appropriate impact level indicators in programmes supported by the Fund. While individual benefits of many SFF-funded projects are likely to last, the institutionalization of the instrument and its financial sustainability are uncertain. He reported that the evaluation issued a set of seven recommendations, and that Management accepted all. He mentioned that the SFF provides much more flexibility and is far less onerous for donors, yet he acknowledged that Management has challenges to make the Fund a recognized and stronger instrument for pooled funding. The Committee recommended that the Board take note of Management’s report on the Strategic Framework Fund.

23. Under item 10g, “UNITAR Investment Management and Returns Strategy”, the Executive Director noted that the investments are managed by UNDP, and that given the investment climate, income from the returns is declining, at present 0.34 per cent and that the prospects for the future are even bleaker. Earnings from the returns are put in the ASHI fund. The Committee recommended that the Board take note Management’s update of the UNITAR Investment and Returns Strategy.
24. Under item 10h, “Supplementary funding plan for the unfunded UNITAR ASHI liabilities,” the Chair recalled that UNITAR is required to set aside funds to cover After-Service Health Insurance (ASHI) liabilities of staff, and that the item has been discussed regularly by the Board. The Executive Director reported that the liabilities stood in 2020 at $17.724 million, but that he expected it to be covered over the next 15 years through investment revenue. The Committee recommended that the Board take note Management’s update of the supplementary funding plan for the unfunded UNITAR ASHI liabilities.

25. Under item 10i, “Report on the creation of a Programme-level salary pool for meeting knowledge content development costs to over pre-and post-project implementation validity periods,” the Chair noted that in 2019, the Board welcomed the pilot project idea and in 2020 requested Management to continue the experimental proposal for one full budget and audit cycle, involve all stakeholders such as donors and the Board of Auditors, and present a full-scale update and recommendation to the Board at its Sixty-Second Session. The Chief of Finance and Budget recalled the detailed presentation two years ago and mentioned the constraints of spending earmarked funding within the donor agreement validity period, and that before and after the validity period, there were often tasks that were required to be undertaken but that could not be charged against the project. A pilot project was set up with the Peacekeeping Training Programme Unit to test the feasibility of the mechanism and the appetite of donors. Initially, few donors did not accept the concept. By the end of October 2021, UNITAR was able to secure nine projects. Unfortunately, the establishment and implementation of the proposed programme level salary pool could not be achieved due to changing approaches to implementation, high unspent amounts as percentage of salary budgets, and conflicting provisions in agreements. Due to perceived potential risks of non-compliance with budgetary provisions, further planned discussions with donors, auditors and other stakeholders did not take place. UNITAR Management has been discussing alternative ways and means of covering the costs for pre- and post-agreement project tasks, such as increased use of the pooled funding concept. The Committee congratulated Management on its efforts to find a solution to the constraints. The Committee recommended that the Board take note Management’s Report on the creation of the Programme-level salary pool for meeting knowledge content development costs to cover pre- and post-project implementation validity periods.

26. Under item 10j, “Migration to QUANTUM – the new Oracle cloud-based enterprise resource planning system,” the Executive Director informed the Committee that UNITAR along with six other partner agencies, would be migrating to this new ERP which will become the new operational backbone cutting across all processes of Operating Units (i.e., Administration, Human Resources, Finance and Budget, Communications and Information Technology) and programme units. UNITAR’s share of cost for the migration to this new ERP is expected to be in the range of $250,000, but that every year UNITAR would save about $50,000 in fees. For this ERP transition project to be well coordinated, a UNITAR Quantum Project Implementation Committee has been established, drawing members from the Division for Operations and the Division for Strategic Planning and Performance, with the Chief – Finance and Budget Unit, as the team lead. The ED noted that there is most certainly to be glitches and that Management expects that by the end of 2022 the migration will be well underway, and that UNITAR would keep the Board apprised of the situation. In response to one question, the Executive Director noted that the required costs for migration is budgeted under operations. The Committee recommended that the Board take note of Management’s report on the migration to the new ERP.

27. Under item 10k, “Delegation of authority for financial administration and procurement,” the Chair recalled the correspondence from the Executive Director and the Chair of the Board over recent months on the matter. The Executive Director informed the Committee that the Secretary-General is very much interested in extending delegations of authority to the entities. The Executive Director indicated that he has had meetings with the Controller and that having financial certification done by the Controller would be beneficial for UNITAR and noted the related provision in the UNITAR Statute. He indicated that what was really needed is delegation of authority for procurement. He noted that UNITAR has been in contact with the UN Office of Legal Affairs on delegation, but that the Secretariat often confounds UNITAR with Secretariat departments and that Management was paying special attention to ensure that the language in the delegation of authority is worded correctly taking into account the UNITAR context. The
Committee recommended that the Board take note Management’s report on the
delegation of authority for financial administration and procurement.

28. Under item 10l, “Refund policy for fees collected for e-Learning courses and Master and Executive Diploma programmes,” the Chair made reference to the delivery of various fee-based courses and programmes to individuals and sometimes with enrollment based on groups. The Chief of Finance and Budget explained that on occasions, the individual who has registered for a fee-based event and has paid fees cancels registration and requests a refund, resulting in transactional costs and losses to UNITAR. He noted that UNITAR did not have at present a refund policy, and that the estimated amount of transactional costs per cancellation was $200. He emphasized that the proposed $150 cancellation fee would only apply in instances where the participant would withdraw registration, and that in the event UNITAR would cancel an event, participants having registered and paid would be entitled for a full reimbursement. In response to one question, the Chief of Finance and Budget confirmed that the proposed cancellation fee was a flat fee to cover transactional costs as opposed to a percentage of the course fee. The Committee took note of the observations made and recommended that the Board approve the refund policy for fees collected for eLearning courses and Master and Executive Diplomas programmes, as proposed.

29. Under “Elections”, the Chair invited the Secretary of the Board to update the Committee on membership matters and elections. The Secretary thanked Nikolaj Gilbert for agreeing to join the Committee shortly after being appointed to the Board. He announced that the term of one of the Committee’s members would be expiring towards the end of 2022, and that the Board would need to elect at least one additional member to the Committee between now and next year. The Committee took note.

30. Under “Any other business,” the Chair recalled that the Office of Internal Oversight Services (OIOS) has consulted Management on risk areas that may be subject of an internal audit. This audit was initially foreseen in 2021 but was postponed until 2022. Management has been in contact with OIOS but has yet to receive the terms of reference of the audit exercise. The Chair reminded the Committee that in accordance with Rule 28bis of the Board’s Rules of Procedure, the Board through the Finance Committee shall be consulted on the terms of reference for the internal audit services provided by OIOS. The Committee took note.

31. The Committee closed its Fourteenth Session.