

Board of Trustees

Sixieth Session

28–29 November 2019

UNITAR/BT/60/7

3 February 2020

Geneva, Switzerland

CONCLUSIONS AND RECOMMENDATIONS OF THE SIXTIETH SESSION OF THE BOARD OF TRUSTEES

1. The Board of Trustees of the United Nations Institute for Training and Research (UNITAR) convened in Geneva, Switzerland from 28 to 29 November 2019 for its Sixtieth Session. A list of the session's main conclusions and recommendations, as adopted at the end of the session, is attached as Annex I.
2. The following members of the Board were present or represented at the session:

Trustees:

His Excellency Mr. Chibuike Amaechi

Ms. Diana Chávez

His Excellency Mr. Chen Xu
Represented by Ms. Zhangwei Xie in his absence

Dr. Sarah Cook

Her Excellency Ms. Taous Feroukhi (Chair)

His Excellency Dr. Thomas Fitschen

His Excellency Mr. Luis Gallegos

His Excellency Mr. Gennady Gatilov
Represented by Mr. Yuiiry Spirin or Mr. Ivan Novikov in his absence

Her Excellency Ms. Terhi Hakala

Her Excellency Ms. Nazhat Shameem Khan

Dr. Deisi Kusztra
His Excellency Mr. Vijay Kunhianandan Nambiar

His Excellency Mr. Per Örnéus

Dr. Yukie Osa

Dr. Patti Phillips

His Excellency Mr. Valentin Zellweger
Represented by Mr. Samir Yeddes in his absence

Ex Officio:

Mr. Nikhil Seth, Executive Director, UNITAR

Secretary of the Board:

Mr. Brook Boyer, UNITAR (also in his capacity as Director, Division for Strategic Planning and Performance)

Observers – Other organizations:

Mr. Jafar Javan, Director, United Nations System Staff College

Observers – UNITAR:

Mr. Mukul Bhola, Director, The Defeat-NCD Partnership
Mr. Einar Bjorgo, Director, Division for Satellite Analysis and Applied Research
Ms. Marina I. Dinca Vasilescu, Director, Division for Operations
Ms. Ana Figueira, Personal Assistant, Office of the Executive Director
Mr. Jonas Haertle, Special Assistant, Office of the Executive Director
Mr. Evariste Karambizi, Director, Division for Peace
Ms. Mihoko Kumamoto, Director, Division for Prosperity
Mr. Angus MacKay, Director, Division for Peace
Mr. Alexander Mejia, Director, Division for People and Social Inclusion
Ms. Elena Proden, Manager, Agenda 2030 Unit
Mr. Joel Thalla, Chief, Finance and Budget Unit

3. Under item 1, Opening of the session, the Chair welcomed the trustees and extended a particularly warm welcome to His Excellency Mr. Luis Gallegos and His Excellency Mr. Chen Xu who were appointed by the Secretary-General in 2019. The Chair announced that the Board had constituted quorum with all members present or represented. In accordance with the Board's rules of procedure, the Chair extended full powers to the designated representatives of those members who had notified the secretariat of their absence. The Chair also welcomed the observers, including Mr. Jafar Javan, Director of the United Nations System Staff College. The Executive Director joined the Chair in welcoming trustees to the session and announced the renewal of terms of His Excellency Mr. Chibuike Amaechi, Her Excellency Ms. Nazhat Shameem Khan, Ms. Diana Chavez and Professor Yukie Osa. He noted that the session was convening at the mid-point in the implementation of the 2018-2021 strategic framework and he reflected on UNITAR's growth and impact at this juncture by reviewing a number of highlights across the Institute's divisions. He referred to the 59 per cent increase in the proposed programme budget for 2020-2021 which results largely from the incorporation of The Defeat-NCD Partnership and positive developments within programming divisions. **The Board took note of the introductory remarks.**
4. Under item 2, Adoption of the agenda, the Chair introduced the provisional agenda as proposed by the Executive Director in accordance with the Board's rules of procedure and suggested that

discussion on item 5c, the Sustainable Cycles Programme and Bonn Office be moved to the afternoon segment and that elections to the Finance Committee be added under item 12, Elections of the Chair and Vice Chair of the Board. **The Board adopted the agenda as proposed by the Chair.**

5. Under item 3, Organization of work, the Chair proposed that the Board conduct its business according to the schedule in the item's annotation. **The Board agreed and adopted the organization of work.**
6. Under item 4, Membership matters, the Chair announced that the Secretary-General had appointed two new trustees, His Excellency Mr. Luis Gallegos and His Excellency Mr. Chen Xu to the Board and that the secretariat had circulated their respective bio notes. The Chair also announced the renewal of the terms of His Excellency Mr. Chibuiki Amaechi, Her Excellency Ms. Nazhat Shameem Khan, Ms. Diana Chavez and Professor Yukie Osa. **The Board welcomed the new trustees.**
7. Under item 5a, The Defeat NCD Partnership, the Chair recognized that the integration of The Defeat-NCD Partnership in UNITAR would be an opportunity to contribute to helping Member States achieve health and well-being (Goal 3) of the 2030 Agenda and in particular combatting non-communicable diseases (NCDs). Before giving the floor to the Director of The Defeat-NCD Partnership to provide an overview of this new programming area, the Executive Director noted that scope of NCDs is large, that the Institute would focus on addressing diabetes and hypertension in the 92 most distressed countries, and that there is a good fit with the strategic framework and the work of UNITAR. The Director presented an overview of the Partnership and emphasized that it was a practical response to support the low-resourced countries with mechanisms to develop costed action plans to tackle NCDs between now and 2030, and that this was a key entry point for engagement with beneficiary countries. He noted that the capacity development element of the Partnership included both up-stream and down-stream, health care components. The Director described the Partnership's funding structure composed of non-earmarked programme contributions and its governance mechanism, consisting of a three-tiered structure, with a High-Level Council (government health ministers), Consultative Group (e.g. with the World Health Organization (WHO) and the business sector) and an Executive Committee. He emphasized that any decision taken by the governance mechanism would be subject to the rules and decisions of UNITAR and that the Partnership's budget and results framework would be fully integrated in the Institute's programme budget and aligned with the strategic framework. The Executive Director added that the entities of the health ecosystem in and around Geneva were fully engaged in this initiative and part of the governance mechanism, and that he felt it particularly important to be transparent with the Board on the Partnership's engagement with the private sector including the pharmaceutical industry.
8. A number of observations and questions on the Partnership were put forth, including on the relevance of the initiative, the opportunity it presents for UNITAR and the need to exercise caution, and the importance for ensuring delivery given the scope and scale of the programme; how capacity would be developed through the Partnership's down-stream activities and how success would be measured; the need to ensure that the Partnership is in full conformity with the UNITAR Statute and governance structure, as well as coherent with other entities, including WHO; and the need for UNITAR to exercise due diligence when engaging in public – private partnerships of this nature, as well as risk mitigation from both programme delivery and funding perspectives. The Executive Director elaborated on the programmatic and operational (i.e. administrative and finance) aspects of the Partnership. On the former, he noted that while WHO was more engaged in the analytical and research dimension of NCDs, UNITAR would be active in the capacity building dimension by converting content from research into capacity building for communities through instructional design, learning platforms and related activities. From the operational side, the Executive Director made reference to the Operations Agreement with the Partnership and noted that the Board of Trustees would override the Partnership's governance mechanism, the recommendations from the latter of which would only be advisory in nature. He indicated that the Partnership would also provide

an opportunity for UNITAR to reassess its cost recovery approach and that prospects for funding from the European Commission would require UNITAR to review the way in which costs are accounted. The Executive Director indicated that UNITAR would not be undertaking procurement, but would be rather working to help beneficiary countries develop procurement systems through capacity building. He emphasized the Partnership would be subject to an impact evaluation to ensure accountability to donors, similar to projects as set out in the evaluation policy. On due diligence and the private sector, the Executive Director noted that the guidelines on assessing partnerships with the private sector are evolving in the United Nations and that at present UNITAR applies a checklist which includes the Global Compact Principles along with other criteria. Recognizing the massive demand for support, the Director of the Partnership indicated that not all countries would be targeted at once, that the initial set of countries would be limited to 12, and that an evaluation is programmed at midterm. He described the approach, including the initial country assessment followed by training and then working with health volunteer workers living in communities affected by NCDs and incentivize them as last mile service delivery agents and community entrepreneurs. He confirmed that UNITAR would not be engaged in any procurement of drugs or diagnostic devices, or advising governments on any products or promoting any funder products. Recognizing the difference in scope, scale and funding modalities of the Partnership, it was suggested that UNITAR maintain interest in its traditional donors and beneficiaries as it explores new partnership modalities. **The Board took note of and endorsed the Agreement between UNITAR and The Defeat-NCD Partnership to host the Secretariat of the Partnership and the progress so far. The Board recognized the importance of the new Partnership modality created under the Agreement and took note of the explanation given by the Executive Director that all activities of the Partnership as well as the integration of its workforce and any decision on its budget will be taken in full conformity with the UNITAR Statute. The Board then approved the Partnership as presented under the UNITAR programme budget for the biennium 2020-2021.**

9. Under [item 5b](#), Global Road Safety Partnership, the Chair recognized the work UNITAR has been undertaking in the field of road safety. The Executive Director referred to item 5a, The Defeat-NCD Partnership, and indicated that it would be valuable to have a fuller discussion on the pros and cons of engaging in similar partnerships, noting that there appeared to be a developing niche area that could contribute to sustainable growth for the future. He indicated that the Global Road Safety Partnership (GRSP) was established by the World Bank in 1999, with a present biennium budget of some \$27 million. Currently hosted by the International Federation of the Red Cross in Geneva, GRSP had approached UNITAR as a possible organization for providing the needed support and backstopping. The Executive Director noted that while UNITAR has a road safety initiative, he did not see any duplication and that there would be programmatic fit with UNITAR and synergies with the work that other organizations in the Geneva ecosystem are doing.
10. The Board made a number of observations, including the need for Management to take into consideration what criteria, due diligence and risks would be involved in integrating such initiatives (e.g. the possibility of donors pulling out or initiatives leaving UNITAR which could expose the Institute to significant budget shortfalls) and what benefits would result from such partnerships in terms of development objectives. The Executive Director described the work on road safety and indicated that UNITAR would focus on practical capacity building, as opposed to work on advocacy, analytical research, policy and norm setting which represent the work of other organizations. On risk factors, the Executive Director noted the importance that risk factors need to be more thoroughly documented, and he supported the idea of producing a UNITAR-relevant policy on assessing partnership-related risks and the need for evaluating the effectiveness of partnerships. In response to one question, the Executive Director reiterated his view that any decisions on partnerships falls under him and the Board of Trustees, irrespective of the governance mechanism of the partnership, and that he would ensure that such recognition is built into any partnership agreement. **Under this item, and also in light of the discussion under item 5a, the Board took note of the opportunities UNITAR has for programmatic expansion in line with its Statute. The Board requested UNITAR to prepare a paper on the criteria and risk assessment for future partnerships. The Board approved the in-principle transition to UNITAR from the International Federation of the Red Cross for hosting the Global Road Safety Partnership in 2020 subject to the final approval by the Board.**

11. Under item 5c, Sustainable Cycles Programme and Bonn Office, the Chair referred to the annotation and the potential of UNITAR contributing to programming in the area of e-waste by integrating the Sustainable Cycles Programme (SCYCLE) of the United Nations University (UNU). The Executive Director described the present staffing of 15 SCYCLE researchers, and informed the Board that the programme's integration into UNITAR would create complementarities with the Planet Division and in particular the Chemicals and Waste Management Programme Unit and its activities in the field of the circular economy and waste management. Parallel to working to integrate SCYCLE into UNITAR, the Executive Director also noted that Management was in discussions with the Government of the Federal Republic of Germany on the opening of an office in Bonn to contribute to the environmental sustainability and environmental focus of UN organizations located there, in addition to United Nations Volunteers, the International Centre for Technical and Vocational Education and Training of the United Nations Educational, Scientific and Cultural Organization, and the United Nations System Staff College Bonn Office. As outlined in the item's annotation, the Executive Director indicated that in addition to the Planet Division, a number of programme units under the Peace, Multilateral Diplomacy and Research Divisions would also contribute. As concerns the status of personnel in Bonn, he indicated that the present personnel attached to UNU SCYCLE enjoyed diplomatic immunities and that there was concern that the migration of SCYCLE to UNITAR would erase such privileges taking into account the provisions of the UNITAR Statute. He indicated that an initial thought was the possibility of considering a proposal to change the UNITAR Statute to enable such personnel to continue enjoying such privileges; however, following discussions with trustees from Germany and Switzerland, it was determined that this approach would be problematic as it would open the door to such privileges not only applying to UNITAR personnel in Bonn, but also UNITAR personnel elsewhere. Consequently, he informed the Board that he intended to continue bilateral consultations with both countries with a view to finding how the matter could be best resolved. Similar concerns were raised by the Board as it inevitably involved legal matters with the governments of the host countries in Germany and Switzerland. The Executive Director expressed his understanding that the UNU Charter and UNITAR Statute were similar, and that the granting of privileges to UNU SCYCLE personnel was extended by the German government. **The Board welcomed steps that Management has taken to integrate the Sustainable Cycles Programme into UNITAR and open an office in Bonn, Germany. Concerning certain matters of the status of UNU SCYCLE personnel in Bonn that will be transferred to UNITAR the Board believed that a change in the UNITAR Statute is not appropriate and encouraged the Executive Director to work with German authorities to find a mutually acceptable solution.**
12. Under item 5d, Exploring and Assessing New Income Streams and Future Growth, the Chair referred to the annotation and work that had been undertaken with Simon-Kucher & Partners to explore and assess new income streams and future growth. Indicating that the work was performed on a pro-bono basis, the Executive Director asked the Director for Strategic Planning and Performance to summarize the main findings and suggested avenues for action as result of this exercise. The Director indicated that the exercise focused on costed-services, such as those related to fee-based e-Learning courses. Recommendations included the need for UNITAR to rethink its pricing model and tailor it to the concept of willingness to pay and explore the possibility of introducing differentiation of prices; bundling services; introducing carefully-framed donation requests for supporting the participation of beneficiaries from countries in special situations; exploring value add-on products and services linked to the e-Learning courses, such as on-demand tutoring or coaching; moving to business to business (B2B) opportunities and whole selling; and developing a value selling charter for products and services. He concluded by indicating that Management was in the process taking action on some of the recommendations.
13. The Board made observations or asked for elaboration or clarification on benchmarking, differential pricing, bringing clients with willingness to pay on board, market competition and audience characteristics and partnership with universities looking to expand reach, positioning UNITAR for B2B, measuring impact, revenue generation and investment requirements. The Director noted that the exercise undertook some benchmarking on prices offered by providers of massive open online courses, such as EdEx, but that an assessment on the quality of the courses was not undertaken. Reflecting on the profile of beneficiaries, the Director noted that most online learners were from developing countries, there were relatively few from developed countries where the purchasing power exists. He drew a link to quality considerations of the learning opportunities as well as the virtual learning interface as compared to the offer of other online learning providers. He mentioned

that the consultants found B2B to be an opportunity for UNITAR to scale up its outreach and increase revenue opportunities, since UNITAR was at the moment engaged in business to client and business to government relations. In response to an observation that certain add-on products or services such as paid printed certificates may only bring marginal income, the Executive Director reflected on the considerable outreach of some courses, such as climate change, and noted that such add-on paid products and services could present an important revenue additionality. **The Board took note of plans to develop new income streams and future growth, particularly in the area of e-Learning and requested Management to report to the Board at its Sixty-First Session.**

14. Under item 6a, Fit-for-purpose: UNITAR programming and frontier issues, the Chair recalled the Board discussed at its Fifty-Ninth Session various ways in which technological progress is being incorporated into UNITAR programming. The Executive Director briefed the Board on examples of actions that Management has undertaken since the past session as recorded in the item's annotation and requested guidance from trustees on incorporating digital cooperation and frontier issues into programming more deeply moving forward in the future. Noting the importance that the Secretary-General assigns to frontier issues, he referred to the work of UNOSAT and discussions with Chinese universities in the area of artificial intelligence, in addition to projects under the Social Development and Multilateral Diplomacy (e.g. cyber security, cyber diplomacy) Programme Units. He noted that there were other areas (e.g. e-health) in which UNITAR could incorporate frontier issues into programming and invited the Board to provide recommendations. The Board noted the significant challenges with the Fourth Industrial Revolution and in keeping pace with technological developments, the place of UNITAR in the Geneva ecosystem particularly as concerns the important role of capacity building, and how the ecosystem enables UNITAR to achieve greater impact. In that vein it was important for UNITAR to seek partnerships with Geneva-based actors and to avoid duplication. Noting that the implementation phase of the report is now underway, it was suggested that UNITAR speak to the relevant teams in the UN Secretariat. **The Board encouraged UNITAR to continue its work on priority actions contained in the report on "The Age of Digital Interdependence."**
15. Under item 6b, Implementation of the Enterprise Risk Management and Anti-Fraud and Anti-Corruption Policies, the Chair recalled the Board's approval of the policies and requested Management to report at the Sixtieth Session. The Executive Director briefed the Board on developments, noting that there have been no cases of alleged fraud or misuse of resources, that all staff and fellows are required to complete the anti-fraud training, and that action on the item was completed. **The Board took note of the implementation of the Enterprise Risk Management and Revised Anti-Fraud and Anti-Corruption Practices.**
16. Under item 6c, Horizontal Learning Services, the Chair noted that the Board requested Management to mature the concept that was presented at the Sixtieth Session and drew the Board's attention to the revised concept note as circulated by Management. Recalling that quality is a topic that is regularly brought up in Board discussions, the Executive Director indicated that horizontal learning services (HLS) was a concept that referred to the need to provide high quality learning services to all programme areas to ensure that programme units are at the cutting edge of the learning business, and that this was previously provided by the Knowledge Systems Innovations Unit (KSI). While he welcomed the need to pursue the HLS concept, he expressed reluctance to establish permanent staff positions and requested that a temporary solution, such as a consultancy or contractual arrangement, could be envisioned. The Board noted that rapidly changing nature of the training industry, with increased emphasis placed not only on knowledge acquisition, but on also on the concrete action taken as a follow-up to learning, and how both technology, including artificial intelligence and other frontier issues, and basic instructional design and evaluation, play an important role. Given UNITAR's objective to scale up its activities and possibly move into B2B, it was noted that HLS would be all the more important. The pros and cons of the staffing vs consultancy/company contracting model for HLS were discussed, and it was found that it would be useful to test the concept, beginning with a narrow focus with a dedicated human resource in the short term before moving to a staffing option. **The Board took note of and thanked Management for the revised concept paper on horizontal learning services. The Board requested the Executive Director to work on a short-term contract option to address the objectives of the subject matter and requested the Executive Director to report to the Board at its Sixty-First Session.**

17. Under item 7, Report of the Secretary-General to the Economic and Social Council and 2019 ECOSOC Resolution, the Chair recalled that the Executive Director had circulated the Secretary-General Report and the ECOSOC resolution in May. The Executive Director recalled to the Board that UNITAR reports to the Economic and Social Council every two years through the Secretary-General. He indicated that the report was well received by Member States, and he expressed appreciation to Ambassador Gallegos for having facilitated the resolution on UNITAR. The Board noted the progress that the Institute has achieved as recorded in the report and that Management should strive to balance such progress across its programming pillars. It was noted that the resolution enjoyed extensive co-sponsorship with 18 co-sponsors, and that UNITAR should continue to reach out to Permanent Missions in New York and through the Group of Friends of UNITAR. **The Board took note of the Report of the Secretary-General (E/2019/81) and resolution E/Res/2019/13 and welcomed progress in the implementation of the 2018-2021 strategic framework. Concerning future ECOSOC resolutions on the work of UNITAR the Board encouraged the UNITAR Office in New York to consult early with the delegations of Member States represented on the Board and in the Geneva Group of Friends so as to ensure that future resolutions continue to enjoy large co-sponsorship.**
18. Under item 8, Implementation of the 2018-2021 strategic framework, the Chair recalled that Management had introduced its first report on the strategic framework at the 2018 session of the Board. The Executive Director indicated that UNITAR was approaching the mid-point in the implementation of the framework and that an evaluation was planned at this stage that would be supported by a small reference group of trustees. The Executive Director invited the Director of Strategic Planning and Performance to summarize the main elements of the report. The Director noted that the report consisted primarily of activity and output figures across the pillars of UNITAR's programming, and that an assessment at the outcome level would be incorporated into the final report covering the 2018-2019 programme budget cycle. From the perspective of trained beneficiaries, he noted that UNITAR continues to grow with an estimated number of more than 200,000 trained during this period, and that the proportion of learners to overall beneficiaries stood at 85 per cent. The Director indicated that while learners from countries in special situations continued to increase in absolute terms, this category of beneficiaries was decreasing in relative terms and that Management needed to step up efforts with a view to addressing learning and broader capacity development needs in accordance with the 2030 Agenda principle of leaving no one behind.
19. The Board provided perspectives and asked questions on various parts of the report, including disaggregating data of beneficiaries beyond gender and affiliations, outreach to beneficiaries from countries in special situations, impacts from training, accessibility, and success in mobilizing resources for the Strategic Framework Fund. The Executive Director spoke about the challenges with data disaggregation and diversifying beneficiaries given resource constraints and the donor-driven funding character of the Institute. The Director noted that additional disaggregation would be included in future reports now that the needed IT-related adjustments have been made to the Events Management System. He underscored the preliminary nature of the report and indicated that more thorough analysis would be included in the 2018-2019 Programme Performance Report. He also drew the Board's attention to the impact stories which provide snapshots from beneficiaries on the application of learning and other results using methods such as most significant change. On accessibility to training, the Executive Director noted that UNITAR would be working more on mobile and micro learning in the future. On comments related to the disproportion of results by pillar, he expected that under the People Pillar UNITAR would see increased results, with the recent activities in the field of health and nutrition in cooperation with WHO, and plans for surgery, the development of apps for surgery practices, and the recently launched Defeat-NCD Partnership focusing on diabetes and hypertension. On impact, the Director recalled the limits to assessing impacts given the relatively small size and scale of many projects. **The Board took note of the report on the implementation of the strategic framework and welcomed the progress made. The Board encouraged Management to establish a reference group for the mid-term evaluation of the framework and report at its Sixty-First Session. The Board encouraged consistent and further efforts by UNITAR to strengthen capacity-building in developing countries in the implementation of the 2030 Agenda.**

20. Under item 9a, 2018 Results Report and key performance indicators, the Chair noted Management's regular reporting on corporate results. The Director for Strategic Planning and Performance drew the Board's attention to the 2019 Results Report and recognized the collective effort across UNITAR in its production, with inputs from Communications and Information Technology Support Unit and programmes. In reference to the key performance indicators, he noted the importance of the dashboard and the need for continued progress to address the gender imbalances of beneficiaries. **The Board took note with appreciation of the 2018 Results Report and the update on the key performance indicators.**
21. Under item 9b, UN CC:Learn and UN SDG:Learn, the Chair noted that the two platforms have grown and are based on partnership and shared ownership with other organizations, including UN agencies and other partners. On UN CC:Learn, the Director of the Planet Division provided the Board with a broad understanding of the project, comprising both learning support through a suite of e-courses as well as support at the country level for developing learning strategy development with national training institutions. Turning to the e-Learning dimension of the project, the Director referred to the tremendous growth of beneficiaries since 2014, with the most recent exponential growth witnessed in 2019 with an estimated 30,000 certificates of completion issued with no additional financing. He attributed this increase in efficiency to a strong partnership strategy, with strong support from Switzerland since the project's inception, as well as recent engagement with new partners from the private sector and educational institutions. It was observed that there is much potential to school children in African countries, but that this would be a challenge and require a somewhat different model. In response to a question on country selection, the Director noted that coverage is limited on funding and that there is an application process, with heavy investment in sub Saharan Africa and Central America, and increasingly in Central Asia and South-east Asia, and that further expansion is dependent on funding. The Director referred to the Educate Global Project as a trial initiative, focusing on the United Kingdom, other European countries and the United Arab Emirates, with the objective to take the project to scale.
22. On UN SDG:Learn, the Manager of the 2030 Agenda Programme Unit indicated that it is inspired by the success of UN CC:Learn and its development has benefitted from close partnership with UNSSC. In contrast to UN CC:Learn, however, SDG:Learn is a gateway to learning resources such as e-Learning courses and micro learning opportunities offered by partners within and outside the United Nations. Launched in July 2019 at the High-level Political Forum, UN SDG:Learn is in its early stages, with 115 courses and micro learning opportunities available to date, and with plans to develop communities of practitioners. The Manager noted the amount of duplication in the field of SDG learning, and the gateway is intended to bring partners together with a view to reducing duplication and enhancing synergy. It was noted that in addition to government decision-makers there was a need to sensitize students in schools. The Director from UNSSC expressed the importance of this partnership and commended the gateway for its cost effectiveness. **The Board took note with appreciation the presentations and comments made on UN CC:Learn and UN SDG:Learn.**
23. Under item 10a, Partnership Development and Resource Mobilization Strategy, the Chair referred to Management's update on the implementation of the Board's recommendation to revise the strategy as a broader partnership development strategy with both financial and non-financial components. The Executive Director drew the Board's attention to the item's annotation and Management's update on the performance indicators. It was noted that some indicators such as non-earmarked funds should be defined in absolute terms as opposed to percentages, and that Management should give consideration to what level of resource requirements are needed to vet partners with the needed due diligence. In response to a question for clarity on the role of the proposed advisory body on partnerships, the Executive Director noted that the limited time of Board sessions did not allow for the needed time and reflection on partnerships and resource mobilization and that a small advisory body would prove useful. The relationship between such a body and the Finance Committee was discussed, with some views pointing to the limited remit of the Finance Committee and the need for partnership expertise either through an advisory body or through networks of experts, and other views recognizing the role and responsibility of directors in forging partnerships and mobilizing resources in their respective areas of programming. In referring to his statutory role to establish advisory bodies as needed, the Executive Director expressed his concern that it would be an additional burden placed on the Finance Committee and that it would be useful to have the Board's reflection on the need for such an advisory body. **The Board requested**

Management to establish informal arrangements with expertise within and outside UNITAR on strategic partnership engagement, with the outcome to be presented to the Board through the Finance Committee at the Sixty-First Session.

24. The Chair announced that the Finance Committee convened in Geneva on Monday, 25 November 2019 for its Twelfth Session and that the report of the session (UNITAR/BT/60/FC/12/2) was circulated to the Board. She invited the Chair of the Finance Committee to introduce item 10b and items 11a-11j as contained in the Finance Committee's report.
25. Under item 10b, Grants-in and Grants-out Policy Guidelines, the Finance Committee Chair referred to Management's most recent review of the guidelines and the proposed changes with a view to tighten controls on both donor and implementing partner agreements. The Executive Director request the Director for Strategic Planning and Performance to elaborate on the proposed changes. The Director noted that the changes were also intended to introduce clarity where needed and, in some areas, added flexibility. The Director indicated that one outstanding issue that required the Board's attention was the threshold for the direct award procedure for implementing partners which was previously set at \$100,000. He referred to the results of a light benchmarking exercise indicating that the thresholds varied across the UN, with some agencies above and other below this amount. On the threshold, the Executive Director proposed that UNITAR continue with the current threshold and return to the Board if deemed necessary. **The Board approved the revised Policy Guidelines for Agreements with Financial Implications (acceptance of contributions for specific purposes), with the requirement that a letter be sent to donors to formalize project closure, and the revised Policy Guidelines for the Disbursement of Funds to Implementing Partners.**
26. Under item 11a, Audited financial statements for the year-ended 31 December 2018 and Report of the Board of Auditors, the Finance Committee Chair referred to the Committee's report and noted that the stable liquidity position of UNITAR. Referring to the statements, he noted that the deficit of \$2.591 million in net revenue over expenses in 2019 was due to the accounting requirements under the International Public Sector Accounting Standards. On the external audit, the Finance Committee Chair noted its overall favorable result and referred to the three principal recommendations, viz, the use of consultants, management controls on the availability of funds before recruiting consultants and enhanced travel policy controls and in particular authorizations for travel by the Executive Director, as further elaborated in the report. The Executive Director referred to the implementation rate and its acceptance of all BOA recommendations. **The Board took note of the Report of the Finance Committee and the financial statements for the year-ended 31 December 2018 and the Report of the Board of Auditors. The Board expressed appreciation to Management for the implementation of the recommendations of the external audit.**
27. Under item 11b, Internal audit, Finance Committee Chair referred to the report on the audit of human resources management and its eight recommendations. The Director for Operations indicated that the only recommendation which was not yet implemented was the selection of an appropriate technology-based tool for the recruitment and performance management and evaluation of staff. She noted that without an IT-based tool, the auditors found that errors could be possible from the manual entry of data and information. She noted that Management was investigating possible options with a private company, given that the UN Secretariat's Inspira and the UNDP Atlas systems were either not a good fit, were too costly or not possible. The Executive Director added that with the increase in budget resulting from the integration of new partnerships, automation in human resources functions would become more important. In reference to the recommendation on improving clarity on the information of staffing in budget presentations, it was noted the importance of including information on non-staff personnel be provided. In response to a question on the jurisdiction of UNITAR in relation to post adjustment discussions, the Executive Director informed the Board that UNITAR respects the International Civil Service Commission's recommendations and that the Institute has applied the cut in salary from March 2018. He noted that several organizations restored the cut following the decision of the International Labor Organization's tribunal, but that UNITAR is awaiting the result of the United Nations Dispute Tribunal's decision. **The Board took note of the report on the audit of human resources management and expressed its appreciation to Management on the implementation of the audit recommendations.**

28. Under item 11c, Report on the application of the cost recovery approach and the situation of the General Fund, the Finance Committee Chair referred to the Committee's report, the current cost recovery approach and noted the importance of the matter turning to the future and the projected growth. He indicated that in light of the shifting dynamics and in particular the projected financial and programmatic growth, the existing formula no longer appeared realistic, and the question that the Board needed to address is whether the existing formula would remain valid with variable sizes of programmes and the requirement of some donors for traceability of support costs. He further indicated that it would be important for Management to identify a flexible approach that would meet both small and large project needs and not deviate from the principle of full cost recovery. The Executive Director provided some background on the current formula and the need to rethink it, noting the two drivers: traceability required by some new donors and competitiveness to attract new partnerships. The Chief of Finance and Budget added some detail to the discussion, noting that indirect overhead costs (7 per cent) are often perceived as 18 per cent, covering the full cost recovery formula. He noted how cumbersome it was to trace charges to specific services and charge projects directly, and that this challenge was accentuated given that many individuals perform functions that fall under both cost recovery categories. He noted that UNITAR had simplified the practice in 2013 with the present formula and approach, and that a system was now needed to trace the costs particularly for the large projects and at the same time cater to the needs of smaller projects where the current model would still make sense, while maintaining a relatively simplified mechanism. The Finance Committee Chair suggested that while a universal model may be required in the long-term, in the short-term Management may need experiment with two models. It was noted the cost recovery needs to be fair, transparent and explicable, and that it should not be negotiated or lead to discounts to some donors. **The Board took note of Management's report on the application of the cost recovery approach and the update on the General Fund. The Board requested Management to develop a new cost recovery approach for consideration and approval by the Board including through circulation if necessary.**
29. Under item 11d, Report of the Advisory Committee on Administrative and Budgetary Questions, the Finance Committee Chair drew the Board's attention to the report and the Advisory Committee's consideration of the proposed programme budget for 2020-2021 and its observations and recommendations. The Executive Director commented on his interaction with the Advisory Committee and the large number of questions, and his hope that UNITAR and its working methods and programming were now hopefully better understood. Drawing a parallel to the audit on human resources management, it was noted that it would be important for UNITAR to include a more thorough presentation on personnel including non staff personnel in future submissions. **The Board took note of the report of the Advisory Committee on Administrative and Budgetary Questions.**
30. Under item 11e, Proposed Programme Budget for the Biennium 2020-2021, the Finance Committee Chair noted that the Board had already covered matters related to the programme budget with the introduction of The Defeat-NCD Partnership. He noted the 59 per cent growth over the 2018-2019 programme budget and other secular growth, and that UNITAR was expected to reach an unprecedented number of beneficiaries. He also noted the risk involved with such a large growth rate and the integration of new programme areas, and that the Finance Committee requested a general 'back-of-the-envelope' assessment of risks. The Board made a number of comments, including a request that future budget submissions should include a comparative analysis of the proposed and former programme budgets by strategic pillar, as well as the need to include additional information on the workforce. The Director for Strategic Planning and Performance referred to the risk assessment that was undertaken on The Defeat-NCD Partnership using the risk areas and methods of the Enterprise Risk Management Policy. **The Board adopted the programme budget for the biennium 2020-2020 as proposed and expressed appreciation for the significant growth. The Board took note of the risk assessment on The Defeat-NCD Partnership and requested Management to provide an update on risks at the Sixty-First Session.**
31. Under item 11f, Update on the use of the revolving fund from the General Fund, the Finance Committee Chair referred to the Committee's report and Management's update on the revolving fund as contained in the agenda item's corrigendum. He referred to discussion at the Fifty-Ninth Session and the need for some provision for bad loans. Referring to 2019, he noted that one loan

would need to be written off, and that some provision would need to be made by UNITAR for this purpose. He also noted concerns on pre-financing in reference to the CommonSensing project. The Chief of Finance and Budget clarified that the pre-financing loan would continuously be shown as outstanding given the pre-financing nature of the project. The Executive Director noted that the revolving fund is ring-fenced from the General Fund and is working well, and that while UNITAR is writing off the loan for accounting purposes, the programme is still required to reimburse it. **The Board took note of the update on the use of the revolving fund from the General Fund.**

32. Under item 11g, Strategic Framework Fund, the Finance Committee Chair noted its innovation given its soft-earmarking character and the support received from donors to date, and that it was expected that other donor countries would contribute to the Fund. **The Board took note of the update on the Strategic Framework Fund. The Board expressed its sincere gratitude to the State of Qatar, the Swedish International Development Agency and the World Family Organization for support to the Fund. The Board requested Management to update the Board at its Sixty-First Session.**
33. Under item 11h, UNITAR Investment Management and Returns Strategy, the Finance Committee Chair referred to the Committee's report and noted that the investment and the management of the investment fund have been satisfactory. **The Board took note of Management's update on the implementation of the UNITAR Investment Management and Returns Strategy.**
34. Under item 11i, Supplementary funding plan for the unfunded UNITAR ASHI liabilities, the Finance Committee Chair noted that long-term ASHI liabilities are being addressed as recommended by the auditors and the Advisory Committee, and that Management payroll contributions to ASHI have been raised from 1 per cent to 6 per cent. He indicated that UNITAR expects to fully fund its ASHI liability in 13 to 15 years. **The Board took note of Management's update on the supplementary funding plan for the unfunded UNITAR ASHI liabilities. The Board requested Management to provide an update at its Sixty-First Session.**
35. Under item 11j, Creation of a programme-level salary pool for meeting knowledge content development costs to cover pre- and post-project implementation/validity periods, the Finance Committee Chair referred to the Committee's report and the accounting difficulties for Management working on multiple projects beginning and ending at different times. To address these problems, he indicated that Management proposed to establish a programme level salary pool to address the pre- and post-project implementation costs. The Chief for Finance and Budget indicated that Management wished to disclose the issue to the Board and seek its support in order to better manage the particularities of the Institute's accounting and funding model. He noted that there were three core issues at stake: traceability, transparency and accounting/administration of projects. He provided a detailed presentation on the issue and explained that pre- and post-project expenses such as proposal development, reviews, narrative and financial reports, evaluations, etc. were not being covered during the validity period of agreements, and that there was a need to recover such costs. He explained that UNITAR was required to refund such costs to the donor or, in the case of donor agreements with flexibility or no financial reporting requirements, book such expenditures in other projects. The Chief noted that the greater the number of projects—in some cases between 20 and 30 projects—the more difficult it was to properly apportion and account such expenses. The Chief noted that while an Institute-wide salary pool was set up to overcome the cost apportionment problem, it did not allow for all pre- and post-project implementation costs to be covered. In order to be able to cover pre- and post implementation costs, Management proposed to establish programme-level salary pool to collect the salary amounts per donor agreement, and that once collected, such amounts would be reported as having been utilized against the agreed project budget. He noted that while accounting and administration of costs would be improved, traceability of staff costs to projects would be lost. He indicated that if the concept was approved by the Board, Management would be transparent with donors and include a standard clause in all agreements, and that the pooled-salary concept would not apply to projects in which donors expressed objection.
36. Questions were raised if the proposed solution would also apply to non salary project costs, if the approach had been tested elsewhere, if the concept had been discussed with auditors and if the policy could be distributed in writing prior to approval. The Chief said that the concept proposed would be limited to staff salaries and that it was uncertain as to whether the approach was already being tested or practiced elsewhere, but that it was assumed that such a model existed given the

intricacies of reporting eligible costs to some donors. He noted that while the concept was not yet discussed with auditors, it would be important to have a policy in place with acceptance by donors. On the issue of testing, he added that the idea would be to pilot the concept with one programme for one year to see how it is being accepted with donors and then to return to the Board. It was noted that the concept could be piloted for one year prior to being accepted and understood that Management would be implementing the concept in full transparency on the basis of donor approval. **The Board expressed its appreciation to Management in dealing with the creation of a programme level salary pool for meeting knowledge content development costs to cover pre- and post-project implementation/validity periods. The Board welcomed the pilot project developed in order to achieve transparency on knowledge content development costs to cover pre- and post-project implementation/validity periods. The Board requested Management to report to the Board on the pilot project at its Sixty-First Session.**

37. Under item 12, Elections of the Chair and Vice Chair, the Chair reported on the Board's closed-door session on elections and announced that consensus was reached on the next Chair and Vice Chair. **The Board paid tribute to the outgoing Chair and Vice Chair and elected by acclamation Ambassador Luis Gallegos and Ms. Diana Chavez as the next Chair and Vice Chair of the Board, respectively. The Board also elected Dr. Patti Phillips to serve on the Finance Committee.**

38. Under item 13, Dates for the Sixty-First Session of the Board and adoption of the Sixtieth Session's conclusions and recommendations, **the Board agreed to convene from 5-6 November 2020 for its Sixty-First Session. The Board welcomed the invitation extended by Dr. Deisi Kusztra and the Government of the State of Parana to host the session in Curitiba, Brazil. The Board agreed to adopt the report on the conclusions and recommendations of its Fifty-Ninth Session as a follow-up to the session.**

Annex I

Key Conclusions and Recommendations of the Sixtieth Session of the Board of Trustees

Item 5: Sustained Growth of UNITAR: New Partnership Models and Business Innovations

Item 5a: The Defeat NCD Partnership

The Board took note of and endorsed the Agreement between UNITAR and the Defeat-NCD Partnership to host the Secretariat of the Partnership and the progress so far. The Board recognized the importance of the new Partnership modality created under the Agreement and took note of the explanation given by the Executive-Director that all activities of the Partnership as well as the integration of its workforce and any decision on its budget will be taken in full conformity with the UNITAR Statute. The Board then approved the Partnership as presented under the UNITAR programme budget for the biennium 2020-2021.

Item 5b: Global Road Safety Partnership

Under this item, and also in light of the discussion under item 5a, the Board took note of the opportunities UNITAR has for programmatic expansion in line with its Statute. The Board requested UNITAR to prepare a paper on the criteria and risk assessment for future partnerships. The Board approved the in-principle transition to UNITAR from the International Federation of the Red Cross for hosting the Global Road Safety Partnership in 2020 subject to the final approval by the Board.

Item 5c: The Sustainable Cycles Programme and Bonn Office

The Board welcomed steps that Management has taken to integrate the Sustainable Cycles Programme into UNITAR and open an office in Bonn, Germany. Concerning certain matters of the status of UNU SCYCLE personnel in Bonn that will be transferred to UNITAR the Board believed that a change in the UNITAR Statute is not appropriate and encouraged the Executive Director to work with German authorities to find a mutually acceptable solution.

Item 5d: Exploring and Assessing New Income Streams and Future Growth

The Board took note of plans to develop new income streams and future growth, particularly in the area of e-Learning and requested Management to report to the Board at its Sixty-First Session.

Item 6: Follow up from the Fifty-Ninth Session

Item 6a: Fit for purpose: UNITAR programming and frontier issues

The Board encouraged UNITAR to continue its work on priority actions contained in the report on "The Age of Digital Interdependence."

Item 6b: Implementation of the Enterprise Risk Management and Anti-Fraud and Anti-Corruption Policies

The Board took note of the implementation of the Enterprise Risk Management and Revised Anti-Fraud and Anti-Corruption Practices.

Item 6c: Horizontal Learning Services

The Board took note of and thanked Management for the revised concept paper on horizontal learning services. The Board requested the Executive Director to work on a short-term contract option to address the objectives of the subject matter and requested the Executive Director to report to the Board at its Sixty-First Session.

Item 7: Report of the Secretary-General to the Economic and Social Council and 2019 ECOSOC Resolution

The Board took note of the Report of the Secretary-General (E/2019/81) and resolution E/Res/2019/13 and welcomed progress in the implementation of the 2018-2021 strategic framework. Concerning future ECOSOC resolutions on the work of UNITAR the Board encouraged the UNITAR Office in New York to consult early with the delegations of Member States represented on the Board and in the Geneva Group of Friends so as to ensure that future resolutions continue to ensure large co-sponsorship.

Item 8: Implementation of the 2018-2021 strategic framework

The Board took note of the report on the implementation of the strategic framework and welcomed the progress made. The Board encouraged Management to establish a reference group for the mid-term evaluation of the framework and report at its Sixty-First Session. The Board encouraged consistent and further efforts by UNITAR to strengthen capacity-building in developing countries in the implementation of the 2030 Agenda.

Item 9: Programming and reporting**Item 9a: 2018 Results Report and key performance indicators**

The Board took note with appreciation of the 2018 Results Report and the update on the key performance indicators.

Item 9b: UN CC:Learn and UN SDG:Learn

The Board took note with appreciation the presentations and comments made on UN CC:Learn and UN SDG:Learn.

Item 10: Partnerships**Item 10a: Partnership Development and Resource Mobilization Strategy**

The Board requested Management to establish informal arrangements with expertise within and outside UNITAR on strategic partnership engagement, with the outcome to be presented to the Board through the Finance Committee at the Sixty-First Session.

Item 10b: Grants-in and Grants-out Policy Guidelines

The Board approved revised Policy Guidelines for Agreements with Financial Implications (acceptance of contributions for specific purposes), with the requirement that a letter be sent to donors to formalize project closure, and the revised Policy Guidelines for the Disbursement of Funds to Implementing Partners.

Item 11: Finance and budget**Item 11a: Financial statements for the year-ended 31 December 2018 and Report of the Board of Auditors**

The Board took note of the Report of the Finance Committee and the financial statements for the year- ended 31 December 2018 and the Report of the Board of Auditors. The Board expressed appreciation to Management for the implementation of the recommendations of the external audit.

Item 11b: Internal audit

The Board took note of the report on the audit of human resources management and expressed its appreciation to Management on the implementation of the audit recommendations.

Item 11c: Report on the application of the cost recovery approach and the situation of the General Fund

The Board took note of Management's report on the application of the cost recovery approach and the update on the General Fund. The Board requested Management to develop a new cost recovery approach for consideration and approval by the Board including through circulation if necessary.

Item 11d: Report of the Advisory Committee on Administrative and Budgetary Questions

The Board took note of the report of the Advisory Committee on Administrative and Budgetary Questions.

Item 11e: Proposed Programme Budget for the Biennium 2020-2021

The Board adopted the programme budget for the biennium 2020-2020 as proposed and expressed appreciation for the significant growth. The Board took note of the risk assessment on the Defeat-NCD Partnership and requested Management to provide an update on risks at the Sixty-First Session.

Item 11f: Update on the use of the revolving fund from the General Fund

The Board took note of the update on the use of the revolving fund from the General Fund.

Item 11g: Strategic Framework Fund

The Board took note of the update on the Strategic Framework Fund. The Board expressed its sincere gratitude to the State of Qatar, the Swedish International Development Agency and the World Family Organization for support to the Fund. The Board requested Management to update the Board at its Sixty-First Session.

Item 11h: UNITAR Investment Management and Returns Strategy

The Board took note of Management's update on the implementation of the UNITAR Investment Management and Returns Strategy.

Item 1i: Supplementary funding plan for the unfunded UNITAR ASHI liabilities

The Board took note of Management's update on the supplementary funding plan for the unfunded UNITAR ASHI liabilities. The Board requested Management to provide an update at its Sixty-First Session.

Item 11j: Creation of a programme-level salary pool for meeting knowledge content development costs to cover pre- and post-project implementation validity periods

The Board expressed its appreciation to Management in dealing with the creation of a programme level salary pool for meeting knowledge content development costs to cover pre- and post-project implementation/validity periods. The Board welcomed the pilot project developed in order to achieve transparency on knowledge content development costs to cover pre- and post-project implementation/ validity periods. The Board requested Management to report to the Board on the pilot project at its Sixty-First Session.

Item 12: Elections of the Chair and Vice Chair

The Board paid tribute to the outgoing Chair and Vice Chair and elected by acclamation Ambassador Luis Gallegos and Ms. Diana Chavez as the next Chair and Vice Chair of the Board, respectively. The Board also elected Dr. Patti Phillips to serve on the Finance Committee.

Item 13: Dates for the Sixtieth Session of the Board and adoption of the Fifty-Ninth Session's conclusions and recommendations

The Board agreed to convene from 5-6 November 2020 for its Sixty-First Session. The Board welcomed the invitation extended by Dr. Deisi Kusztra and the Government of the State of Parana to host the session in Curitiba, Brazil. The Board agreed to adopt the report on the conclusions and recommendations of its Fifty-Ninth Session as a follow-up to the session.