

Board of Trustees

Fifty-eighth Session

16 - 17 November 2017

UNITAR/BT/58/6

12 February 2018

Geneva, Switzerland

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

1. The Board of Trustees of the United Nations Institute for Training and Research (UNITAR) convened in Geneva from 16 to 17 November 2017 for its Fifty-eighth Session. A list of the session's main conclusions and recommendations, as orally adopted at the conclusion of the session, is attached as Annex I.
2. The following members of the Board were present or represented at the session:

Trustees:

Mr. Chibuike Amaechi

Mr. Alexey Borodavkin

Represented by Mr. Yuiry Spirin or Mr. Yvan Novikof (designated alternates) in the event of his absence

Ms. Diana Chavez

Ms. Sara Cook

Ms. Taous Feroukhi (Chair)

Dr. Thomas Fitschen (Vice Chair)

Mr. Ma Zhaoxu

Mr. Vijay Kunhianandan Nambiar (Chair, Finance Committee)

Ms. Yukie Osa

Represented by Ms. Mitsuko Shino (designated alternate) and in the event of her absence, Mr. Akira Beniya

Mr. Carsten Staur

Mr. Valentin Zellweger

Represented by Mr. Samir Yeddes (designated alternate) in the event of his absence

Ex Officio:

Mr. Nikhil Seth, Assistant Secretary-General, Executive Director, UNITAR

Secretary of the Board:

Mr. Brook Boyer, UNITAR

Observers – United Nations research and training institutes:

Ms. Claire Messina, Deputy Director, United Nations System Staff College

Observers – UNITAR:

Mr. Einar Bjorgo, Manager, UNITAR Operational Satellite Applications Programme

Ms. Marina I. Dinca Vasilescu, Chief, Operations Unit

Ms. Emily Fraser, Special Assistant to the Executive Director

Ms. Amrei Horstbrink, Programme Specialist, Green Development and Climate Change Programme

Mr. Alex Mejia, Senior Manager, Decentralized Cooperation Programme

Mr. Joel Thalla, Chief, Finance and Budget Section

Observers – other:

Mr. Liu Shaoxuan, Permanent Mission of China

Mr. Zhao Xing, Permanent Mission of China

3. Under item 1, Opening of the Session, the Chair welcomed the trustees and extended a particularly warm welcome to the two new trustees who were appointed by the Secretary-General in 2017. The Chair announced that the Board had constituted quorum with 11 of 15 members present. 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 representative of the United Nations System Staff College (UNSSC) as an observer. The Executive Director reviewed various highlights since the Fifty-seventh Session and referred to both programming results and finances, as well as the 2018-2021 Strategic Framework and 2018-2019 Programme Budget to be discussed at the present session. He also referred to a number of new or revised administrative policies and procedures which had been circulated to the Board. Several trustees expressed their satisfaction to the Executive Director and the Institute for the achievements over the past year, noted the efforts of UNITAR to align its programming to the 2030 Agenda for Sustainable Development and suggested some thematic avenues to consider for future programming. **The Board took note.**
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. **The Board adopted the agenda as proposed.**

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 to the Board and that the secretariat had circulated their respective bio notes to the Board. The Chair also announced that His Excellency Mr. Alfonso Quiñonez and His Excellency Mr. Alexandre Fasel had completed their terms on 31 December 2016 and 30 August 2017, respectively, and expressed her deep appreciation for their commitment and contribution to the Board. **The Board welcomed the new trustees and expressed its deep appreciation to the outgoing members for their commitment and dedication to UNITAR and the Board.**
7. Under item 5, 2018-2021 Strategic Framework, the Chair recalled the Board's discussions at its Fifty-seventh Session on the UNITAR We Want and Six-point Vision documents, and the recommendations made to Management regarding the articulation of the new strategic framework. The Executive Director indicated that the framework had been under preparation for the past 14 months and that Management's strategic thinking was also guided by the Secretary-General's proposal for a repositioning of the UN development system. The Executive Director made specific reference to the Secretary-General's call for UN entities to be the best providers in their business domains, to be client oriented and innovative; to pursue integrated approaches, break down silos and work as one in the UN system; to be demand- and needs-driven; to pursue partnerships with UN entities; and to be nimble, agile and results-driven.
8. He indicated that the proposed framework spells out UNITAR's vision, mission, core values and strategic objectives, which are woven around the Peace, People, Planet and Prosperity dimensions of the 2030 Agenda, in addition to a fifth strategic pillar devoted to cross fertilizing knowledge and expertise to support the indivisible and integrated nature of the 2030 Agenda. The Executive Director emphasized that UNITAR needs to be the best provider in training and ensure that its programming is modern, innovative, based on the needs of the countries and responsive to the newer generation of learners, and that integrative approaches to programming are pursued. He emphasized that the thematic clustering of programmes under the pillars would provide greater synergies between similar projects and programmes to help break down the current silos; provide for more effective supervision, project formation and reporting; and provide for efficient use of staff time. The Executive Director also underlined that this clustering would enable UNITAR to engage in more effective project formulation and focus much more on being results-driven and on monitoring, review and evaluation.
9. The Board welcomed the strategic direction and its close alignment to and synergies with the 2030 Agenda. The Board made a number of important observations and suggestions, including the need to ensure that the framework brings out much more sharply the unique niche of UNITAR in terms of bringing knowledge to practice through innovation, methodology, pedagogy and training. Other important comments and suggestions made by the Board include recognizing the need to engage more closely with academia and other knowledge management communities, particularly when considering what transdisciplinarity of the Agenda means in practice; mentioning that UNITAR is also a training arm of the United Nations itself (and complementary to the UNSSC); emphasizing the peace and security dimension, perhaps by resequencing the order of the strategic objectives; reflecting new trends such as the fourth industrial revolution; ensuring that the framework references the concepts of people-centred development and win-win cooperation, in addition to mentioning new initiatives, such as sustainable infrastructure and the Belt and Road Initiative; and being ambitious in framing and presenting the framework from a communications perspective. The representative from UNSSC observed that UNITAR and the Staff College often work in the same thematic areas but deliver training programmes to different audiences, and welcomed the possibility to deepen cooperation to ensure that there was coherence in delivering messages to country teams and government officials.
10. The Executive Director thanked the trustees for their reflective observations and suggestions and indicated that they could be addressed in the document, either in the introductory paragraphs or in the narrative describing the strategic objectives and enablers. He indicated that it was important to avoid giving the impression that UNITAR has all the in-house expertise, and that partnerships with a wide variety of actors, including academia, are instrumental. He also noted that the integrated

and intersectoral nature of the 2030 Agenda is in many respects a frontier area, and that the multiple disciplines are proving to be challenging in terms of giving real-life meaning to the concept of integration. The Executive Director acknowledged that UNITAR should be cooperating more within the UN system. In reference to the observation made by UNSSC, he mentioned that the learning material that UNITAR and the Staff College develop needs to be the same at the root for purposes of consistency and coherence, yet the delivery of that material may require some customization to the specific needs of different audiences. **The Board welcomed with appreciation the 2018 – 2021 Strategic Framework and requested Management to incorporate its observations in the framework’s final version by the end of November 2017 and report on its implementation at the Fifty-ninth Session.**

11. Under item 6, Programming and reporting, the Chair referred to sub-item 6a, Report of the Secretary-General on the work of UNITAR to the Economic and Social Council (E/2017/48) and ECOSOC resolution 2017/6, the Executive Director reported that ECOSOC and many delegations expressed appreciation for the work that UNITAR is doing, and that Algeria had piloted a resolution that was adopted by ECOSOC at the Coordination and Management Meeting in April 2017. He mentioned that a number of delegations spoke in favour of UNITAR’s training activities, and that the resolution called on UNITAR to align its programming with the 2030 Agenda and the UN development system reforms; referred to the UNITAR Operational Satellite Applications Programme (UNOSAT); and called for stronger donor support for non-earmarked funding and for donor support for capacity building, as well as for partnerships. **The Board took note of the Report of the Secretary-General to the Economic and Social Council (E/2017/47) and Economic and Social Council resolution E/res/2017/6, as well as the comments made.**
12. Under sub-item 6b, 2016 Results Report and key performance indicators, the Chair announced that 2016 was a record-breaking year for UNITAR, with overall outreach of some 54,000 beneficiaries, and that this success was largely due to the continued delivery of a number of e-Learning courses and in particular the introductory UN CC:Learn course on climate change. Mr. Brook Boyer, Manager of the Planning, Performance and Results Section, added that 2016 was also record-breaking in terms of the number of beneficiaries participating in learning-outcome events, with some 36,000 individuals recorded. He indicated that 80 per cent of learning-related beneficiaries came from developing countries and that 50 per cent represented countries in special situations, including the least-developed countries (LDCs), the small island developing States (SIDS) and the landlocked developing countries (LLDCs). He then reviewed other figures presented in the report and the various key performance indicator (KPI) values from 2016, including the gender ratio of beneficiaries, the number of certificates issued, beneficiary feedback, and the application of knowledge and skills to participants’ workplaces from learning-related events. The Board praised Management for the reports and noted the usefulness of the figures and information, including the gender disaggregated data. In response to one question on whether UNITAR compared figures on overall usefulness and on-the-job application with those of other organizations, he indicated that no comparisons were currently made but that Management would look into the possibility of comparing such figures in the future. It was suggested that UNITAR assign much importance to ensuring that the right people get trained and also look into producing impact case studies or stories that go into more depth in order to ascertain how learning from UNITAR’s training services bring about the changes in outcome level performance. The Executive Director acknowledged the challenges that UNITAR occasionally faces in selecting beneficiaries and that while this decision is sometimes outside UNITAR’s control, Management has learned important lessons from past experiences where inadequate selection criteria or procedures have compromised results. He also stressed the emphasis that UNITAR is now placing on evaluation and the importance of determining impact, noting that UNITAR now conducts independent evaluations of projects budgeted above \$1.5 million and that such exercises would help UNITAR determine how effective the training and related services are in terms of contributing to desired changes. **The Board took note of the 2016 Results Report and the key performance indicators.**
13. Under sub-item 6c, Programming highlights, the Chair drew the Board’s attention to the programme areas selected for presentations: Helping countries implementing the 2030 Agenda, the Pakistan Evidence and Learning Platform project, UNOSAT capacity development in geospatial technologies for disaster risk reduction and disaster interventions, and the recently launched massive open online course on adaptation and climate change.

14. Mr. Alex Mejia, Head of the 2030 Agenda Programme, briefed the Board on the two Agenda 2030-related learning conferences organized in 2017, one in Abuja, Nigeria (focusing on LDCs) and one in Cartagena, Colombia, with the aim to provide a non-political space for dialogue and exchange of best practices and, at the same time, a space for fostering partnerships with the regional commissions. Mr. Mejia said that the conferences were highly complementary to the political processes underway in the regional commissions. He recognized the instrumental support received from two trustees and announced that the series of learning conferences would continue in 2018 with events scheduled in the Caribbean, the Middle East and Asia. He indicated that UNITAR tends to coordinate closely with the Staff College in order to ensure that the learning material 'speaks the same language' and avoids giving the impression that different approaches are being pursued.
15. Mr. Einar Bjorgo, Manager of the UNOSAT Programme, introduced the Pakistan Evidence and Learning Platform (PELP) project, noting that at present the PELP is the Institute's largest multi-year and multi-thematic project, and represents an excellent example of cross programme collaboration. Funded by the UK Department for International Development, the project aims to contribute to reducing the impact from humanitarian disasters in Pakistan by providing a platform for effective knowledge generation, knowledge management and the delivery of learning solutions based on experiences, the results of third-party monitoring of humanitarian action, and research conducted through a small grants mechanism on innovation in the humanitarian sector. After reviewing the status of the project since commencing in April 2017, he emphasized that the project was designed to have long-term sustainability, and that while the PELP was at present linked closely to the United Nations Resident Coordinator's Office, the PELP in the medium to long-term would be transferred to a national entity or entities.
16. Mr. Bjorgo then briefed the Board on UNOSAT's activities in the area of disaster risk reduction and highlighted that UNOSAT was the only entity in the UN system fully dedicated to satellite imagery analysis and capacity development. He reviewed the wide spectrum of issues on which UNOSAT works, including land use, health, natural disasters, human rights, sustainable development goals, etc. He indicated that while UNOSAT counts for some 30 staff, mostly based in Geneva, the programme maintains staff at locations in Bangkok, Ndjamena and Nairobi. He provided some concrete examples of UNOSAT's satellite imagery analysis and rapid mapping in different countries. He stressed the programme's close collaboration with country-level authorities.
17. Ms. Amrei Horstbrink, Programme Specialist from the Green Development and Climate Change Programme, briefed the Board on the recently launched massive open online course (MOOC) on national adaptation plans and building climate resilience in agriculture. She indicated that the course, which is funded by the United Nations Development Programme and the Food and Agriculture Organization, would run over six weeks and that registration was free and open to any interested individuals. With over twelve thousand registrations, she indicated that the course was the largest single training event in the Institute's history. Participants come from 166 countries, with nearly 50 per cent from Africa, followed by Asia and Latin America. She concluded her briefing by reviewing some of the course's key areas and innovative features given the large number of participants, including a short weekly video of a national coordinator in charge of integrating national adaptation plans in her country.
18. Observations were made on the wide range of activities on which UNITAR works and the diverse partnership base. A suggestion was made for UNITAR to examine the impact that the learning conferences have. It was also noted that the communication strategy needs to leverage what UNITAR does on the ground. In the area of satellite imagery, an observation was made on how a short video could be a useful selling point on how state of the art technology and satellite imagery can be used to communicate basic and simple ways of using agriculture in daily life, for example. **The Board took note of its observations and expressed much appreciation to Management for the presentations on helping countries implement the 2030 Agenda, the Pakistan Evidence and Learning Platform, UNOSAT capacity development in geospatial technologies for Disaster risk reduction and disaster interventions, and the massive open online course on climate change adaptation.**
19. Under sub-item 6d, Programming challenges and lessons learned, the Chair announced that the item was placed on the agenda further to a request by the Board at its Fifty-seventh Session. The Executive Director referred to the item's annotation and discussed some of the challenges that

UNITAR faces on identifying and measuring indicators and assessing the impact of UNITAR programming and determining the benefits of learning, particularly given the number of relatively small sized projects and the accompanying high transaction and administrative costs inherent in programme delivery. He also referred to the challenges that Member States face in measuring the SDG indicators. The Executive Director noted, however, that UNITAR is making efforts to assess programme impacts through mandated independent evaluations of projects budgeted above \$1.5 million.

20. Mr. Brook Boyer, Manager of the Planning, Performance and Results Section, reviewed some of the 2016 achievements as a backdrop to the presentation on programme challenges, both in terms of budget and income growth as well as expansion in beneficiary outreach, particularly from developing countries. He mentioned that due to the relatively small size of projects, there was a tendency for UNITAR to place emphasis on outputs (e.g. number of trained beneficiaries and their reaction to training services) over programme outcomes and impacts. He also mentioned that the measures of learning outcomes were mostly based on beneficiary perception and that despite feedback being positive, there was the need to introduce more objective assessments in order to determine whether UNITAR training contributed to changes in performance or other outcomes. In addition to the overall limited size and scale of projects, he noted that most projects had life cycles of less than two years and that this contributed to making programme impact assessment challenging, given that impacts usually require more time to take shape. Another challenge addressed was the relatively undeveloped impact pathways, theories of change or results frameworks in many projects (including in the medium to large-scale projects) and that as a result, the intended impacts from a UNITAR intervention were not always clear. In the area of learning, he indicated that an important lesson was the need to establish a connection between knowledge, skills and attitudes, on the one hand, and the performance needs of beneficiaries requiring learning solutions, on the other.
21. The Board thanked Management for the presentation and raised a number of observations and questions, including enquiring whether it would be possible for UNITAR to be more explicit in its change strategies, stressing the need to shift the focus from outputs to outcomes and be practical to the realities on the ground that can be measured, and recognizing the limited resources and not letting 'perfect become the enemy of the good'. It was also suggested that Management maintain its awareness of its limitations in order to provide sound explanations to donors or others that may be critical of UNITAR's effectiveness and ensure that risks and assumptions in project delivery are clearly shared with stakeholders. The Chair proposed Management to include in the design of programmes and projects some criteria that could help to measure progress, outcome and impact. Mr. Boyer added that the challenges and lessons presented were based on some of the independent evaluations undertaken over the past year. He indicated that at the project level, UNITAR has put in place a differentiated set of requirements for measuring and evaluating outcomes based on the size of project budgets and that proposals should also include reference to which strategic objectives and SDG(s) a project is aligned. The Executive Director expressed much satisfaction with the quality of discussions and added that the challenge for UNITAR is to identify clearly defined results and appropriate indicators for measuring their achievement. He said that in practice, the results are often conflated with the development goals, which cannot be the metrics for measuring UNITAR programming and certainly not for the smaller sized projects, and that Management needs to ensure that intermediate level results are identified. **The Board took note of the presentation and requested Management to ensure projects include measurable results in accordance with policy requirements.**
22. Under item 7, Finance and budget, the Chair invited the Board's Finance Committee Chair to introduce the Report of the Tenth Session of the Finance Committee (UNITAR/BT/58/FC/10/2). Under item 7a, audited financial statements for the year-ended 2016, the Finance Committee Chair referred to the Committee's report and noted that the audited financial statements indicate a sound financial situation of UNITAR and an increase in assets from the previous year, from \$21.097 million to \$31.316 million. Along with assets he indicated that liabilities had also increased, mainly due to employee benefits. On revenue and expenditures, he noted that the slight deficit was due largely to the changes in accounting methods with the introduction of the International Public-Sector Accounting Standards (IPSAS). **The Board took note of the Report of the Finance Committee and the financial statements for the year ended 31 December 2016.**

23. Under item 7b, Report on the application of the cost recovery approach, the Finance Committee Chair introduced the matter and noted that the cost recovery approach distinguishes between indirect programme support costs and direct service costs, and that the recovery formula resulted from a previous recommendation from the Board of Auditors. As discussed in the Committee's report, he noted the challenges with the approach given the competitive environment in which the Institute works and that there was a need for flexibility, as was decided by the Board at the Fifty-seventh Session. The Finance Committee Chair felt that it was important to review what flexibility was needed given the competitive environment. The Executive Director explained that UNITAR is in a growth environment and that increased flexibility was desirable on the programme support cost (PSC) component, currently set at 7 per cent, and sought guidance on how and where the rate could be waived. He referred to projects funded by the European Commission which are based on competitive tendering, and that the combined overhead rate of 18 per cent does work against UNITAR's cost competitiveness. The Board recognized the growth aspirations of UNITAR and its competitive operating environment, and felt that more flexibility on the PSC would be a good middle course of action to pursue, while waiting for additional proposals. The Executive Director requested the Board to consider some action on flexibility at the session, perhaps taking the form of direct communication from him to the Finance Committee for approval, if a situation would arise requiring flexibility on PSC. **The Board took note of the Report of the Finance Committee and Management's report on the application of the cost recovery approach. The Board gave the Executive Director flexibility in applying the programme support cost rate to project budgets on a case-by-case basis, after consultation with the Finance Committee.**
24. Under item 7c, Report of the Advisory Committee on Administrative and Budgetary Questions, the Finance Committee Chair noted the autonomous nature of UNITAR and the good practice that the programme budgets are reviewed by the Advisory Committee, even though technically UNITAR does not come under the Advisory Committee's purview. The Finance Committee Chair noted that the Advisory Committee focused on the decline in non-earmarked contributions and the requested staffing requirements in connection with the proposed programme budget. The Executive Director explained that Management could not fill all posts in the staffing table, highlighted the difference between UNITAR and many other organizations, and made reference to the large number of non-staff professionals. The Board made several observations, including requesting a more detailed staffing table for future budget submissions in order to better understand the categories of staff and non-staff professionals, including those financed by the General Fund and acknowledged the concern with the decline in non-earmarked contributions. The Executive Director clarified that the number of approved regular staff positions was 64, that the number of filled staff positions was presently 41, that he was requesting a decline in two approved regular staff posts in the context of the 2018-2019 Programme Budget. **The Board took note of the report of the Advisory Committee on Administrative and Budgetary Questions.**
25. Under item 7d, Proposed Programme Budget for the Biennium 2018-2019, the Finance Committee Chair summarized the report of the Committee and highlighted the changes from earlier programme budgets, both in terms of substance and format, as well as its alignment with the UNITAR 2018-2021 strategic framework and the focus of much programming around Goals 12 (sustainable production and consumption), 13 (climate change) and 16 (peaceful, just and inclusive societies) of the 2030 Agenda. He indicated that the projected growth amounts to 11.65 per cent over the 2016-2017 Programme Budget, with most results areas falling under the Peace, People, Planet and Prosperity pillars, and that UNITAR would continue to focus its programming on meeting the needs of individuals from developing countries and in particular the countries in special situations.
26. The Board put forward a number of comments and questions, including comments on staffing (in reference to the need for further clarity in Table 7 of the programme budget with breakdowns of the levels of the staff), how the integrated nature of the 2030 Agenda would be reflected in the working methods across the pillars as presented in the organizational chart under Annex 1, and confirmation if the Director level posts were new positions. The Executive Director referred to the suggestions of the Chair of the Finance Committee that the order of the pillars in the programme budget could be modified to reflect the Board's requested change to the order of the objectives in the strategic framework. He also emphasized the importance of ensuring concordance between the strategic framework, the programme budget and the staffing table. He indicated the expectations that there would be increased crosscutting programme initiatives which address objectives under multiple pillars, such as the case of the PELP project that was discussed under programme highlights.

Finally, he underscored the transparency of the budget and indicated that the overhead costs consisting of the costs of the Office of the Executive Director; Operations; and Planning, Performance and Evaluation are clearly presented. In the same spirit of transparency, he reviewed the details of the proposed staffing requirements for 62 posts, noting a reduction in two posts from the existing 64 approved posts. In the proposed staffing requirements, the Executive Director indicated that there would be a net addition of four D1s, a decline in five P5s, an increase in two P4s, a decline in two P3s, and a decline in one G4. He indicated that the D and P5 levels represented the major changes and that the proposed filling of the Director level posts is based on a recommendation issued by the Office of Internal Oversight Services to put in place a more pyramidal structure to enable the Executive Director to focus more on strategic matters. The Executive Director indicated that the Director level positions would have programme managerial responsibilities, in addition to having supervisory responsibilities of other programme managers within their thematic pillar. He indicated that the major change of shifting the P5s to become D1s in the proposed budget would amount to about \$1,000 per month per post. As there would be two less posts to encumber, he indicated that there would be a net decrease in staffing costs, even with the increase in the number of Director level posts.

27. Questions were raised on the proposed organizational chart in Annex 1 (in comparison with the existing, approved organizational chart from the 2016-2017 Programme Budget), including how the posts are broken down in the relevant pillars, what constitutes “Applied Research” and the linkage to UNOSAT and the Strategic Implementation of the 2030 Agenda; the rationale for moving the Hiroshima Office under the Peace pillar and Knowledge Systems Innovation, formally under the Research Department, under the Prosperity pillar; the New York Office (formally separate) moved under Multilateral Diplomacy, and the status of the Junior Professional Officers (JPOs) which did not figure in the organizational chart.
28. The Head of Operations provided a summary of the changes made since the 2007 OIOS report, and noted that the Board had approved an organizational chart with eight Director level posts which was in effect until 2013. She noted that the proposed consolidation initiative weakened the structure of UNITAR and that many posts could not be filled, and that the present proposed organizational chart was intended to return to a sustainable structure. It was suggested that Management provide the Board at its next session a historical background and lessons learned on the staffing changes over time, particularly for the newer members to more fully understand the situation. It was noted that UNITAR was one of the only organizations mapping its programme budget with the implementation of the 2030 Agenda and that programme income and expenditure were closely aligned.
29. The Executive Director indicated that he wanted open and transparent competition for the Director level posts and that it was not possible to indicate on paper at this stage which D1 would be in charge of a pillar. On the question of applied research, he noted that UNITAR had never carried out pure research and that the research undertaken is tied mostly to methodology and pedagogy of learning, including best practices, and applied research in satellite applications, including research through crowd sourcing. Under the Strategic Planning and Performance Unit, the Executive Director mentioned the two proposed functions, including Partnerships and Resource Mobilization Section (with a senior fellow currently engaged in resource mobilization efforts, to complement the Resource Mobilization Committee) and the Planning, Performance Monitoring and Evaluation Section. On the Hiroshima and New York Offices, the Executive Director indicated that for Hiroshima most of its programming relates to efforts to promoting peace in fragile countries, including South Sudan, Iraq and Afghanistan, in addition to working in the area of nuclear disarmament for ASEAN diplomats. For New York, he indicated that most of the work targets the diplomatic community and cited several examples of activities. On Knowledge Systems Innovation (KSI), the Executive Director indicated that the major programme activity over the past several years was a project aimed at strengthening entrepreneurship skills for young graduates in Algeria and that efforts were underway to replicate the approach in Tunisia. In addition to this project, he indicated that KSI has a secondary, supplementary function to provide support on methodologies and pedagogies of learning and develop training skills for UNITAR programmes.
30. The Executive Director mentioned that the Operations Unit and the Strategic Planning and Performance Unit, together with the Office of the Executive Director, are supported by the General Fund, but that KSI was shifted to the Prosperity pillar to make it clear that it is not funded by the

General Fund. On the question of JPOs, he mentioned that they did not figure in the organizational chart as they were not considered as regular staff, but that if the Board so wished, a footnote could be inserted in the chart. In addition to the four main pillars of the organizational chart, the Executive Director added the importance to UNITAR of supporting Member States in making the 2030 Agenda part of national planning processes; in developing the statistical capacities of countries, especially for the most distressed countries; in helping government ministries understand what integration means and how this leads to smarter implementation of policies; and in helping governments establish meaningful multistakeholder partnerships at the national level. He emphasized the role of the strategic crosscutting dimension and the expectation that inter-programme cooperation would more emerge as a result of the new structure. The Executive Director referred to the Statute's provision for the Board to review the composition, structure and staff of the Institute to be funded from the General Fund, clarified that Operations, the Executive Office and the Strategic Planning and Performance Unit are funded from the General Fund, and expressed hope that he could return to the Board with a proposal to increase staffing for the Partnership and Resource Mobilization Section under the Strategic Planning and Performance Unit, including partnerships with the private sector, if the strength of the General Fund improves. **The Board took note of the observations made by members during its discussion of the proposed Programme Budget for the Biennium 2018-2019 and of the Report of the Finance Committee. In this context, the Executive Director made a statement on the revised organizational chart envisaged for the budget period of which the board took note. The Board adopted the Programme Budget for the Biennium 2018-2019 as proposed.**

31. Under item 7e, Report on the 2016 External Audit, the Finance Committee Chair reviewed the item as discussed by the Finance Committee and noted that while the Board of Auditors did not find any problem with the financial state of UNITAR, the BOA made some recommendations on the transition from the Integrated Management and Information System (IMIS) to the Atlas-based Enterprise Resource Planning (ERP) system, the need for further training and professionalization of the finance and budget personnel, and the need to adopt measures for the elimination of discrimination to bring the recruitment of UNITAR personnel in line with UN policy for persons with disabilities. The Chair of the Finance Committee also reported that many of the outstanding recommendations were either implemented or under implementation. Finally, the Chair of the Finance Committee informed the Board of the audit recommendation to bring the Statute of UNITAR in line with the IPSAS requirements for annual financial reports. The Board took note of the observations of the Finance Committee and the Report of the Board of Auditors. As provided under Article XI of the Statute, the Board recommended the Secretary-General to amend paragraph 11 of Article VIII of the Statute to read as follows:

“The funds of the Institute shall be held and administered solely for the purpose of the Institute. The Controller of the United Nations shall perform all necessary financial and accounting functions for the Institute, including the custody of its funds, and shall prepare and certify the annual accounts showing the status of the Institute’s special account.”

32. Under item 7f, Migration to Atlas, the Finance Committee Chair reviewed the item as discussed by the Finance Committee and noted that the migration was successful and resulted in reduced processing delays, the eliminated duplications of functions and cost reductions. He reported that the UNITAR Chief of Finance and Budget had created a financial dashboard to enable Managers to review in real time the status of their respective project accounts. The Chief of Finance and Budget added that this is a preliminary change and that Atlas offers much flexibility to incorporate additional functions in the dashboard. He also noted that as the number of transactions decreases, the cost savings should further increase. The Chair of the Finance Committee made reference to the Board of Auditors recommendation for continued training and suggested that this continue for staff. **The Board took note of the Finance Committee’s observations and the update on the migration to Atlas, and requested Management to maintain the training on Atlas and brief the Board on Atlas in the future should any matter emerge requiring the Board to be informed or take decisions.**
33. Under item 7g, Update on the use of the revolving fund from non-earmarked reserves, the Finance Committee Chair reviewed the item as discussed by the Finance Committee, briefed the board on the fund’s origins and indicated that the fund has been working well. The Chair of the Finance

Committee indicated that the use of the fund would need to be used prudently, and noted that the record on the use of the fund has been satisfactory. **The Board took note of the Finance Committee's observations and Management's update on the use of the revolving fund from non-earmarked reserves.**

34. Under item 7h, Update on the implementation of the Resource Mobilization Strategy, the Finance Committee Chair made reference to the strategy's indicators as recorded under the item's annotation. He noted that only two of the six indicators had positive measures, however. The success in mobilizing resources from the private sector in 2017 was acknowledged. The Executive Director noted the areas proving to be difficult and that the indicators were developed internally through the Resource Mobilization Committee. He questioned whether all the targets were realistic and that there may be some internal contradictions between targets. He cited the example of the average size of projects indicator with a target to increase the size from \$221,000 to \$400,000 and questioned if this would mean forgoing smaller sized projects as this could work against achieving the overall growth target. He invited the Board to reflect on the overall resource mobilization strategy and if all indicators were needed. The Chair indicated that it would be good to focus on the global picture of the strategy and not just one or two elements, such as multi-year projects or non-earmarked funds. In request to one question on how decisions are made on accepting contributions for projects, the Executive Director said that programme managers tend to focus on the overall resource mobilization target of their respective programmes, and that the other targets were not as compelling. He indicated that in reality it was very difficult to decline any contribution, regardless of the amount, and that emphasizing the overall resource mobilization target brings challenges to inter-programme collaboration. He indicated that with the revised organizational structure, he hoped that the multi-year, larger scale and inter-programme initiatives would increase in number.
35. The Chair announced that recent consultations with the State of Qatar have led to a pledge of \$1.5 million to UNITAR, with annual contributions of \$500,000. She also announced that Algeria would continue support to the Institute, with expectations that the support would be finalized before the end of the year. **The Board took note of the Finance Committee's observations, took note of the update on the Resource Mobilization Strategy and welcomed with appreciation the continued support from the Government of Algeria and the announced contribution from the State of Qatar to the UNITAR General Fund covering 2018 to 2020.**
36. Under item 7i, UNITAR Investment Management and Review Strategy, the Finance Committee Chair noted that at the Fifty-seventh Session, the Board requested Management to provide an update on the implementation of the strategy. He indicated that the management of UNITAR's funds had been outsourced to the UNDP Investment Management Team and that this provided UNITAR with very little maneuverability, with present investments of a short-term nature with a modest rates of return. The Chair of the Finance Committee reported that the Executive Director had indicated that UNITAR may need to look at other investment avenues, such as those pursued by the UN Joint Pension Fund, where there may be slightly better rates of return. He indicated that the acceptable level of risk needed to be weighed carefully, and that it would be important to have a clear idea of the optimum case reserve that UNITAR would need to maintain in order to have seed funds, promote growth and expand the Institute at the regional level. **The Board took note of Finance Committee's observations and recommendations, and took note of Management's update on the implementation of the UNITAR Investment Management and Review Strategy.**
37. Under item 8, Dates for the Fifty-ninth Session of the Board and adoption of the Fifty-eighth Session's conclusions and recommendations, the Board welcomed the offer by Nigeria and agreed to convene in Abuja for the Fifty-ninth Session from 29-30 November 2018.
38. Under any other business, the Board elected Mr. Zellweger as member of the Finance Committee.
39. The session was adjourned.

Annex I

KEY CONCLUSIONS AND RECOMMENDATIONS OF THE FIFTY-EIGHTH SESSION OF THE BOARD OF TRUSTEES

Item 5: 2018 – 2021 Strategic Framework

The Board welcomed with appreciation the 2018 – 2021 Strategic Framework and requested Management to incorporate its observations in the framework's final version by the end of November 2017 and report on its implementation at the Fifty-ninth Session.

Item 6: Programming and reporting

Item 6a: Report of the Secretary-General to the Economic and Social Council (E/2017/48) and Economic and Social Council resolution 2017/6

The Board took note of the Report of the Secretary-General to the Economic and Social Council (E/2017/47) and Economic and Social Council resolution E/res/2017/6, as well as the comments made.

Item 6b: 2016 results report and key performance indicators

The Board took note of the 2016 Results Report and the key performance indicators.

Item 6c: Programming highlights

The Board took note of its observations and expressed much appreciation to Management for the presentations on helping countries implement the 2030 Agenda, the Pakistan Evidence and Learning Platform, UNOSAT capacity development in geospatial technologies for disaster risk reduction and disaster interventions, and the massive open online course on climate change adaptation.

Item 6d: Programming challenges and lessons learned

The Board took note of the presentation and requested Management to ensure projects include measurable results in accordance with policy requirements.

Item 7: Finance and budget

Items 7a: Financial statements for the year ended 31 December 2016

The Board took note of the Report of the Finance Committee and the financial statements for the year ended 31 December 2016.

Items 7b: Report on the Application of the New Cost Recovery Approach

The Board took note of the Report of the Finance Committee and Management's report on the application of the cost recovery approach. The Board gave the Executive Director flexibility in applying the programme support cost rate to project budgets on a case-by-case basis, after consultation with the Finance Committee.

Items 7c: 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 7d: Proposed Programme Budget for the Biennium 2018-2019

The Board took note of the observations made by members during its discussion of the proposed Programme Budget for the Biennium 2018-2019 and of the Report of the Finance Committee. In this context, the Executive Director made a statement on the revised organizational chart envisaged for the

budget period of which the board took note. The Board adopted the Programme Budget for the Biennium 2018-2019 as proposed.

Item 7e: Report of the 2016 External Audit

The Board took note of the observations of the Finance Committee and the Report of the Board of Auditors. As provided under Article XI of the Statute, the Board recommended the Secretary-General to amend paragraph 11 of Article VIII of the Statute to read as follows:

“The funds of the Institute shall be held and administered solely for the purpose of the Institute. The Controller of the United Nations shall perform all necessary financial and accounting functions for the Institute, including the custody of its funds, and shall prepare and certify the annual accounts showing the status of the Institute’s special account.”

Item 7f: Migration to Atlas

The Board took note of the Finance Committee’s observations and the update on the migration to Atlas, and requested Management to maintain the training on Atlas and brief the Board on Atlas in the future should any matter emerge requiring the Board to be informed or take decisions.

Item 7g: Update on the use of the revolving fund from non-earmarked reserves

The Board took note of the Finance Committee’s observations and Management’s update on the use of the revolving fund from non-earmarked reserves.

Item 7h: Update on the implementation of the Resource Mobilization Strategy

The Board took note of the Finance Committee’s observations, took note of the update on the Resource Mobilization Strategy and welcomed with appreciation the continued support from the Government of Algeria and the announced contribution from the State of Qatar to the UNITAR General Fund covering 2018 to 2020.

Item 7i: UNITAR Investment Management and Review Strategy

The Board took note of Finance Committee’s observations and recommendations, and took note of Management’s update on the implementation of the UNITAR Investment Management and Review Strategy.

Item 8: Dates for the Fifty-ninth Session of the Board and adoption of the Fifty-eighth Session’s conclusions and recommendations

The Board welcomed the offer by Nigeria and agreed to convene in Abuja for the Fifty-ninth Session from 29-30 November 2018.