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TRAINING AND RESEARCH: UNITED NATIONS INSTITUTE FOR  
TRAINING AND RESEARCH

Report of the Secretary-General

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## I. INTRODUCTION

1. The Secretary-General submitted a report on the United Nations Institute for Training and Research (UNITAR) to the General Assembly at its forty-first session (A/41/521) in response to a request of the Assembly that he prepare comprehensive specific plans for the future of the Institute (resolution 40/214).

2. In his report, the Secretary-General explored two options put forward by the General Assembly, namely to close down the Institute or to restructure it, presenting the financial implications of each option. His conclusion was that "given the continuing validity and utility of the UNITAR mandate, the proposal contained in the second option - namely restructuring UNITAR - albeit at a reduced level - would be advisable" (A/41/251, para. 36). The Secretary-General therefore proposed that that option should be implemented for a period of three years, 1987-1989, on the understanding that at the end of that period a review would be undertaken to enable the General Assembly to decide on the future course of action to be followed.

3. In its resolution 41/172 of 5 December 1986, the General Assembly recommended a restructuring plan and requested the Secretary-General to submit to it at its forty-second session a report that would include a "comprehensive assessment of the experience with the interim solution in 1987 to enable the Assembly to evaluate the situation and reach a decision on the future of the Institute". In the same resolution, the Assembly requested that in case the necessary financing was not ensured by the implementation of the restructuring plan, the Secretary-General should "take steps with a view to phasing out, as appropriate, the activities of the Institute in the most cost-effective manner possible, and to submit to the General Assembly at its forty-second session a detailed proposal on the reallocation of the appropriate and essential activities of the Institute to other entities of the United Nations system".

4. The present report has been prepared in response to the above-mentioned requests.

## II. IMPLEMENTATION OF THE RESTRUCTURING PLAN FOR UNITAR

5. In paragraph 3 of its resolution 41/172, the General Assembly made several recommendations concerning the restructuring of the Institute as regards the programme and the arrangements for finance and administration. Measures were taken early in 1987 to implement all but two of those recommendations. Specifically, it was not feasible to circulate in 1987 a list of proposals to donors for funding training and research programmes through special purpose grants or to diversify in one year the composition of Professional-level staff (see paras. 14-16 below).

A. Measures that have been implemented

1. Programme

6. It was recommended in the restructuring plan that "training shall be the main focus of the Institute's activities during the interim period, and that focus should be duly reflected in the budget allocations". As recommended by the General Assembly, the core training programme financed from the General Fund concentrates on training for international co-operation and multilateral diplomacy at various levels, primarily training of persons from developing countries. In that respect, representatives of developed countries who intend to participate as from 1988 in the joint Economic Development Institute/UNITAR annual seminar on international development issues will be asked to have their Governments bear the cost of their participation since the World Bank and UNITAR will be able to cover only the expenses of nationals from developing countries. Arrangements also exist to ensure that other training activities, including training for social and economic development or any other training programmes designed and conducted by UNITAR for other United Nations bodies and specialized agencies, are funded from special purpose grants and not from the scarce resources of the UNITAR General Fund.

7. The five recommendations on research contained in the restructuring plan were also adhered to in the programme approved by the Board of Trustees for 1987. Details of the 1987 UNITAR programme and the instructions of the Board of Trustees concerning the preparation of the 1988-1989 programme are given in annex I.

2. Finance and administration

8. The Secretary-General has reviewed, with the Executive Director, the management, staff and administrative and financial arrangements of the Institute with a view to ensuring that the restructured programme is carried out in a cost-effective manner. The Board of Trustees of the Institute also reviewed the situation in April 1987 and approved action taken by the Secretary-General and the Executive Director. Resolution 1 (1987) adopted by the Board of Trustees in this respect is reproduced in annex II.

(a) Budget

9. All six recommendations made by the General Assembly on the budget have been implemented. As can be seen from the 1987 budget adopted by the Board of Trustees of the Institute (see annex III), the budget to be financed from the General Fund amounts to \$1,646,700, and the budget under project support costs is \$360,000; the total of \$2,006,700 is 21.6 per cent lower than the comparable budget for 1986, which amounted to \$2,553,000. While staff costs in 1986 accounted for 59.7 per cent of the total actual expenditure (\$1,409,911 out of \$2,358,806) and in 1987 they comprise roughly the same proportion of the overall budget (59.2 per cent, or \$1,184,000 out of \$2,006,700), the expenditure for 1987 is \$225,911 (16.6 per cent) less than the amount actually spent in 1986. An attempt was also made by UNITAR to reduce its general operational costs, particularly for staff travel and fund-raising, communications and miscellaneous expenses. The staff travel and fund-raising items have been combined and, for 1987, they total

only \$26,000, 42 per cent of what they were in 1986 (\$61,300). The communications item is now \$80,000, compared with \$129,000 in 1986. The furniture and equipment item concerns the rental of equipment needed for document reproduction. The Institute effects savings by having long-term leases with the equipment producers. That budgetary item must therefore reflect the real costs of the arrangement. For 1987, the miscellaneous expenses item is only \$20,000, compared with \$118,800 in 1986. Arrangements have also been made by UNITAR to increase its income by renting the ground floor and part of the fifth floor of its building. As a result, rental income in 1987 amounts to \$170,000, compared with \$82,450 in 1986.

(b) Staff

10. With respect to the recommendation of the General Assembly on the staff of the Institute, the staff financed from the General Fund and project support costs has been reduced in January 1987 to seven Professionals, including the Executive Director, from 12 in January 1986. In view of this reduction of staff, the Executive Director has had to assume greater responsibility for the training and research programmes in addition to his regular functions as the head of the Institute. As in the past, the Institute continues to resort to the services of junior professional officers and interns, at no cost to UNITAR, and to a large number of fellows, most of whom receive no honorarium.

11. As reflected in the UNITAR budget for 1987, the Professional and General Service staff have been distributed among the various branches of the Institute in accordance with the restructured programme. The posts of those UNITAR staff members affected by staff reductions due to restructuring and for whom arrangements for a transfer elsewhere could not be made are being funded in 1987 through special purpose grants. Two Professional staff members have been absorbed by their national Governments, while arrangements were made for a number of General Service staff to join other organizations of the United Nations system.

12. In 1987, the Institute has been expanding its roster of consultants and experts and rotating staff whose services may be provided to the Institute for the execution of projects and programmes, at no cost or through financing from special purpose grants as recommended by the General Assembly. In 1987, in addition to its fellows who receive no compensation, the services of five Professionals financially supported by Governments of Member States and other organizations were donated to UNITAR at no cost to the Institute.

3. Board of Trustees

13. In keeping with the recommendation of the General Assembly, the Board of Trustees of UNITAR was reconstituted in 1987 in such a manner as to function without any cost to the General Fund of the Institute. For the period 1987-1989, the Secretary-General has appointed only 20 members to the Board, compared with 27 for the preceding period. As only eight of the 20 members are based in New York, the Governments of the remaining 12 members have agreed to bear the travel and

related expenses of those members when they attend sessions of the Board in New York. In all cases, the appointment of the members of the Board was made after consultations with their own Governments, the President of the General Assembly and the President of the Economic and Social Council, as provided for in the statute of UNITAR.

B. Measures to be implemented gradually

14. The following measures contained in the restructuring plan could not be implemented in 1987. They are to be implemented gradually in subsequent years.

1. Projects financed from special purpose grants

15. In resolution 41/172, the General Assembly recommended that "the Executive Director of the Institute shall make available to all States, specialized agencies and other organizations of the United Nations system and non-governmental organizations a complete list of training and research programmes that, for lack of financial resources, cannot be financed from the General Fund; donors may make special purpose grants for the execution of such programmes". It was felt that the list of relevant projects would have to be prepared as the programme was developed. In his consultations with specialized agencies and other United Nations organizations concerning the future programme of UNITAR, the Executive Director received indications about possible jointly supported projects. Governments of developing countries consulted on the UNITAR 1988-1989 programme through UNDP resident representatives expressed their views on projects of special interest to them, the implementation of which would require special purpose grants.

2. Staff

16. In relation to staff, the General Assembly expects the Secretary-General to take measures with a view to "diversifying the composition of the Professional staff to avoid limiting it to senior posts, and utilizing the experience and expertise of lower-level Professionals available in the Institute" (resolution 41/172). In view of the reduced level of the UNITAR budget and the subsequent reduction of the number of staff funded through the General Fund, the diversification of the composition of the Professional staff recommended by the General Assembly could only be achieved gradually.

III. FINANCIAL SITUATION OF UNITAR IN 1987

A. Budgetary performance in 1987

17. The budget of the Institute for the year 1987, which incorporated the restructuring measures outlined in the preceding section, was approved by the Board of Trustees of the Institute at its twenty-fifth session, held from 30 March to 3 April 1987. By its resolution 2 (1987), 1/ the Board adopted the 1987 budget at

the level of \$1,646,700, "subject to the conditions stipulated in paragraph 36 of the report of its Finance Committee". The paragraph to which the Board made reference included the following text:

"Bearing in mind the uncertainty still prevailing regarding expected resources in 1987 as well as regarding the success of the restructuring process, the Committee agreed to recommend the adoption of the 1987 budget of \$1,646,700 subject to the receipt of additional resources from Governments, intergovernmental organizations and non-governmental sources in an amount sufficient to finance the approved expenditures. One member stated that, given the situation, he could only reluctantly join the consensus on the budget. Should the expected additional resources be insufficient to finance the approved expenditures, the Executive Director was requested to reduce expenditures accordingly or the Secretary-General should proceed to take the actions spelled out in paragraph 5 of General Assembly resolution 41/172 ..." 2/

18. In addition to the budget of \$1,646,700, the Board of Trustees received information on all the other categories of expenditure to be incurred by UNITAR in 1987, in keeping with the Board's decision of the previous year concerning a new presentation of the Institute's budget. Estimates of expenditures on special purpose grants and on the new category of programme support costs (which had formerly been integrated within the General Fund), were thus presented to the Board. On the basis of likely maximum expenditures of \$4,077,662 for special purpose grants, it was expected that expenditures on programme support costs would amount to \$360,000, which yields a combined estimate of General Fund and programme support expenditures for the year of \$2,006,700. By comparison, the actual expenditures for 1986 were \$2,273,700.

19. As presented to the Board of Trustees, current income in 1987 for the financing of the General Fund and programme support budgets was estimated at \$2,324,310, composed as follows:

	<u>US dollars</u>
(a) Carry-over from 1986 budget:	
General Fund	149 101
Programme support	<u>150 000</u> 299 101
(b) Contributions from Governments	1 294 209
(c) Contributions from non-governmental sources	300 000
(d) Programme support costs from special purpose grants	240 000
(e) Rental and other income	<u>191 000</u>
	<u><u>2 324 310</u></u>

20. While the budget presented to the Board of Trustees contained income estimates that were well in excess of projected expenditures, actual experience in 1987 up to 31 August has not been consistent with all of the projections submitted to the Board. A review of each of the elements of income in the combined General Fund and programme support costs budget reveals the following:

(a) Carry-over from 1986. The budget for 1987 was presented to the Board of Trustees before the accounts for 1986 were closed and transmitted to the auditors. Following some closing adjustments, the final excess of income over expenditure for the year 1986 was \$196,885. However, it will be recalled that there has been, over the years, a budget deficit in the General Fund of UNITAR. In view of this, there were no funds available for carry-forward to the 1987 budget. Instead, the excess of income referred to above was utilized to reduce the accumulated budget deficit from \$574,307 at the start of 1986 to \$377,422 at the end of that year;

(b) Contributions from Governments. Against a budgetary projection of \$1,294,209 for 1987, by the end of August government contributions totalling \$887,471 had been recorded;

(c) Contributions from non-governmental sources. During the period ended 31 August 1987, no contributions from non-governmental sources had been recorded;

(d) Programme support costs from special purpose grants. By the end of August, income earned under this heading was estimated at \$140,000. Projecting this rate to the end of the year suggests that final income from this source will be approximately \$210,000;

(e) Rental and other income. On the basis of existing lease agreements and actual experience to date with other income, including gains on exchange in connection with government contributions, it may be expected that rental and other income will amount to approximately \$230,000 in 1987.

21. On the basis of the foregoing contributions recorded up to the end of August and other income projected to the end of the year amount to \$1,327,471. Against this, expenditures recorded through the end of August amount to \$1,342,514, and are expected to reach the budgeted figure of \$2,006,700 by the end of the year. This implies a budget deficit for the year of approximately \$680,000. However, to the extent that further government and/or non-governmental contributions may be recorded in 1987, the budget deficit would be reduced accordingly.

#### B. Cash position of the Institute

22. In addition to any budget deficit that may be incurred by UNITAR in 1987, a review of the financial situation of the Institute must take into account other factors brought forward from previous years. At the beginning of 1987, UNITAR had a cash deficit of \$1,460,213. This deficit was made up of an accumulated budget deficit from previous years of \$377,422, uncollected pledges from 1986 and earlier years of \$743,982 and other receivables of \$338,809. The deficit was financed in large part by borrowing from the United Nations, to which UNITAR was in debt by a total of \$1,400,879 at the end of 1986.



23. The General Assembly, by its resolution 36/177 of 19 December 1983, approved an advance of \$886,000 to UNITAR on an exceptional basis to cover a budgetary shortfall arising in 1983. Under the terms of that resolution, UNITAR was to repay the United Nations at the rate of \$100,000 annually, beginning in 1986. Accordingly, at the end of 1986, the balance of this approved advance was \$786,000. The additional amount due to the United Nations at the end of 1986 (\$614,879) had been advanced in order to meet current operational needs of UNITAR pending receipt of its own contributions and was technically payable on demand.

24. In 1987, UNITAR had some success in converting its receivables into cash, thereby alleviating its cash deficit. On the other hand, it is becoming apparent that certain receivables of UNITAR may not be collectible, and they will have to be written off against future operations.

25. At the end of 1987, subject to the possible mitigating factors outlined in section III below, the cumulative budget deficit will amount to about \$1,050,000 (\$680,000 for 1987 and \$377,422 brought forward from previous years). To the extent that UNITAR has not succeeded in converting its assets (notably its uncollected pledges and other receivables) into cash by the end of 1987, its cash deficit will remain higher than its budget deficit. At present, it appears that unpaid pledges will amount to about \$700,000 as at 31 December 1987, while other receivables and contingencies are estimated at \$200,000. Adding these figures to the cumulative budget deficit of about \$1,050,000 shows that the Institute's total cash deficit and likely debt to the United Nations at that date will be approximately \$1,950,000, of which all but \$686,000 will be due and payable. A summary of the financial position of the General Fund of UNITAR for 1981-1987 is given in annex IV.

#### IV. OTHER CONSIDERATIONS

##### A. Efforts to mobilize additional resources

26. The financial situation of UNITAR presented in section II above is based on actual performance through 31 August 1987, extrapolated in some instances to provide year-end estimates. To assess fully the situation, consideration should also be given to other relevant developments and prospects, including:

- (a) Revised estimates of expenditure in 1987;
- (b) Ongoing negotiations with Member States to obtain additional contributions to the General Fund;
- (c) Efforts to establish a reserve fund;
- (d) The agreement signed by the Executive Director in Hong Kong on 12 September 1987 for the funding of a five-year programme of assistance to developing countries;
- (e) The possible sale of the UNITAR building.

1. Revised estimates of expenditure

27. As indicated in paragraph 21 above, expenditures are projected to total \$2,006,700 by the end of the year. On the basis of current information, the Executive Director anticipates achieving savings of \$56,600, which would reduce the projected budget deficit for the year to approximately \$623,000. In addition, projected expenditures include the repayment to the United Nations of \$100,000 due in 1987 on the advance authorized by the General Assembly in resolution 38/177 (see para. 23 above). Should the General Assembly decide to defer this repayment (with the remaining seven annual payments increased to \$113,000 each), the projected deficit for 1987 would be reduced to approximately \$523,000.

2. Ongoing negotiations

28. On the basis of his consultations, the Executive Director believes that additional contributions totalling approximately \$154,000 will be received by the end of the year. Should this materialize, the projected year-end deficit would be further reduced to approximately \$369,000. A possible contribution of \$300,000 from non-governmental sources is discussed in paragraph 30 below.

3. Reserve fund

29. The Executive Director has informed the UNITAR Board of Trustees that the Government of Nigeria is expected to contribute \$1 million to permit the establishment of a reserve fund for UNITAR. Such a reserve fund may also be established with greater resources if the UNITAR building is sold (see para. 31 below).

4. Hong Kong agreement

30. On 12 September 1987, the Executive Director signed an agreement in Hong Kong with private organizations for the funding of a five-year programme of assistance to developing countries. There are three aspects to the agreement as proposed: (a) a contribution of \$300,000 to the General Fund in 1987; (b) contributions over five years in the form of special purpose grants totalling at least \$15 million; and (c) annual contributions of \$1 million over the five-year period to cover programme support costs of the special purpose grant activities, with the residual to be available to the General Fund. The United Nations has proposed amendments to the agreement designed to bring it into line with United Nations regulations and rules. It is anticipated that further negotiations will take place during the week of 2 November 1987 on the basis of those amendments and the guidelines established by the UNITAR Board of Trustees (see para. 37 below). The Executive Director has indicated that if the revision of the agreement is approved and implemented, the projected budget deficit of \$369,000 mentioned above will be reduced to \$69,000 and, with further fund-raising efforts on his part, the deficit might even be eliminated.

#### 5. Sale of the UNITAR building

31. Following consultations with the Advisory Committee on Administrative and Budgetary Questions, the possibility of acquiring title to the land of the UNITAR building (which the organization is now renting) with a view to the subsequent sale of the entire property is being actively explored. It is anticipated that the resources generated by such a transaction, once concluded, would permit the repayment of funds currently due to the United Nations and leave a net amount tentatively estimated to be of the order of \$6 million. The use of these funds may, however, be subject to some delays and restrictions.

#### B. 1987 Pledging Conference

32. Since 1983, UNITAR has been one of the institutions included in the United Nations Pledging Conference for Development Activities. The Pledging Conference this year is scheduled to take place on 3 and 4 November 1987. The results of this Conference will be made available as soon as possible. The result of recent pledging conferences are indicated below. It is noted that pledges announced at the Pledging Conference represent only a part of total commitments made for each year.

<u>Year</u>	<u>Pledged at the Pledging Conference</u>	<u>Total commitments</u>
	(US dollars)	(US dollars)
1986	640 230	1 269 407
1985	1 038 116	1 698 871
1984	1 039 760	1 938 916

#### C. Current financial situation of the United Nations

33. The United Nations is currently facing severe financial constraints. As a result, it is not in a position to make a commitment to provide additional advances to UNITAR to cover current operating costs. In addition, arrangements should be made for the repayment of debt currently due to the United Nations.

#### D. Implications of closing UNITAR

34. It is estimated that if UNITAR were to close at the end of the year, there would be additional costs of approximately \$1.7 million in 1988. Of this amount, \$1,250,000 relates to salaries and separation costs of UNITAR staff in respect of existing commitments through 30 June 1988. In addition, should UNITAR be closed, the total outstanding balance of the advance authorized in General Assembly resolution 38/177 (see para. 23 above) would become immediately due. The overall estimated cash deficit of the General Fund of UNITAR, in the event that the Institute were to cease operations, would be \$3,650,000.

V. SPECIAL SESSION OF THE UNITAR BOARD OF TRUSTEES

35. The Board of Trustees of UNITAR held a special session in New York on 26 and 27 October 1987. In his message to the Board, the Secretary-General invited it to advise him on the following:

(a) Whether such possibilities of resource mobilization for the Institute as the possible sale of the UNITAR building, the agreement signed by the Executive Director in Hong Kong on 12 September 1987 for the funding of a five-year programme of assistance to developing countries, and ongoing negotiations of the Executive Director with Member States to obtain contributions to the General Fund of UNITAR provide a viable basis for continuing the operations of the Institute;

(b) Whether the Board believes that arrangements along the lines of the Hong Kong agreement, as amended by the Legal Counsel, would be acceptable;

(c) The need to proceed with the sale of the UNITAR building, irrespective of a final decision on the future of the Institute, in order to settle the debt currently owed by UNITAR to the United Nations;

(d) The possibility of continuing the operations of UNITAR on a trial basis at a level consistent with its actual resource availabilities. UNITAR would have to operate strictly on the basis of paid-in commitments by Governments and such other additional resources as might be available. The Board's views on the programme and organizational implications of this were requested.

36. The Board agreed with the Secretary-General that in view of the financial constraints faced by UNITAR, it was necessary to acquire title to the land now being rented by UNITAR for its headquarters building and then to sell the entire property on which the building was located, irrespective of a final decision on the future of the Institute. The Board was informed that such a transaction would probably generate a net income to UNITAR tentatively estimated at \$US 6 million after payment of the Institute's debt to the United Nations. That income must be used as a reserve fund to continue the operations of UNITAR on a trial basis, with the understanding that, as stated by the Secretary-General, the Institute would have to operate strictly on the basis of paid-in commitments by Governments and such other additional resources as might be available. The Board therefore instructed the Executive Director to prepare the 1988 programme and budget of the Institute, bearing in mind the results of the United Nations Pledging Conference for Development Activities and other additional resources that were likely to be available to the Institute for 1988. The Board will review the situation at its twenty-sixth session in April 1988. It is hoped that by then, more precise information concerning the sale of the UNITAR building will also be available. Some members of the Board felt, however, that other possibilities should be explored to solve the problem of the debt of UNITAR to the United Nations before the building is sold.

37. Regarding the co-operation agreement between UNITAR and the IDRO Foundation, the Arab Chinese Trade Media Group and the Islamic Relief Agency, signed on 12 September 1987 in Hong Kong by the Executive Director, the Board noted that the

Legal Counsel of the United Nations had reservations concerning some provisions of the agreement and recommended a number of amendments, which the Executive Director and the other parties involved will be examining in November 1987 with a view to reaching a final agreement. The Board adopted by consensus the guidelines for the Executive Director in his further negotiation of that agreement.

38. The Board also decided that the revised agreement that would result from those negotiations and would be acceptable to the Secretary-General would be communicated to the Chairman of the Board in keeping with article IV, paragraph 3 (f), of the statute of UNITAR. At his discretion, the Chairman of the Board of Trustees will consult other members of the Board before the agreement becomes effective.

#### VI. CONCLUSIONS AND RECOMMENDATIONS

39. The Secretary-General believes that UNITAR makes an important contribution to the work of the United Nations and thus that every effort should be made to continue its activities.

40. However, as indicated earlier, the General Assembly, in paragraph 5 of its resolution 41/172, requested the Secretary-General, in case the necessary financing was not ensured, to take steps with a view to phasing out, as appropriate, the activities of the Institute in the most cost-effective manner possible.

41. Having carefully reviewed the situation, and bearing in mind the conclusions of the UNITAR Board of Trustees, the Secretary-General proposes:

(a) To proceed as rapidly as possible with the acquisition of the land and the subsequent sale of the entire property of the UNITAR building; the resources thus generated would be used to repay the amounts currently due to the United Nations, with the balance to be used as a reserve fund for UNITAR;

(b) To continue the operations of UNITAR on a trial basis, with the understanding that the Institute will have to operate strictly on the basis of paid-in contributions by Governments and such other additional resources as may be available.

42. The Secretary-General will continue to monitor developments closely. In this regard, it is noted that the UNITAR Board of Trustees will review the situation at its twenty-sixth session in April 1988.

43. The long-term viability of UNITAR depends on the support that it receives from Member States. As indicated in section I of the present report, considerable progress has already been made in implementing the restructuring plan set out in General Assembly resolution 41/172. What is required now is the appropriate financial support of Governments.

#### Notes

1/ See UNITAR/BT/R.58.

2/ See UNITAR/BT/R.56, para. 36.

ANNEX I

UNITAR programme for 1987 and 1988-1989

I. UNITAR ACTIVITIES DURING 1987

1. The core programme of UNITAR for 1987 financed from the General Fund comprises the following activities conducted by headquarters staff and by the staff of the UNITAR office at Geneva:

- (a) Training for international co-operation and multilateral diplomacy:
  - (i) Joint UNITAR Economic Development Institute seminar on international development issues, for economic affairs officers of permanent missions to the United Nations (New York);
  - (ii) Workshop on the drafting and negotiating of international legal instruments, for members of permanent missions to the United Nations (New York and Geneva);
  - (iii) Orientation course on the United Nations, for new members of permanent missions to the United Nations (New York and Geneva);
  - (iv) Seminar for members of permanent missions to the United Nations on international economics for non-economists (New York and Geneva);
  - (v) Seminar on the peaceful settlement of disputes, for senior members of permanent missions to the United Nations (New York);
  - (vi) Briefing/information for new delegates to the General Assembly;
  - (vii) Workshop on the procedures of United Nations bodies, for members of permanent missions (Geneva);
  - (viii) Workshop on the structure, use and retrieval of United Nations documentation, for documentalists and junior members of permanent missions (Geneva);
  - (ix) The United Nations/UNITAR Fellowships Programme in International Law (The Hague);
  - (x) The United Nations/UNITAR Regional Training and Refresher Course in International Law for countries of Latin America and the Caribbean;
- (b) Research on the United Nations:
  - (i) Ongoing research on the economic and social history of the United Nations; publication of the results of this project is expected to begin by the end of 1987;

- (ii) Ongoing research on problems of the international civil service;
- (iii) Ongoing research on the effectiveness of the United Nations in abolishing poverty at the grass roots - selected case studies;
- (iv) Survey and analysis of evaluations of the United Nations intergovernmental structure and functions in the economic and social fields; the conclusions of this project were made available on 19 July 1987 to the Special Commission of the Economic and Social Council on the In-depth Study of the United Nations Intergovernmental Structure and Functions in the Economic and Social Fields, at whose request the project had been undertaken;
- (v) Research on United Nations information policy.

2. Programme activities financed from sources other than the General Fund include the following:

(a) Training for officials involved in international co-operation financed from special purpose grants:

- (i) Basic diplomacy courses for junior diplomats from francophone countries, jointly organized by UNITAR and the Paris-based Institut international d'administration publique and funded by the Government of France and the United Nations Development Programme (UNDP);
- (ii) Diplomacy training course for junior government officials of Suriname, funded by UNDP and organized at Paramaribo;
- (iii) Diplomacy training course for government officials of Guinea, funded by UNDP and organized at Conakry;
- (iv) Two briefing seminars on the United Nations system for senior government officials from Nigeria;
- (v) Briefing/orientation on the United Nations for junior diplomats from Saudi Arabia;
- (vi) Workshop on human rights reporting for government officials from anglophone countries of Africa, funded by the Ford Foundation;

(b) Training for economic and social development:

- (i) Two training seminars on current problems of development planning, financing and management in Africa for permanent secretaries of Ministries of Development Planning of sub-Saharan African countries; one seminar was for English-speaking countries and one for French-speaking countries;

- (ii) Two joint UNITAR/United Nations Environment Programme training courses on geographical information system technology in the field of environment designed for national officials of developing countries involved in environmental management;
- (iii) A joint UNITAR/United Nations Conference on Trade and Development high-level experts meeting on training for the managers of foreign debt in the countries of sub-Saharan Africa and other least developed countries.

These three activities were financed through special purpose grants funded by the Government of Switzerland.

3. In preparation for its 1988-1989 training programme, UNITAR is carrying out a training needs assessment of Member States by way of a survey questionnaire addressed to all permanent missions to the United Nations in New York and at Geneva.

4. UNITAR is also involved in a number of research projects that are part of the core programme and are funded through special purpose grants, including:

(a) A research project entitled "A new approach to arms control and disarmament: international accountability for national defence policies", funded by the MacArthur Foundation;

(b) An evaluation of the United Nations development strategies and decades undertaken by two economists made available to UNITAR at no cost to the Institute; one was seconded by the Third World Foundation and the other was made available by the United Nations.

5. UNITAR is also publishing, at no cost to the Institute, a number of books on topics of concern to the United Nations. A report on the meeting held in 1986 in co-operation with Columbia University on the United Nations and the maintenance of international peace and security was issued in the spring of 1987. In September/October 1987, a book containing the background papers prepared for that meeting will also be published. Two other books were published by UNITAR during the summer of 1987. One, entitled Keeping Faith with the United Nations, examines the accomplishments, drawbacks and prospects of the Organization. The other, entitled Coping with Africa's Refugee Burden: A Time for Solutions, traces the evolution of efforts to link refugees and development assistance more effectively, paying special attention to the Second International Conference on Assistance to Refugees in Africa.

6. Under its expanded programme of research totally funded through special purpose grants, UNITAR continues its activities in the field of energy. The Rome-based UNITAR/UNDP Centre on Small Energy Resources, funded by the Governments of Belgium and Italy and by several institutions interested in energy matters, held a two-week workshop at Pisa, Italy, in May 1987 on small geothermal resources attended by experts from all parts of the world. The Centre is currently involved in the preparation of two important meetings to be held in 1988 on energy for rural areas of Africa. For its part, the New York-based UNITAR/UNDP Information Centre



for Heavy Crude and Tar Sands is involved in the preparation of the Fourth International Conference on Heavy Crude and Tar Sands to be held in August 1988 at Edmonton, Alberta (Canada).

7. Under its research programme on the future of the main developing regions of the world, UNITAR is also assisting several Latin American countries in the organization of national seminars on the future of those countries, as a follow-up to the International Conference on the Future of Latin America organized by UNITAR at Caracas in September 1986. One of those national seminars was held in May 1987 in Costa Rica and two others will take place before the end of the year in Argentina and Chile.

8. UNITAR is also continuing its co-operation with research institutes of the USSR Academy of Science and has been involved in such research projects as "The role of the State sector in the social and economic development of African countries", "Economic issues of the developing countries of Asia", "Socio-economic development experience of soviet republics of central Asia and Kazakhstan: its possible use by developing countries". Within the framework of co-operation between UNITAR and research institutes of the USSR Academy of Science, a seminar is to be conducted in Moscow and at Dushanbe, USSR, in September 1987 to discuss the role of economic integration in the economic and social development of Latin American countries. It will be attended by some 25 Latin American experts in addition to their Soviet counterparts. The UNITAR/USSR research programme is funded by the Government of the USSR, largely in roubles but with some additional contributions in United States dollars.

## II. ORIENTATION FOR THE 1988-1989 PROGRAMME OF UNITAR

9. Bearing in mind the provisions of General Assembly resolution 41/172, the Board of Trustees of UNITAR approved, in April 1987, the following guidelines for the preparation of the 1988-1989 programme of the Institute:

"(a) The programme will continue to be divided into two categories: the core programme and the expanded programme, as defined in the 1986-1987 work programme;

"(b) Training will continue to be given the highest priority in the programme activities of UNITAR. However, less emphasis will be put on orientation training and more emphasis placed on skills and awareness training. In that respect, training in the fields of negotiations, the peaceful settlement of disputes, the use of modern social science methods in diplomacy, major economic and social issues of concern to the United Nations, international law, disarmament and human rights issues will be given the highest priority in UNITAR training activities concerning international co-operation and multilateral diplomacy;

"(c) The Institute will also develop and promote training in the fields of debt management, planning and management of disaster relief operations, and the use of modern information systems in diplomacy and in development planning

and management, for the implementation of which Special Purpose Grants will be sought. Its training activities concerning environmental protection and management funded through Special Purpose Grants will also continue;

"(d) The research programme on the United Nations will continue to be given the highest priority in UNITAR research activities, bearing in mind the requirements of the Secretary-General of the United Nations, of the United Nations bodies and of the specialized agencies. The Research Committee that the Executive Director will set up in 1987 will assist in the formulation of the programme ... Each year, one major activity will thus be organized by UNITAR in that field;

"(e) The Institute will limit its non-United Nations research topics to its ongoing work in the fields of energy and the utilization of natural resources as well as on research concerning the future of the main developing regions of the world, in close co-operation with appropriate regional organizations within and outside the United Nations system. The experience gained in the case of the project concerning the future of Latin America may be tested in the context of other developing regions if appropriate Special Purpose Grants are made available to UNITAR for that purpose. Research activities that are not part of the core programmes of the Institute will continue to be funded through Special Purpose Grants;

"(f) In keeping with the conclusions of the 1986 General Assembly special session on Africa, UNITAR will devote special attention to problems of the African continent and more generally to problems of the least developed countries (LDCs), the largest number of which are in Africa. The training and research programmes of the Institute will take full advantage of technical co-operation among developing countries and will also contribute to the promotion of that co-operation;

"(g) While the General Fund resources will continue to be used essentially for the funding of training projects benefiting all Member States, particularly all developing countries, as well as research projects on ways and means of enhancing the effectiveness of the United Nations, the Executive Director will also consider using small amounts of General Fund resources as seed money to promote activities that can attract significant amounts of Special Purpose Grants;

"(h) In view of the critical financial situation of UNITAR, the Executive Director will see to it that the budget increase from year to year is kept as low as possible. In any case, the draft budget for 1988 should not exceed \$US 2 million, even if the level of income for that year should be considerably higher." a/

#### Notes

a/ See UNITAR/EX/R.112, para. 1.

ANNEX II

Resolution I (1987) of the Board of Trustees of UNITAR

Implementation of General Assembly resolution 41/172 on the  
restructuring plan for the United Nations Institute for  
Training and Research

The Board of Trustees of the United Nations Institute for Training and  
Research,

Welcoming the reaffirmation by the Secretary-General of the importance he attaches to the mandate and functions of the United Nations Institute for Training and Research and his wish to see the Institute serve the purpose for which it was created,

Taking into account the statement made by the Secretary-General informing the Board of Trustees that the United Nations has begun a process of renewal and reform and that it is precisely in times such as these, of wider questioning of the effectiveness and efficiency of the multilateral system, that the United Nations requires more and better - not less - research and analysis and training for multilateral co-operation,

Noting that the mandate of the Institute allows it to assist the United Nations to meet its needs for training for multilateral co-operation and for research and analysis,

Convinced that the restructuring plan for the Institute contained in General Assembly resolution 41/172 of 5 December 1986 will enhance the ability of the Institute to fulfil its mandate,

Noting that, in close co-operation with the Secretary-General, the Executive Director is actively and, so far, successfully implementing the restructuring plan of the Institute,

Sharing the Secretary-General's concern that uncertainty about contributions by Member States could impede the proper functioning of the Institute,

1. Notes with satisfaction the action taken by the Secretary-General and the Executive Director in implementing the General Assembly's restructuring plan for the United Nations Institute for Training and Research;
2. Agrees with the Secretary-General that the implementation of some aspects of the plan must proceed gradually and that a three-year transitional period is considered desirable for the restructuring plan;

3. Expresses the hope that conditions will prevail enabling the Secretary-General to give a positive assessment to the General Assembly in the report requested for its forty-second session and not to proceed with the phasing out of the Institute as required by paragraph 5 of General Assembly resolution 41/172.

ANNEX III  
UNITAR budget for 1987

Table I  
Consolidated allocations for 1987  
(United States dollars)

	General Fund	Project support	Special purpose grants	Total
<b>I. General management</b>				
1. Office of the Executive Director	<u>181 000</u>	<u>112 000</u>	<u>11 000</u>	<u>304 000</u>
Subtotal	181 000	112 000	11 000	304 000
<b>II. Programme activities</b>				
1. Training (headquarters and European office)	433 700			433 700
2. Research	<u>212 000</u>	<u>72 000</u>	<u>4 066 662</u> a/	<u>4 350 662</u>
Subtotal	645 700	72 000	4 066 662	4 784 362
<b>III. General operational costs</b>				
1. Finance and administration/ common services	109 000	176 000		285 000
2. Security	60 000			60 000
3. Board of Auditors	15 000			15 000
4. Supplies and materials, rental and maintenance of equipment	40 000			40 000
5. Documentation/publications	-			-
6. Communications	80 000			80 000
7. Premises	320 000			320 000
8. Staff travel and fund-raising	26 000			26 000
9. Repayment of 1983 advance	100 000 b/			100 000
10. Payment of Pension Fund claims	50 000			50 000
11. Miscellaneous costs	20 000			20 000
Subtotal	820 000	176 000	0	996 000
<b>Total</b>	<u>1 646 700</u>	<u>360 000</u>	<u>4 077 662</u>	<u>6 084 362</u>

a/ Expenditure under this section depends on project delivery.

b/ The Executive Director is considering the possibility of deferring payment of this amount if expected income is insufficient to balance the approved budget.

Table 2  
Staffing table for 1987  
(Posts with financial implications only; cost in thousands  
of United States dollars)

Office	General fund	Programme support	Special purpose grants
<b>General management:</b>			
Office of the Executive Director	1 USG 137.0 1 G (P) 44.0 <u>181.0</u>	1 P-5 77.0 a/ 1 G (O) 35.0 <u>112.0</u>	11.0 a/
Subtotal			11.0
<b>Programme Department/ Training Branch</b>			
New York	1 P-5 88.0 3 G (O) 105.0 <u>193.0</u>		1 D-1 96.0 1 P-4 74.0 1 G (O) 24.0 b/ <u>194.0 c/</u>
Geneva	1 P-5 85.0 1 G (P) 54.0 1 Fellow 5.0 <u>144.0</u>		1 Fellow 66.0 1 P-2 (JPO) 49.0 1 I-1 49.0 1 G (O) 39.0 <u>203.0</u>
Subtotal	337.0		397.0
<b>Programme Department/ Research Branch</b>			
	1 P-5 115.0 d/ 1 Fellow 12.0 2 G (O) 70.0 <u>197.0</u>	1 P-3 (9 months) 60.0 1 Fellow 12.0 <u>72.0 e/</u>	1 P-3 62.0 1 P-2 (JPO) 50.0 1 G (O) 6.0 b/ <u>118.0</u>
Subtotal			
<b>UNITAR/UNDP Information Centre for Heavy Crude and Tar Sands (New York)</b>			
			2 Fellows 24.0 2 L-2 100.0 3 G (O) 105.0 <u>229.0</u>
Subtotal			
<b>UNITAR/UNDP Centre on Small Energy Resources (Rome)</b>			
			1 Fellow 12.0 1 L-3 46.0 1 P-2 (JPO) 35.0 2 G (O) 70.0 <u>163.0</u>
Subtotal			
<b>Project on the future of Latin America (Santiago)</b>			
			1 Fellow 12.0 1 G (O) 25.0 <u>37.0</u>
Subtotal			
<b>General operational expenses: finance and administration and common services</b>			
	1 P-4 74.0 1 G (O) 35.0 <u>109.0</u>	2.0 G (P) 88.0 2.5 G (O) 88.0 f/ <u>176.0</u>	
Subtotal			
<b>Total</b>	<u>824.0</u>	<u>360.0</u>	<u>955.0</u>

(Footnotes on following page)

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(footnotes to table 2)

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a/ Post of programme co-ordinator funded through combined programme support and project resources.

b/ Part-time post.

c/ Other resource personnel required for training projects funded through special purpose grants are not listed as most of them are short-term assignments.

d/ Includes \$27,000 for income taxes.

e/ Programme posts (publication officer and documentalist/librarian). Income tax is included in the P-3 post.

f/ Includes one common services post for messenger, mail and reproduction operations.

Table 3  
 Projected financial resources for 1987  
 (United States dollars)

Sources	General Fund	Project support <sup>+</sup>	Special purpose grants <u>a/</u>	Total
<b>Pledges/commitments:</b>				
1. Carry-over from 1986 budget	149 101			149 101
2. Government contributions pledged as at 15 April 1987	820 994	-	4 066 662 <u>b/</u>	4 887 656
3. Rest	170 000	-	-	170 000
4. Sale of publications	8 000	-	-	8 000
5. Royalties	3 000	-	-	3 000
6. Income from project support	-	<u>310 000</u> <u>c/</u>	-	<u>310 000</u>
Subtotal	1 151 095	310 000	4 066 662	5 527 757
<b>Other expected resources:</b>				
7. Additional government contributions	494 000	-	800 000 <u>d/</u>	1 294 000
8. Non-governmental contributions	300 000	-	-	300 000
9. Income from project support	-	80 000	-	80 000
10. Interest	-	-	- <u>e/</u>	0
11. Refund of prior year's expenditures	-	-	-	0
12. Savings in liquidation of prior year's obligations	5 000	-	-	5 000
13. Miscellaneous income	<u>5 000</u>	-	-	<u>5 000</u>
Subtotal	804 000	80 000	800 000	1 684 000
Total	<u>1 955 095</u>	<u>390 000</u>	<u>4 866 662</u>	<u>7 211 757</u>

a/ The amounts mentioned in this column are expected to be available in 1987 but will not be spent in 1987 only.

b/ Funds held in, or pledged for ongoing projects.

c/ \$US 150,000 brought forward from previous years.

d/ Expected amount for projects in preparation.

e/ The interest is included in available special purpose grant resources.



ANNEX IV

Summary of the financial position of the UNITAR  
General Fund, 1981-1987

(Thousands of United States dollars)

	1981	1982	1983	1984	1985	1986	1987 (estimated)
<u>Income</u>							
Government contributions	2 055.9	1 454.4	1 819.6	1 938.9	1 698.9	1 269.4	907.0
United Nations subvention	305.7	352.6	-	-	600.0	900.0	-
Other	<u>98.0</u>	<u>1 069.4</u>	<u>231.5</u>	<u>422.7</u>	<u>211.8</u>	<u>301.2</u>	<u>431.7</u>
Total income	2 459.6	2 876.4	2 051.1	2 361.6	2 510.7	2 470.6	1 338.7
<u>Expenditure</u>							
Excess of income over expenditure	<u>24.4</u>	<u>592.9</u>	<u>(965.0)</u>	<u>16.5</u>	<u>103.3</u>	<u>196.9</u>	<u>(668.0)</u>
<u>Assets</u>							
Cash	11.5	73.8	41.9	62.2	143.0	34.5	-
Pledged contributions unpaid:							
For current and prior years	366.3	221.9	314.2	246.9	663.6	744.0	675.0
For future years	134.7	2.1	1 701.6	1 326.2	655.1	573.2	-
Other assets	<u>238.7</u>	<u>224.0</u>	<u>272.2</u>	<u>355.0</u>	<u>350.9</u>	<u>338.8</u>	<u>230.0</u>
	<u>751.2</u>	<u>521.8</u>	<u>2 329.9</u>	<u>1 990.3</u>	<u>1 812.6</u>	<u>1 690.5</u>	<u>905.0</u>

	1981	1982	1983	1984	1985	1986	1987 (estimated)
<b>Liabilities and fund balance</b>							
<b>Due to the United Nations:</b>							
Approved advance	-	-	-	886.0	886.0	786.0	686.0
Current account	<u>788.2</u>	<u>214.5</u>	<u>936.0</u>	<u>338.8</u>	<u>727.0</u>	<u>614.9</u>	<u>1 264.0</u>
Total due	788.2	214.5	936.0	1 224.8	1 613.0	1 400.9	1 950.0
Pledged contributions for future years	134.7	2.1	1 701.6	1 326.2	655.1	573.2	-
Other liabilities	150.3	34.3	386.4	116.9	118.8	93.8	-
End-of-year fund balance	<u>(322.0)</u>	<u>270.9</u>	<u>(694.1)</u>	<u>(677.6)</u>	<u>(571.3)</u>	<u>(377.4)</u>	<u>(1 045.0)</u>
	<u>751.2</u>	<u>521.8</u>	<u>2 329.9</u>	<u>1 990.3</u>	<u>1 812.6</u>	<u>1 690.5</u>	<u>905.0</u>

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