

COUNCIL  
116th session  
Agenda item 11(a)

C 116/11(a)  
14 June 2016  
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**WORLD MARITIME UNIVERSITY**

**(a) Report of the Board of Governors**

**Note by the Secretary-General**

**SUMMARY**

*Executive summary:* This document reports on the University's operations in 2015 and on salient decisions of the WMU Board of Governors during its thirty-fourth session

*Strategic direction:* 3

*High-level action:* 3.1.3

*Output:* 3.1.3.1

*Action to be taken:* Paragraph 14

*Related documents:* C 116/11(b) and C 114/D

1 Article 16(h) of the Charter of the World Maritime University (the Charter) requires the WMU Board of Governors (referred to below as "the Board of Governors" or "the Board") to report annually, through the Secretary-General, to the Council on the work of the University. The Council, at its 114th session, noted that, following related decisions of the WMU Board of Governors, the University would produce, each year, an integrated annual report covering the activities of the University during the preceding calendar year in a format similar to that used across the academic community and that this should be printed as a brochure and thus act as a useful communications tool, as well as a replacement of the existing annual report of the WMU Board of Governors to the Council on the work of the University (refer to C 114/D, paragraph 14(a).5(ii)).

2 The University's Annual Report for 2015, was considered and noted by the WMU Board of Governors, at its thirty-fourth session, and is available on the WMU website at the following address:

[https://issuu.com/worldmaritimeuniversity/docs/wmu\\_annual\\_report\\_2015?e=2597467/36492253](https://issuu.com/worldmaritimeuniversity/docs/wmu_annual_report_2015?e=2597467/36492253)

3 The report covers developments in governance and management; the new academic premises; the enrolment in the core M.Sc. programmes; the Ph.D. and Postgraduate Diploma programmes; the Executive and Professional Development courses; and the financial affairs of the University. It also reports on the 2015 Graduation and the honorary awards and distinctions conferred in 2015. The WMU Board of Governors, at its thirty-fourth session, requested the President to review the format and contents of the annual report and, after consulting with the WMU Executive Board, to make the necessary changes in the approach so that the annual report, which is to be published by the University, becomes akin to similar reports published by other universities and a tool for fundraising.

### **Financial matters**

4 During 2015, the consolidated actual revenue and expenditure of the University, as presented in the audited Statement of Financial Performance amounted to SEK 108,763,825 and SEK 99,991,045, respectively, resulting in a surplus of SEK 8,772,780. The consolidated surplus is the net result of the surplus of SEK 9,178,991 under the General Fund and shortfall of SEK 406,211 under the Trust and Special Fund. The University's General Fund reported: a total operational revenue of SEK 99,612,241, which is 12% lower than the SEK 112,642,000 in the Final Budget 2015; a total operational expenditure of SEK 90,433,250, which is 9% lower than the SEK 99,121,000 in the Final Budget 2015; and a surplus of SEK 9,178,991 which is 32% lower than the SEK 13,521,000 in the Final Budget 2015.

### **Student body**

5 For 2015, the Malmö campus had a student intake of 108 M.Sc. new students; 101 M.Sc. continuing students and six accelerated students of the Class 2016; and 28 new and continuing Ph.D. students. Overall, the University has a total of 442 students consisting of 243 students in the Malmö campus and 199 students under the Outreach Programme: 73 students enrolled in the Shanghai and Dalian programmes; and 126 students under the Postgraduate Diploma Programme and the Distance Learning Programme.

### **Decisions of the WMU Board of Governors**

6 The WMU Board of Governors held its thirty-fourth session in Malmö on 23 and 24 May 2016 and, taking into account the relating recommendations of the WMU Executive Board (referred to below as "the Executive Board"), inter alia:

- .1 noted the outcome of the classification of the general services and professional personnel posts of the University and decided to implement these with effect from 1 June 2016. As a result, all posts at the University have now been classified in accordance with the methodology adopted by the International Civil Service Commission. The Board requested the Executive Board to monitor the effects of implementing the outcome of the reclassification of the posts and to keep the Board informed of the cost implications;
- .2 noted the outcome of the academic faculty strategic planning review and decided that these should be taken into account by the President, the Executive Board and the Board in their decisions, subject to a thorough understanding of the financial implications. In this respect, the Board requested the President to put forward proposals, through the Executive Board, in relation to the implementation of the outcomes of the review which require decisions of the Board, in particular with respect to issues which entail financial expenditure;

- .3 approved the University's *Strategic Plan for the period 2016-2019* and *Business Plan 2016-2017* which replace and supersede the previous ones and have been amended in accordance with the provisions which implement the outcomes of the Study on the financial sustainability of the University;
- .4 noted and welcomed the External Auditor's unqualified opinion on the University's financial operations during the financial period which ended on 31 December 2015 and requested the Executive Board to monitor the actions taken by the University in implementing the External Auditor's recommendations and to report on this matter to the next session of the Board;
- .5 approved the establishment of the post of Chief Operating Officers at a D-1 level and authorized the President to commence the process of recruitment;
- .6 noted the development in relation to the Budget for 2016 and approved the Revised Budget for 2016;
- .7 adopted the Initial Budget for 2017;
- .8 approved the fees for the Master of Science in Maritime Affairs programme and the fees for the English Study and Skills Programme, including the related fellowship fees, for the 2017 entry and the indicative fees for 2018 and 2019;
- .9 adopted amendments to the Financial Regulations and Rules, the Staff Regulations and Rules, the Interpretation Statute and the General Management Statute;
- .10 appointed under the provisions of articles 6.1(a), 6.1(b) and 6.2 of the Interim Statute for the Endowment Fund of the University, Ms. Catharine Lee (Republic of Korea/Sweden/United States) as Chairperson of the Investment Committee and Mr. James Farley (United Kingdom) and Mr. Kevin Woelflein (United States) as Members of the Investment Committee, for a two-year term ending on 31 May 2018, respectively;
- .11 appointed, pursuant to the provisions of articles 7.1(a), 7.1(b) and 7.2 of the Interim Statute for the Endowment Fund of the University, Mr. Gerardo Borromeo (Philippines) as Chairperson of the Development Committee and Mr. Bruce Carlton (United States), Mr. Joe Cox (United States) and Mr. Rolf Westerström (Sweden) as Members of the Development Committee, for a two-year term ending on 31 May 2018;
- .12 approved the establishment of a joint Master of Philosophy in International Maritime Law and Ocean Policy to be delivered by the University and the IMO International Maritime Law Institute (IMLI), as from the 2017 academic year;
- .13 reviewed the membership and attendance of meetings of the Executive Board, pursuant to the provisions of article 19(a)(ii) of the Charter:
  - .13.1 appointed Mr. Mitsuyuki Unno (Japan), as Member of the Executive Board to serve for a two-year term of office until 30 June 2018; and

- .13.2 reappointed Professor Dr. Glenn Blackwood (Canada) and Mr. Svein Buvik (Norway), bearing in mind the provisions of article 21 of the Charter, as Members of the Executive Board to serve for a two-year term of office until 31 August 2018; and
- .14 decided that, with immediate effect, the University, the Executive Board and the Board should use in all documents a gender neutral wording and that when proposals are put forward for amendments to other Regulations, Rules, Statutes or to Rules made under Statutes or for the adoption of new ones such proposals should also include proposals for ensuring that these use gender neutral wording.

### **Endowment Fund**

7 The Board of Governors, at its second extraordinary session on 31 October 2015, adopted the Interim Statute of the WMU Endowment Fund which governs the establishment, operation and management of the fund.

8 During the inauguration of the new academic premises, Transmarine Carriers Inc. of the Philippines announced the donation of US\$ 50,000 to the Endowment Fund. That donation has now materialized and the Board of Governors has conveyed to Transmarine Carriers Inc., who have also announced their intention to make a further donation by the end of this year, its thanks for the donation.

### **Equipment and facilities**

9 The Council, at its 114th session, strongly urged Member States and shipping industry stakeholders to contact WMU and find out what they could offer, in terms of equipment and facilities, to support the transition to new academic facilities (C 114/D, paragraph 14(a).4). Since then the President has circulated a list of the equipment and facilities which are needed by the University and as set out in the annex.

### **Comments and observations**

10 The Secretary-General wishes to express his appreciation to all Members of the Board of Governors and to the Executive Board for their contribution to the work of the University during the period under review.

11 As the Council is aware, the University is, to a great extent, financed by contributions from a relatively small number of countries and organizations, and, in this regard, the Secretary-General, in addition to recognizing the contribution of them all, wishes to reiterate the Organization's particular gratitude to the Government of Sweden and the City of Malmö for their generous support to the University and the hospitality its students enjoy throughout their stay in Malmö.

12 All donors contributing to the operational budget, student fellowships, visiting professors and field study opportunities are greatly appreciated. Financial and in-kind contributions from the international community in support of WMU are always a welcome support to the University's mission and achievements.

13 The Secretary-General appreciates the efforts of the President and his management team to develop and expand new revenue-generating activities, including, in particular, the Professional Development Courses, which have greatly contributed towards the University's increased reserves.

**Action requested of the Council**

14 The Council is invited to:

- .1 note the Annual Report of the Board of Governors of the World Maritime University for the calendar year 2015 and to comment as it deems appropriate;
- .2 urge, once more, Member States to take action so as to enable recognition, under their national legislation, of the degrees conferred by the University and, to that end, keep the Organization informed of developments;
- .3 strongly urge Member States and shipping industry stakeholders to contact WMU to establish what they can offer, in terms of equipment and facilities, to support the transition to new academic facilities; and
- .4 express its appreciation to those donors who had contributed to the newly established WMU Endowment Fund and urged Governments and organizations to provide financial contributions to the Fund.

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## **ANNEX**

### **LIST OF EQUIPMENT AND FACILITIES**

A range of equipment requirements and facilities are considered necessary to enable the University to function optimally and, at the same time, to deliver revenue-generating programmes, which are contemplated under the University's Business Plan for 2016 and 2017, for the purpose of building its reserves and ensuring its long-term financial sustainability. They relate to E-learning requirements and office facilities. They include the following items:

#### **Audio-Video equipment and expertise**

An estimated investment of 164,000, over a two-year period, is needed in order to advance the development of new distance learning programmes during the 2016/2017 biennium and to support the delivery of the distance learning programmes leading to the award of:

- .1 the Postgraduate Diplomas in Safety and Security, Maritime Trade and Transportation, and Shipping Business; and
- .2 the Masters of Maritime Law and the Executive Masters of Business Administration in Shipping.

#### **E-Learning Lab/Classroom**

An estimated investment of USD 32,600 is needed for the purpose of completing, operationalizing and designating, as the primary support tool for Maritime Education and Training, the existing global classroom/live streaming lectures/seminars/webinars. This will improve the Master of Science in Maritime Education Training programme and includes an outreach component for seafarers and other students in remote locations around the world.

#### **Shipping Management and Logistics, Port Management and English Study Skills Computer Lab**

An estimated investment of USD 42,500 is needed for the purpose of reconfiguring and making fully operational the computer lab used by the Shipping Management and Logistics, the Port Management and the English Study Skills Programmes. This includes the provision of new special purpose mini-desktop computers as well as network and electrical installations.

#### **Electronic Bulletin Board network**

An estimated investment of USD 24,000 is needed for the installation of an electronic bulletin board for providing information in the reception, classroom floors, labs, the Library and the World Bistro areas.

#### **New office and student space rental and related office furniture and fixtures**

An estimated 350 square metres of open office space and research areas would be required to accommodate newly recruited faculty members, research staff and Ph.D. candidates, as well as guest and sabbatical researchers.

An estimated investment of USD 30,000 is needed for additional office furniture and fixtures.