

INTERGOVERNMENTAL PANEL  
ON CLIMATE CHANGE

THIRTIETH SESSION  
Antalya, 21-23 April 2009

IPCC-XXX/Doc.8  
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Agenda item: 11  
ENGLISH ONLY

## **USE OF FUNDS FROM THE NOBEL PEACE PRIZE**

(Submitted by the Secretariat)

## **IPCC Peace Prize scholarship fund for climate change research**

The Panel at its 29<sup>th</sup> Session decided to set up a Fund as described in document IPCC-XXIX/Doc.8, Rev.1. The operative paragraph of that document reads as follows:

**“(i) That the Intergovernmental Panel on Climate Change creates a scholarship fund for young post-graduate or post-doctoral students in climate change sciences from developing countries, especially least developed countries.**

**(ii) That the funds received by the IPCC as its share of the award money for the 2007 Nobel Peace Prize be transferred to this scholarship fund.**

**(iii) That the fund be open to donations from individuals, organisations and governments supporting the Aims and Objectives of the Fund.**

**(iv) That the Secretary be asked to arrange for the development of a trust deed, which will set out the details governing the fund. The deed should reflect the characteristics outlined earlier in this document and in the Appendix that follows.”**

Consistent with that decision and the characteristics outlined in the document and its Appendix, the IPCC Secretariat prepared a draft “Trust Deed” for examination by the Bureau at its 38<sup>th</sup> Session held in Geneva on 24-25 November 2008. The Bureau recommended that this action be started and agreed to the Trust Deed as attached (Annex 1).

Investigations were carried out about the possible advantages of the establishment of a Foundation under national law, which may have allowed additional tax benefits for major donors. The establishment of a Foundation however turned out to be rather complicated and would require clarification on a number of legal issues. Therefore at least initially a Trust Fund has been established and is administered by WMO, with no administrative cost, as is the case for the IPCC Trust Fund. If the Panel so decides, the Trust Fund could be turned into a Foundation at a later stage.

The name to be retained for the Fund remains open. For practical purposes the Fund has been referred to so far as IPCC peace prize scholarship fund

The Bureau set up the Science Board according to the decision of the Panel, composed as follows:

- R.K. Pachauri – Chair of the Board
- Ogunlade Davidson
- Jean-Pascal Van Ypersele
- Hoesung Lee

Its functions are as described in the draft “Trust Deed”. In the interim period until the establishment of the Board of Trustees, it will also perform the function of that Board. A short oral report will be presented by the Science Board to the Panel.

From April onwards the Secretariat will hire, initially on a temporary basis one additional Professional staff to assist the Science Board and Board of Trustees in carrying out their tasks, in particular *development of a strategy paper and a call for proposals, comprehensive description of the fund in the form of a brochure to be submitted to potential donors; creation of a dedicated website to announce the Fund to possible fellows and donors; wide circulation of the call for proposals and collection of submissions for consideration by the Science Board.*

Following consultations within the Science Board the following distinguished personalities are proposed to serve on the Board of Trustees:

1. Prof. Ernesto Zedillo, Former President of Mexico
2. Mr. Valli Moosa, Former Minister of Environment, South Africa
3. Mr. Brice Lalonde, Former Minister of Environment, France
4. Ms. Khempheng Pholsena, former Vice President of ADB and Minister to the Prime Minister's Office, Head of Water Resources and Environment Authority Lao People's Democratic Republic

None of them have been contacted. The Panel is invited to consider and agree on the name of the Fund and the composition of the Board of Trustees. It is suggested that the term of office of the Board of Trustees is for a two year period, renewable once.

Consistent with the decision taken at the 29<sup>th</sup> Session a detailed report of the activities under the Fund will be presented to the Panel at its 31<sup>st</sup> Session for consideration and review.

**TRUST DEED****[NAME - to be finalized] FUND****Aim and objectives of the Fund**

1. The aim of the [NAME] Fund is to build capacity in the understanding and management of climate change in developing countries through providing opportunities for young scientists from developing countries to undertake studies that would not be possible without the intervention of the Fund
2. Income of the [NAME] Fund includes:
  - Funds received by IPCC from the Nobel Foundation for the 2007 Peace Prize;
  - Donations and contributions from individuals, organisations and governments supporting the aim and objectives of the Fund;
  - The interest and capital gains accrued from any investment of the principal of the Fund.
3. The [NAME] Fund will be used to:
  - Provide scholarships for young post-graduate or post-doctoral students from developing countries, especially least developed countries for research that advances the understanding of the scientific basis of risk of human induced climate change, its potential impacts and options for adaptation and mitigation;
  - Support other capacity building activities in developing countries, in line with the general aim of the Fund and as agreed by the IPCC.

**Administration of the Fund**

4. The resources of the [NAME] Fund are deposited with WMO under a separate account. The Secretary-General of WMO administers the Fund in accordance WMO Financial Regulations and Rules, Standing Instructions and established procedures of WMO, as supplemented by the provisions of the present terms of reference and guidance received from the Board of Trustees. The administration of the Fund is subject to no administrative or support costs.
5. Financial reports on the Fund will be made in Swiss Francs. The United Nations rate of exchange prevailing on the date of the transaction will apply for the conversion into Swiss Francs of income received and payments made or charges incurred in any other currency.
6. WMO shall prepare a financial report on the overall use of the Fund and make it available annually to IPCC. The statement of income and expenditure of the Fund will be incorporated in the overall audited financial statements submitted by the Secretary-General of WMO to the WMO Executive Council for approval. External audit will be conducted as provided for in the WMO Financial Regulations. The audit report will be submitted to the IPCC together with the annual report referred to in paragraph 11 below.

**Governance and Management of the Fund*****Overall Governance***

7. The utilization of the Fund shall be consistent with the aim and objectives of the Fund and additional guidance provided IPCC in Plenary Session.
8. The Aims and Purpose of the Fund and the governance structure of the Fund may only be changed by the IPCC in Plenary Session

## ***Science Board***

9. A Science Board, composed of the IPCC Chair, or his representative, and the three IPCC Vice-Chairs will

- set priorities for funding based on an evaluation of gaps in scientific technical knowledge and capacity building needs in countries/regions;
- set scientific technical criteria for selection of projects and scholars, as required;
- select the scholars.

10. The Term of the Science Board will be the same as the Term of the IPCC Bureau. If a member of the Science Board resigns or is unable to complete the term of office as IPCC Bureau member his/her successor will assume his/her responsibilities as member of the Science Board. If a member of Science Board remain member of the IPCC Bureau but is unable to continue serving on the Science Board the IPCC Bureau will elect a replacement from among the members of the IPCC Bureau.

## ***Board of Trustees***

11. The IPCC shall appoint in Plenary Session a Board of Trustees of no more than four members responsible for

- deciding on the investment strategy of the assets of the Fund;
- developing and implementing a fund-raising strategy;
- liaising with WMO regarding the administration and management of the Fund
- establishing further criteria for granting scholarships and funding any other activity consistent with the aim and objectives of the Fund;
- deciding on the of amount and frequency of scholarships awarded;
- advising WMO as to the acceptance of donations, gifts and other contributions to the Fund;

The Board of Trustees will be collectively accountable to the IPCC and will report annually to the Panel on the affairs of the Fund.

12. The powers, authorities and discretion of the members of the Board of Trustees shall be subject to any direction by the IPCC. The members of the Board of Trustees

- may not do anything which prejudices the aim and objectives of the Fund
- may not do anything which prejudices the academic integrity of the scientists receiving support from the Fund, nor the integrity and independence of the IPCC

13. Any Trustees must bring clearly identified skills to the Fund. In appointing the members of the Board of Trustees the Panel shall also aim for a balanced representation of developed and developing countries.

14. The members of the Board of Trustees will not be remunerated for their activities for the Fund. They shall be defrayed of travel expenses incurred in connection with the discharge of responsibilities for the [NAME] Fund in accordance with the general rules applied in the IPCC.

15. To avoid additional overhead expenses, the business of the Fund would be carried out by e-mail and at meetings held in conjunction with regular IPCC Bureau or Plenary meetings.

16. At the formation of the Fund the members of the Science Board would serve as the Trustees of the Fund. The appointment of the Board of Trustees should be carried out to the extent feasible at the IPCC Session following the establishment of the Fund or within one year the latest.

17. The members of the Board of Trustees shall be appointed for a XX-year term, renewable once.

18. The IPCC Secretariat shall serve as the Secretariat of the Fund. It will assist the Board of Trustees and the Science Board in carrying out their duties.

19. Tasks will include
- the preparation and announcement of calls for proposals, based on guidance received from the Board of Trustees and the Science Board;
  - management of the selection process, and disbursement of scholarship monies;
  - compilation of submissions for consideration by the Science Board;
  - assist in fundraising activities;
  - monitoring of the reporting requirements of scholars and other beneficiaries;
  - preparation of reports for consideration by the Board of Trustees and the IPCC;
  - liaison with WMO regarding the administration and management of the fund.

### **Liquidation of the fund**

20. Upon liquidation of the Fund, the Secretary-General of WMO shall make provision for the payment of any un-liquidated obligation and expenses necessary for the closure of the Fund.
21. Following the closure of the Fund any remaining surplus shall be transferred to IPCC General Trust Fund or to any entity determined by the IPCC.

### **Legal responsibilities**

22. Under no circumstances will the Fund be made liable to pay and/or reimburse any taxes on emoluments or honorarium, or any customs and import duties, value added taxes or similar charges. If applicable, these will be payable by the beneficiaries of the support provided.

### **Review of the terms of reference**

23. IPCC Plenary may review this Trust Deed in the light of experience gained and make any changes as appropriate.