INTER-AMERICAN INSTITUTE FOR GLOBAL CHANGE RESEARCH

EC-XXXI - CoP-XVIIII – EC XXXII
14-17 June 2011
Asunción, Paraguay

Minutes of the EC-XXXII

Minutes of the Thirty-Second Meeting of the IAI Executive Council (EC)
16-17 June 2011, Asuncion, Paraguay

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Action List of EC XXXII

Note: This report is not a strictly chronological record. For completeness, greater clarity and readability the IAI Directorate has grouped discussions of an agenda item together under the first occurrence of the topic.

Approved – July 2011

32nd Meeting of the IAI Executive Council (EC)
16 June 2011 – Asunción, Paraguay
AGENDA

Morning session (08:30 – 12:30) (Coffee Break 10:30 – 10:45)
- Approval of the Agenda
- Presentation of the observer from ECLAC
- Agreement between ECLAC and the IAI
- Approval of the Action List of EC-31
- Review of CoP-18 items for action by EC-32 and implementation strategies for action items from EC-31 and CoP-18
- Strategies for strengthening member country involvement and IAI funding
- Discussion of CRN 3 and other future programs
- Hosting arrangements for the IAI Directorate
- Discussion of strategic plan
- Establishment of working groups as needed
- Future meetings and sites.
- Adjourn

Afternoon session (02:00 – 05:00) (Coffee Break 03:30 – 03:45)
Working groups: Strategic Plan, Future programs

Note: the EC 32 was scheduled for June 16 but it extended to June 17.

1. Opening Remarks

Paul Filmer, EC Chair, welcomed the EC representatives and the observers. As Ricardo Jordán, representative from ECLAC, could not make his presentation at the CoP, the EC Chair suggested he could do it after the approval of the EC agenda.

After the introductory remarks, the EC determined that the quorum was present and therefore decided to go ahead with its work.

Participants at the meeting were:

EC Country Representatives

Argentina:	Carlos Ereno (First Vice-chair of the EC Bureau)
Brazil:	Maria Virgínia Alves
Canada:	Marjorie Shepherd
Chile:	Alvaro Castellón
Colombia:	Ricardo José Lozano Picón (Second Vice-chair of the EC Bureau)

Cuba: Bertha Alasá Quintana
United States: Paul Filmer, Maria Uhle
Paraguay: Fernando José Méndez Gaona

Observers – Member Countries:
Costa Rica: Marco Aurelio Peraza Salazar
Dominican Republic: William Fermín Gómez
Guatemala: Luis Ricardo Alvarez Girón
Peru: José Luis Gonzales Donayre

Observers – Other institutions
APN: Louis Brown
CEPAL: Ricardo Jordán
Dr. Armando Rabuffetti, Ex- IAI Director, Facultad de Ciencias Agrarias, Universidad de la Empresa, (Uruguay)

SAC Chair
Juan Valdés

IAI Directorate:
Holm Tiessen (Director), Rafael Atmetlla (Assistant Director, Finance and Administration), Marcella Ohira (Assistant Director, Capacity Building), Christopher Martius (Assistant Director: Science), Tania R. Freire Sánchez (Assistant to the IAI Director), Luciana Londe (Assistant to the Assistant Director: Capacity Building), Paula Richter (IAI Publications Editor), Elvira Gentile (IAI Directorate support).

Local staff
Blanca Patricia Vázquez, Cristian Ramón Britez Osorio, Nelly Figueredo, Victor Ariel Ayala Rojas

2. Approval of the Agenda

The EC approved the Agenda of its Thirty Second Meeting with the following modifications:
a) Inclusion of a presentation by the observer of ECLAC and signing of an Agreement between ECLAC and the IAI;
b) Under Item "Review of CoP 18 items…" issues to be addressed will be: the drafting of the Terms of Reference for the Ad Hoc Host Country Committee; the renewal of the FAC Charter; and discussion of rules and procedures related to election of SAC members *(Action 1)*.

3. Presentation of the observer from ECLAC

Dr. Roberto Jordán, Economic Affairs Officer from Sustainable Development and Human Settlements Division of ECLAC, explained that the year before IAI and ECLAC began working on a training program on urban responses to Climate Change that was the starting point for cooperation between both institutions about this issue. ECLAC has as mandate supporting the governments of the region to design and implement public policies. Therefore it is devoted to generate applied knowledge and transfer knowledge produced at other levels (basically research centers and universities).

Dr. Jordán made a presentation on "Sustainable urban infrastructure and eco-efficiency: challenges for Latin America and the Caribbean" (*see presentation at IAI Twiki website-ParaguayEcCop2011*). He mentioned that infrastructure is an integrative factor for sustainable development in its economic, social and environmental aspects. Infrastructure is an economic activity in itself.

The production of infrastructure implies two challenges: more infrastructure to solve the deficits of social and economic development and, at the same time, it must be compatible with mitigation and adaptation to climate change. Sustainable urban management requires and integral approach in order to link eco efficiency and infrastructure. Such an approach should be systemic, multidimensional, with a territorial rather than a sectoral base, and should develop a way to understand the reciprocal interactions and responses between urban processes and global change at different scales.

In order to promote eco efficiency governments should:
- Identify, measure and value natural resources
- Design policies to internalize externalities
- Create incentives for eco efficient action

Dr. Jordán also informed that ECLAC is working on the economic value of climate change impacts using IPCC models. If the goals of mitigation and adaptation are not achieved, America Latina could loose 1% of its gross product. Under the project "Megacities and sustainability" they are also making a dowscaling of that methodology in six metropolitan cities: Buenos Aires, Santiago, Lima, Bogotá, México and Sao Paulo. One of the objectives of the project is to raise awareness among Ministries of Finance on what can be lost by not investing in achieving eco-efficiency levels in our countries.

4. Agreement between ECLAC and the IAI

Ricardo Jordán, on behalf of ECLAC, and Holm Tiessen, on behalf of the IAI signed the Agreement that will serve as a framework for activities related to urban issues and climate change.

The EC endorsed the signature of the Agreement between ECLAC and the IAI *(Action 2)*.

5. Approval of the Action List of the EC-31

The EC approved the Action List of its Thirty First Meeting. *(Action 3)*

6. Review of CoP-18 items for action by EC-32 and implementation strategies for action items from EC-31 and CoP-18

6.1 Terms of Reference for the Ad Hoc Host Country Committee

The CoP-18 requested that the Executive Council, during its 32nd Meeting, draw up Terms of Reference for an *ad hoc* committee to assist with preparations for the Special Meeting of the CoP to be held in mid-February of 2012 in Washington DC, United States, to decide on the future location of the Directorate.

The Parties' Members of the *ad hoc* committee are Brazil, Canada, Colombia, the Dominican Republic, Paraguay, and the USA. The Director will be an *ex-officio* member of the committee. If any of these

Parties submit an offer to host the Directorate, this country will withdraw from the *ad hoc* committee on November 15, when proposals are submitted for evaluation. In this event, Guatemala will join the *ad hoc* committee.

The *Ad Hoc* Host Country Committee has a dual function:
- Assisting any Party that wishes to submit an offer to host the IAI Directorate by answering any questions that such a Party may have regarding the criteria and/or the kind(s) of information and/or data and/or commitments needed to meet such criteria.
- evaluating the proposals after the deadline for submission (November 15th).

The EC discussed the draft version of the Terms of Reference for the *Ad Hoc* Host Country Committee. The final version of these ToRs is attached as Annex I of the Action List of EC 32 *(page 13).*

Delegates asked if it was possible to make changes to a proposal before the deadline for submission of offers to host the IAI Directorate. Although there was agreement it was possible to make such changes, it was pointed out that the process could lead to suspicion in case a country modifies its own proposal after knowing of a better proposal. On the other hand, if a country is member of the *Ad Hoc* Host Country Committee and then decides to submit a proposal, it would be in an advantageous position since it could have access to other countries' offers. Therefore, the representatives requested the Directorate send the offers to the Committee only after the deadline for submission.

Then, the representatives agreed on **two aspects of availability of information** during the process:
- *Every question to the Committe and its response shall be made available to **all** Parties* (before the deadline of November 15th)
- *Proposals will be sent to **all** Parties no later than 2 weeks following the deadline for submission of offers* (November 15th).

The delegates then discussed whether there would be exchanges between the Committee and the proposing Parties after November 15th. Everybody was in favor of allowing negotiations but some representatives expressed concerns about time constraints (one month and a half for the evaluation process), and suggested putting some kind of limit to the exchanges. Finally they agreed that the Committee could request **clarifications** from each Party **only twice for each offer**. Each response to a request for clarifications will be contained in only one communication from the submitting Party, within two weeks for the first communication and five consecutive days for the second. Clarifications will not modify the previous submission and will address only the committee's requests.

The Committe shall complete its work and submit its report to the Parties, via the Director, no later than January 15, 2012. This report shall include the ad hoc committee's evaluation of each offer in comparison with the criteria set forth in the invitation letters for offers, and may include ratings of these offers. The Committee is expected to describe the strengths, weaknesses and potential opportunities seen in the various proposals.

The EC approved the Terms of Reference for the *Ad Hoc* Host Country Committee (Annex 1). *(Action 6)*

The following **procedural issues** were also discussed:

Language
Proposing countries may submit their proposals in their official language with an "unofficial" English version in order to facilitate the work of the Committee.

Modification of proposals
The proposals may be submitted before the deadline and modified until the deadline of November 15th by the presentation of a new full proposal. ***A new full proposal invalidates the previous ones***.

Number of pages:
The page length should not exceed 10-12 pages for a full proposal.

Cover letter of Proposals
Proposals should be sent by e-mail followed by a paper version. They should include a cover letter (a kind of preamble) and a very clear indication of from whom the proposal comes (what Ministry, what ministerial decision-making level, etc.).

Host Country Agreement Model
A copy of a first suggestion of an "Agreement between the Government of the (Country) and the IAI concerning the Headquarters of the IAI" was distributed among participants. It was prepared by the IAI Directorate based on the existing agreement, other agreements for International Organizations in the region and on experience in the operations of the IAI Directorate.
The Director emphasized the importance of including a ***preamble expressing mutual interest***.
It is not necessary that the proposing Parties send their model of Host Country Agreement at the stage of the submission of offers. They should simply fill in the form according to the required criteria.

Requirements of the IAI for its operation
The delegates asked the Director about the IAI needs in terms if infrastructure, communications, etc. The Director explained that currently the IAI has 8 offices (one of them as computing room) and a meeting room. They also talked about Internet connection and other facilities.

The Directorate has prepared documents detailing the IAI requirements and will be available to all Parties.

> The EC asked the IAI Directorate to make available on the website all documents developed for the negotiations to host the IAI Directorate *(Action 5)*.

Criteria for selection

The delegates reviewed the criteria set forth in the invitation letter for submitting offers to host the IAI Directorate sent on January 27. They also consulted the Director about the main operational problems related to the current Host Country Agreement experienced so far.

According to such letter, the full proposals should contain information regarding the following items:

- Juridical Personality;
- Facilities;
- Equipment;

- Staff Support;
- Communications;
- Funds and Property;
- Inviolability, Privileges and Immunities;
- Currency Regulations and Negotiable Instruments;
- Income Tax Exemption Status for Staff;
- Exemptions from other Taxes and Duties for the Institute and its Staff;
- Entry and Exit of Personnel and Equipment in Host Country;
- Communications with the Host; and
- Dispute Resolution

The EC considered important to add and/or expand on the following items:
- Experience with International Treaty Organizations and how the country recognizes the IAI in terms of juridical identity
- Proximity to Embassies and other representations of Member Countries and International or Regional Organizations.
- Proximity to an international airport.
- Information about the history of the relationship of the country with the IAI.
- Free movement of personnel (not only IAI staff but also visiting scientists or post doctoral fellows)
- Free entry and exit of equipment.
- Classification of personnel (as in every international organizations, e.g., with full diplomatic privileges, with partial privileges, etc. This has direct consequences in taxing).
- Personnel provided by the Host Country: indication of how many people would be supplied by the Host Country; if they will be government employees seconded to the IAI or not, and who will choose the personnel.
- Under item "Communications with the Host", it should be clearly stated on which government structure the Hosting Institution is located (e.g. INPE is under the Ministry of Science and Technology of Brazil) and the contact point for communications.
- Include a statement of commitment from the corresponding governmental level of decision to implement the proposal and identify the specific Ministry who would be the champion of the IAI in that regard.
- Explanation on the internal process of the approval and implementation of the Host Country Agreement and indication of when it will be in force.
- Information about banking operations and explanation on any kind of Host Country's restrictions on foreign currency transactions.
- Under item "Communications", the offer should include detailed information on Internet connection.
- Access to scientific journals and databases; if possible, link to a training center (support to science and training mission).
- Security of the IAI Directorate, staff and properties.

The Delegates finally discussed which were the **most critical items of the criteria list.** This would have implications in the submission form and in the evaluation process. The *IAI Director* suggested talking about categories: 1) Components of the Host Country Agreement that have budgetary consequences (taxes, salaries, personnel seconded to the IAI…); 2) Free movement of IAI staff and other scientists; 3) Visibility criteria (access to Embassies and representations of other IAI Member Countries); 4) Time to implementation of the Host Country Agreement and its implications.

The Director also explained that the major problems derived from the current Host Country agreement were a mix of tangible things like taxation, immunities, privileges, and rather more intangible things (e.g.

Ministerial support). The new Agreement should try to limit the possibility that these less tangible things become overwhelmingly important again, in other words, provide more expression of interest in the Host Country Agreement, as well as a justification for such an expression of interest, and finally, the mechanisms by which that interest can be translated into political support and ultimately financial and administrative support.

The EC considered the following categories were the most important:
- Location and its implications (access to international airports and Embassies, infrastructure, support to science and training mission, etc.)
- Personnel (classification, taxation, contracts, etc.)
- Statement of commitment (clearly indicating the Ministry that supports the IAI)
- History of the relationship of the country with the IAI
- Privileges, immunities and inviolability (for the personnel and the IAI Directorate)

> The EC Chair will circulate a list of criteria and details for hosting the IAI Directorate among the representatives to ask for their input. After that, a letter of invitation to submit full proposals to host the IAI Directorate will be sent to all Parties. This letter will include all procedural issues and selection criteria. *(Action 7)*

6.2. Approval of the FAC Charter

> The EC approved the charter of the Financial and Administrative Committee. Membership for this committee is open, and new participants are welcome. Current membership is Brazil, Canada, the US, and the IAI Financial and Administrative Director as an *ex-officio* member. *(Action 4)*

6.3 Request by the CoP of revision of some Rules

> The EC asked the Rules Committee to address the following issues: simplification of the election process, establishment of committees by the EC, and deadline for submitting documents before meetings (considering the ease and speed of electronic communications). The Committee will report at the next EC meeting. *(Action 8)*

The EC Chair asked the representatives that if they had suggestions of volunteers to cooperate in the Rules Committee they should contact him so that he could forward the information to Louis Brown, Chair of the Standing Committee of Rules and Procedures.

After this, the EC held a closed session.

7. Strategies for strengthening member country relations and IAI funding

The EC Chair asked for suggestions for reinvigorate the relationship with two countries that have traditionally been very active in the IAI: México and Venezuela.

> In order to follow up on strengthening the relations of member countries with the IAI, Argentina offered to contact Venezuela through the Ministry of Science. USA also offered to contact Mexico through diplomatic channels. *(Action 9)*

8. Discussion of CRN3 and future programs

IAI Director: the CRN3 proposal was submitted to NSF at the beginning of the year. It is under review and if positive signals are received from NSF, the IAI will have to prepare a call for proposals under the program. In the past, the call for proposals has been very open; there were not priorities other than those defined in the general IAI Science Agenda. The CRN2 proposal call stipulated that there should be greater integration between natural and social sciences. That clearly was not successful. Very often these proposals resulted in essentially a focus on the natural sciences with a token social scientist taken on board.

At the time of the CRN2 proposal there was also a consensus to discourage continuing existing projects in order to promote innovation in the CRN2 with the result that only two groups were refunded with significantly reconstituted composition and substantially new themes, while all the others were new. These are fine decisions: innovation versus building on or with existing investments; and the rigidity with which we will enforce a true integration of the human dimensions of global change as part of one or all projects. I think the Directorate needs guidelines on that, from the SAC and from the EC.

The SAC participates in the formulation of the call and, by the constitution of the IAI, is also in charge of organizing the review (usually an external mail peer-review of the individual proposals, a usually two stage process of letters of intent followed by full proposals). As a final instance the SAC comes together and makes the final recommendation based on that reviews received.

That is how it has been operating in the past, as I said the major shortcoming was an almost complete failure of the call for better integration of human dimensions and a very much ad hoc decision on whether to carry over existing networks versus whether to look for truly innovative new teams in the future program.

Canada: The International Polar Year struggled with including human dimensions in their call of proposals over the last 5 or 6 years. It might be worth reviewing how they made their call because it was a criterion for their proposals. In the next six months they will have a meeting to review progress results. That may be useful for the IAI.

EC Chair: I am representative of NSF for this event; I will consult about this issue as soon as possible and will forward the information to the IAI Director, so that it can be taken into account for the next call.

Colombia: In Colombia we have a wide experience in working with human dimensions of climate change, especially in the implementation of projects of adaptation and vulnerability reduction. Two projects have just finalized and we will have events with different communities, indigenous, peasants, etc. We invite other IAI members to share with us these experiences. IAI members should try these kinds of experiences in our countries be more visible.

USA suggested holding a workshop for people interested in submitting proposals. The *EC Chair* said that perhaps a webcast would be more effective in order to achieve a higher dissemination and reach people that might not attend a workshop. *The IAI Director* said that the training institutes of the past two years had focused very strongly on the integration of human dimensions. He hoped that people coming to these capacity building events would submit proposals. In addition, the IAI has on its webpage, a publication on how to write proposals and he wondered whether some additional communication would be useful to make a clear distinction between token social science and true relevance in the proposals. He would also talk to the SAC social scientist about this issue.

The delegates then discussed the visibility of the IAI in the UNFCC CoP and other events. The Director explained that IAI is present at the SBSTA and had a side event at the CoP in Cancun. They would need some support of the political sector for side events.

> The EC recommended that the IAI participate in the UNFCCC CoP with a side event to increase the visibility of the IAI. Colombia offered to help in finding the contact person at the UNFCC to arrange this kind of event. *(Action 10)*

The EC Chair reminded that the IAI Director had asked for opinions on approaches or priority issues for the next CRN3 call for proposals. The IAI Directorate and the SAC will draft this call. As there were no interventions, he asked delegates send any suggestion as soon as possible in order to draft the call.

9. Working groups

> The EC established a working group to draft an implementation plan to its Strategic Plan. Members are USA, Canada, Dominican Republic, the EC Chair, and the IAI Director as *ex-officio* member. The SAC will be consulted in this process. *(Action 11)*

10. Future Meetings & Sites:

USA offered to host the Special Meeting of the CoP in mid-February of 2012 in Washington DC. (Action 12, CoP 18). It will also host the regular EC and CoP meetings in 2012. (Action 20, CoP 18)

11. Adjourn

The EC representatives highlighted their dual roles in representing their countries to the IAI and the IAI within their countries.
The EC Chair thanked Paraguay for its hospitality and for its commitment to the IAI. He also thanked all representatives from countries and local embassies, the IAI staff, the SAC Chair, the ex-director of the IAI, Dr. Armando Rabuffetti, and the interpreters.
The meeting was adjourned.

32ⁿᵈ Meeting of the IAI Executive Council
16-17 June 2011, Asuncion, Paraguay

Action List

1. The EC approved the Agenda of its Thirty Second Meeting with the following modifications:
   a. Inclusion of a presentation by the observer of ECLAC and signature of an Agreement between ECLAC and the IAI;
   b. Under Item "Review of CoP 18 items…" issues to be addressed will be: the drafting of the Terms of Reference for the Ad Hoc Host Country Committee; the renewal of the FAC Charter; and discussion of rules and procedures related to election of SAC members.

2. The EC endorsed the signature of the Agreement between ECLAC and the IAI.

3. The EC approved the Action List of its Thirty First Meeting.

4. The EC approved the charter of the Financial and Administrative Committee. Membership for this committee is open, and new participants are welcome. Current membership is Brazil, Canada, the US, and the IAI Financial and Administrative Director as an *ex-officio* member.

5. The EC asked the IAI Directorate to make available on the website all documents developed for the negotiations to host the IAI Directorate.

6. The EC approved the Terms of Reference for the *Ad Hoc* Host Country Committee (Annex 1).

7. The EC Chair will circulate a list of criteria and details for hosting the IAI Directorate among the representatives to ask for their input. After that, a letter of invitation to submit full proposals to host the IAI Directorate will be sent to all Parties. This letter will include all procedural issues and selection criteria.

8. The EC asked the Rules Committee to address the following issues: simplification of the election process, establishment of committees by the EC, and deadline for submitting documents before meetings (considering the ease and speed of electronic communications). The Committee will report at the next EC meeting.

9. In order to follow up on strengthening the relations of member countries with the IAI, Argentina offered to contact Venezuela through the Ministry of Science. USA also offered to contact Mexico through diplomatic channels.

10. The EC recommended that the IAI participate in the UNFCCC CoP with a side event to increase the visibility of the IAI. Colombia offered to help in finding the contact person at the UNFCC to arrange this kind of event.

11. The EC established a working group to draft an implementation plan to its Strategic Plan. Members are USA, Canada, Dominican Republic, the EC Chair, and the IAI Director as *ex-officio* member. The SAC will be consulted in this process.

ANNEX 1

The Eighteenth Meeting of the IAI Conference of the Parties (CoP-18) requested that the Executive Council, during its 32nd Meeting, draw up Terms of Reference for an *ad hoc* committee to assist with preparations for the Special Meeting of the CoP to be held in mid-February of 2012 in Washington DC, United States to decide on the future location of the Directorate.

Terms of Reference

The CoP-18 established an *ad hoc* committee in accordance with Art.V, Para.4.k to assist in preparations for the Special Meeting of the CoP to decide on the future location of the Directorate.

Membership
The Parties Member of the *ad hoc* committee are Brazil, Canada, Colombia, the Dominican Republic, Paraguay, and the U.S. The Director will be an *ex-officio* member of the committee. If any of these Parties submit an offer to host the Directorate, this country will withdraw from the *ad hoc* committee on November 15, when proposals are submitted for evaluation. In this event, Guatemala will join the *ad hoc* committee.

Chair
The *ad hoc* committee shall elect a Chair from amongst its Parties Member. The Chair shall ensure that the work of the committee is completed in due time.

Charge
The CoP-18 charges this *ad hoc* committee with:

Assisting any Party that wishes to submit an offer by answering any questions that such a Party may have regarding the criteria and/or the kind(s) of information and/or data and/or commitments needed to meet such criteria. Every question and response shall be made available to all Parties.

Reviewing all offers to host the Directorate in the future received from Parties, to assure that these offers fulfill the criteria set forth in the invitations for such offers that the EC Bureau sent to all Parties on January 27, 2011, and modified by the letters of March 7, 2011 and July, 2011.

Beginning its work as soon as any questions are received, and beginning its evaluation as soon as it receives copies of the offers from the Directorate. The CoP-18 requests that the Director distribute these offers to all the Parties no later than two weeks following the deadline for submissions of offers to the Directorate.

Completing its work and submitting its report to the Parties, via the Director, no later than January 15, 2012. This report shall include the ad hoc committee's evaluation of each offer in comparison with the criteria set forth in the invitation letters referred to above, and may include ratings of these offers.

Requesting clarifications from each Party where the committee considers it necessary. Such a request may be made only twice for each offer. Each response to a request for clarifications will be contained in only one communication from the submitting Party, within two weeks for the first communication and five consecutive days for the second. Clarifications will not modify the previous submission and will address only the committee's requests.

Work

The *ad hoc* committee shall carry out its work by electronic communications to the maximum extent possible. The *ad hoc* committee may seek legal counsel when necessary.

Term

The *ad hoc* committee shall function until the submission of its report (no later than January 15, 2012).