



**INTERNATIONAL
OIL POLLUTION
COMPENSATION
FUNDS 1971 AND
1992**

ASSEMBLY
9th extraordinary session
Agenda item 19

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71FUND/AC.16/8

JOINT INVESTMENT ADVISORY BODY

Note by the Director

Summary:	It is proposed that the 1992 Fund, the 1971 Fund and the Supplementary Fund should have a joint Investment Advisory Body.
Action to be taken:	Decide whether there should be a joint Investment Advisory Body for the 1992 Fund, 1971 Fund and Supplementary Fund, and if so, its mandate and composition.

1 **The issue**

- 1.1 The Assemblies of the 1971 and 1992 Funds decided at their 17th session and 1st extraordinary session, held in October 1994 and October 1996 respectively, to set up for each Fund an Investment Advisory Body composed of external experts with special knowledge in investment matters, to advise the Director in general terms on such matters. It was decided that the Bodies should be composed of three persons appointed by the Assemblies for one year and that the members would be eligible for reappointment for consecutive terms (documents FUND/A.17/35, paragraph 23.2 and 92FUND/A/ES.1/22, paragraph 3.2).
- 1.2 The present mandate of the Investment Advisory Body of the 1992 Fund is set out in Annex I.
- 1.3 At the October 2004 sessions of the 1992 and 1971 Funds' governing bodies, Mr David Jude, Mr Brian Turner and Mr Simon Whitney-Long were reappointed as members of the Investment Advisory Body of the respective Funds for a period of one year (documents 92FUND/A.9/31, paragraph 12 and 71FUND/AC.15/2, paragraph 9).
- 1.4 During its consideration at its May 2004 session of the preparations for the entry into force of the Supplementary Fund Protocol, the 1992 Fund Assembly endorsed the Director's proposal that the Supplementary Fund should have an Investment Advisory Body with the same mandate as that of the Bodies of the 1992 and 1971 Funds and that the composition of the three Bodies should be the same (document 92FUND/A/ES.8/4, paragraph 3.7.6).
- 1.5 The reason why each of the 1971 and 1992 Funds have an Investment Advisory Body (although the members and mandate of the Bodies are the same) is that the 1971 Fund established such a

Body before the 1992 Fund Convention had entered into force. The Director therefore proposes, however, that there should be a joint Investment Advisory Body for the 1992 Fund, 1971 Fund and Supplementary Fund. Proposals to this effect will also be made to the Supplementary Fund Assembly.

- 1.6 The Director has further proposed to the Supplementary Fund Assembly that in view of the fact that all Supplementary Fund Member States will also be Members of the 1992 Fund, the Supplementary Fund Assembly should not make appointments to the Investment Advisory Body but instead leave this function to the 1992 Fund Assembly.
- 1.7 A proposed revised mandate of the joint Investment Advisory Body based on the assumption that the three governing bodies adopt the proposals set out in paragraphs 1.5 and 1.6 above, is at Annex II.

2 Action to be taken by the governing bodies

The governing bodies are invited:

- (a) to decide whether the 1992 Fund, the 1971 Fund and the Supplementary Fund should have a joint Investment Advisory Body; and
- (b) to decide on the composition and mandate of this Body as set out in Annex II.

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