

LÄNSSTYRELSEN

I STOCKHOLMS LÄN

Enheten för tillsyn

Mikael Wiman

08-7854255

DECISION

Date

2012-03-21

Reference

20622-3359-2012

The Board of the Nobel Foundation

Box 5232

102 45 STOCKHOLM

Question re compliance with purpose in the Nobel Foundation

Decision

The County Board decides to dismiss the case from further handling.

Summary of the case

On January 30, 2012 the County Board requested the Nobel Foundation to clarify its views on information from Fredrik S. Heffermehl regarding deviations of the Nobel Committee in its compliance with the peace prize purpose. The Board was also invited to comment on what Heffermehl expressed in another letter

The Nobel Foundation responded to the requests on March 8.

Considerations

In a self-managing foundation, the Board is responsible for ensuring that the Foundation statutes are being observed. Among the most important rules of a Foundation is the purpose and how to fulfill it. The Nobel Foundation statutes, founded in Alfred Nobel's testament, includes i.a. provisions for a peace prize to be awarded, and that the selection of winners should be managed by a committee appointed by the Norwegian Storting.

According to the Foundations Act, which came into force on 1 January 1996, the Board of Directors bears the ultimate responsibility for the management of assets and the fulfillment other provisions, for instance regarding the purpose.

The special design of the Nobel Foundation, with a board that is in charge of management, and with separate prize awarders (Committees for the various Nobel Prizes), does not in the view of the County Board contain any aspect that differs from past rules on the division of responsibility in a foundation. The various prize awarders (the Nobel committees) have not born ultimate responsibility neither for management

of Foundation assets nor for compliance with other regulations such as e.g. the statutes on the purpose.

The design instead constitutes a clear division of labor and competence; the efforts to collect data, examine nominees against the criteria on the purpose as well as to decide on winner/s and other tasks rest with the Committee. Nevertheless, the responsibility for ensuring that Foundation assets, consisting of the prize amount, is being used in accordance with the statutory purpose always rests with the Board of the Foundation.

The Nobel Foundation's response states that the Board is responsible for compliance with the statutory purpose, thereby understood that the Board shall intervene if the committee operates in a way that the Foundation considers not complying with the statutory purpose. The by-laws of the Foundation does not contain any regulations on how and when such intervention shall take place. The Foundations Act as well does not contain any regulation as to how the board of a foundation shall take action against subordinate bodies.

The Nobel Committee for the peace prize claims in the annex to the Foundation's response that in the awarding of a prize it is independent and not to be instructed. This is not, however, in the view of the County Board, compatible with the board of directors of the Foundation bearing the ultimate responsibility for compliance with the purpose. If the board finds that a committee has selected a winner that differs from the Foundation's regulations on that prize, the Board has an obligation to intervene.

In its supervision of foundations the County Board strives for the boards to make determined efforts and improve among other the fulfillment of purpose. This should include that they analyze and interpret the prescribed purpose to be able to develop criteria and assessment grounds to assist the practical application of the Regulations. Without such a focus there is a risk that the fulfillment of purpose will become arbitrary and in the longer term differ from what the creator intended with the statement of purpose. Another part of a foundation's development work should be to secure the quality of the implementation and that the division of responsibilities and powers becomes clear to everyone involved in the efforts of the foundation to implement the purpose.

The foundation Act does not specify clear guidelines on how the work to secure quality should be performed.

In its recurring review of the foundations the County Board checks how the foundation board meets its own by-laws and the provisions in the Foundations Act. If then it can be assumed that a foundation may be violating laws and regulations or that members of the board in other ways violate restrictions or neglect their obligations the County Board shall intervene.

The County Board's evaluation

The County Board deems that the Board of the Nobel Foundation has presented an acceptable description of its responsibility and how it is divided between the Board and the prize awarders (The Nobel committees). The Foundation's response also permits the County Board to presume that the Board fulfills its obligation both to examine how the Nobel committees work complies with the regulations on the purpose, and to react if a Nobel committee in the view of the Board should not meet the instructions on the purpose in the will of Alfred Nobel.

Thus there is at this point no reason for the County Board to initiate further action against the work of the Foundation to fulfill the purpose, and the matter will be written off.

This decision was made by the Head of the Department Åsa Ryding and the Head of the Supervision Unit Eva Lundgren Axell. Rapporteur in the case was County Assessor Mikael Wiman

(sign.)

Åsa Ryding

(sign.)

Mikael Wiman

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