

# MINUTES OF BOARD OF DIRECTORS MEETING

OCTOBER 2, 2012 | WASHINGTON, D.C.

Attendees: James Harmon – Chair, Harriet Babbitt – Vice Chair, Frances Beinecke, Robin Chase, Tiffany Clay, Leslie Dach, Dino Patti Djalal, Daniel Doctoroff, Alice Emerson, Jamshyd Godrej, Preston Miller, Michael Polsky, Bill Richardson, Theodore Roosevelt IV, Alison Sander, Andrew Steer, Lee Thomas, Sue Tierney, Clinton Vince, Diana Wall, Daniel Weiss

Staff: Paul Allen, Manish Bapna, Steve Barker, Elizabeth Cook, Holger Dalkmann, Arthur Droe, Vivian Fong, Craig Hanson, Peter Hazlewood, Aaron Holdway, Kirsty Jenkinson, Kevin Kennedy, Jennifer Morgan, Robin Murphy, Janet Ranganathan, Peter Veit

Guests: John Disharoon, Charlotte Matthews

The Chair called the meeting to order at 8:30 a.m.

## CHAIRMAN'S OVERVIEW

Mr. Harmon welcomed everyone to the meeting and reviewed the revised agenda. The minutes from the WRI Board of Directors Meeting on March 13, 2012, were approved as drafted.

Mr. Harmon thanked Mr. Bapna for his service as Interim President and welcomed Dr. Steer to his first Board meeting as the new President. Dr. Steer thanked Mr. Harmon and Mr. Bapna for their leadership and Dr. Tierney for chairing WRI's presidential search committee.

Dr. Steer highlighted some of the sessions to come, including programmatic sessions on the New Climate Economy project and a post-2015 development model, requesting the Board's advice for moving forward on these. He noted that the meeting would also include focuses on WRI's emerging global model and progress in different countries; the challenge of raising unrestricted funding; and a discussion, during the President's Report, of an institutional strategy refresh and the longer-term direction of WRI.

## WRI'S GLOBAL MODEL – PROGRESS REPORT

Mr. Bapna, Mr. Murphy, and Mr. Godrej presented on WRI's global model and progress in WRI's country offices. Mr. Murphy began the session with a short video illustrating some of WRI's work around the world. He then reviewed the global "sisterhood" model that is being used for the global offices' relationship to WRI in Washington and highlighted the brand identity to be used by WRI's global offices.

The brand for country entities will consist of the WRI logo, along with the formulation of WRI (country name), such as “WRI India.”

Mr. Bapna reviewed the current state of WRI’s operations around the world. Mr. Godrej provided an update on India, noting a desire from government officials for broader inputs from WRI. Mr. Godrej thanked Directors for their participation the day before in the inaugural meeting of the WRI India Advisory Committee. Mr. Harmon thanked Mr. Godrej for his excellent work in India.

Mr. Bapna invited advice and guidance from Directors. Dr. Tierney asked how WRI injects its DNA into offices overseas. Mr. Bapna said WRI’s brand agreement includes agreement on how WRI and country offices will work as one organization, including having interlocking strategies and governance structures. Mr. Miller noted that constant communication at many levels will be important.

## FINANCE & INVESTMENT COMMITTEE REPORT

Mr. Barker presented WRI’s finances for FY2012 and the proposed FY2013 budget for WRI. He said WRI is forecast to grow 10% in the next year, from an outlook of \$44.1 million for FY 2012 to a budget of \$48.4 million for FY 2013.

Mr. Barker said that while WRI is continuing to grow quickly, doubling in budget in seven years, unrestricted funding, which gives WRI the flexibility to be more innovative, has not managed to keep pace. (A more detailed discussion of the unrestricted funding challenge follows the Development Report.)

The resolutions to approve the budget and the endowment funds transfer were approved as drafted.

## DEVELOPMENT REPORT

Ms. Cook thanked Mr. Disharoon for Caterpillar’s \$12.5 million in funding and Mr. Godrej for his nearly \$1 million in gifts. She reviewed the Courage to Lead 30th Anniversary Dinner which took place in New York in May 2012 and thanked Board members for helping to meet WRI’s fundraising goal for the dinner. Ms. Cook also outlined WRI’s draft revised corporate vetting procedures, including pre-screening and using third-party research to assign grades to potential funders.

Returning to the challenge of unrestricted funding, Ms. Cook reviewed WRI’s existing ways of raising it and possible new methods. She then asked Board members to discuss these in small groups and report on which they thought were best, as well as how Board members can help in this effort. Directors suggested further exploring Board recruitment, named endowments, relationship fundraising, investment funds, fundraising in other countries, and corporate matching of employee giving; creating a Board Development Committee to work with Development on fundraising; adding new categories for donor involvement such as a Leadership Council or separate program advisory boards; and increasing WRI’s visibility and popular appeal.

## NOMINATING COMMITTEE REPORT

Mr. Roosevelt thanked the Committee members for their active participation. He said the Committee continues to focus on finding new members who have strong fundraising capacity, noting that as WRI grows, Board membership will be an increasingly important factor in fundraising. He said the Committee is also looking at recruiting Board members from overseas, particularly countries where WRI's presence is growing and from countries which provide the largest bilateral support to WRI. Mr. Roosevelt noted that four members are due to retire from the Board in March 2013 and mentioned that in the past a few exceptional members have been asked to return.

## U.S. CLIMATE OBJECTIVE: CLAIMING THE DECISIVE DECADE

Ms. Morgan and Mr. Kennedy presented WRI's work on climate change at the federal level in the U.S., including the Climate Impacts Collaborative and the New Climate Economy project. They summarized the current situation in the U.S. and asked how to maximize a possible window of opportunity for action in early 2013 and how to set the country on a low-carbon pathway for post-2020. Ms. Morgan said the work needs to evaluate how far the Executive Branch can move using existing authorities and also identify policy options with support so that the Administration can be prepared to act, while laying the groundwork for the policy and political debate for the next five years. She emphasized the importance of strong policy analysis, seeking business support, and encouraging debate about local climate impacts.

The presenters asked the Board for input on these projects, particularly on how Directors would like to be engaged and how the Board can help in engaging the private sector on this agenda. Mr. Doctoroff emphasized the importance of reaching out to business. Mr. Dach suggested shying away from an approach that aims to make politics smarter, saying others are more equipped to deal with politics and we should thus aim to do something others cannot.

Mr. Thomas suggested that building public support for long-term plans for action could be built through awareness of extreme weather events. Ms. Chase suggested gaining attention through a graphic that will become widely used – for example, showing the economic cost of extreme weather. Mr. Miller said that projecting future impacts on infrastructure brings great attention from public officials while avoiding the fraught politics.

## PRESIDENT'S REPORT & DISCUSSION

After a month of meetings with program staff, Board members, major donors, and other partners and listening to their input, Dr. Steer said that WRI has an opportunity to refresh its strategy. Coming out of these conversations, Dr. Steer

raised six issues he believes WRI needs to address as it assesses how to refresh its strategy in the coming months:

**1. Telling the story – connecting the dots.** We need a better understanding of who we are. Each WRI program is delivering quality outcomes, but what is the narrative that ties it all together and makes it clear what we do and what makes us distinctive? Mr. Doctoroff said we could use “Count it, Change it, Scale it” to succinctly describe our approach: We do analysis designed to provoke change.

**2. Economic development *and* the environment.** We work at the intersection of the environment and economic development, and we must ensure we explain how our work affects each. We need more economists in order to help articulate this link.

**3. Scaling up – having impact.** We must ensure pilot projects are scaled up. We have been extremely successful in scaling in some areas, but in others it is not clear how we will get from successful pilots to scale. We need to create conveyor belts to bring projects to scale, or else we can partner with groups who already have such conveyor belts. We also need to have more access to ministers and heads of state.

**4. Flexibility – and pace.** We need flexibility in order scan the horizon and anticipate emerging issues, and to move nimbly to take advantage of opportunities and deal with them creatively (e.g., having an economic unit do the big thoughts before moving work into the programs). Flexibility is required both in terms of funding (more unrestricted funding) and in terms of process (e.g., some organizations have a quick-response team). Under our current model the bulk of staff time is locked into work programs agreed with donors.

**5. Critical mass – making the matrix work.** We have many small, standalone projects. Instead, we need critical mass, connecting across our matrix of programs. Our effectiveness is already being greatly enhanced by our country offices and staff on the ground, but there is room to achieve better synergy between program areas and teams on the front line.

**6. The role of the Board – optimizing our highest talent.** We must make use of the stature and added value of each Board member. We should have more regular interaction with the Board – not just Board meetings and calls. We also need to think about what shape the Board should take for the coming years.

To follow up, Dr. Steer said staff would prepare detailed proposals on a strategy refresh, including outlining actions that address the six points above, for discussion at the Spring Board meeting, which may be in the form of a retreat. Staff will be engaged both on the “how” of our work but also the “what” – e.g., what should be the focus of our activities in Africa, and what should be the distinctive features of our cities work?

## TOWARDS A POST-2015 SUSTAINABLE DEVELOPMENT AGENDA

Mr. Bapna and Mr. Hazlewood reviewed the origin and impact of the Millennium Development Goals (MDGs) and key trends shaping the fight against poverty. They then focused on the question of what would replace the MDGs after they expire in 2015 – particularly whether a new set of goals, unlike the MDGs, will integrate sustainability in a meaningful way. Mr. Bapna outlined WRI's proposed role in contributing to a post-2015 sustainable development agenda: serving as secretariat for a global coalition of leading environment and development research institutes to help drive the process of defining the post-2015 agenda; providing independent analysis and recommendations for an integrated set of global goals, targets, and indicators that embed sustainability and equity and create the right incentives; and engaging with key stakeholders and influence targets on implementation of the goals, including the private sector.

Mr. Bapna welcomed feedback on the initial thinking and strategy for the project. Dr. Djalal said WRI needs to bring out perspectives from the non-donor side, bringing in local participation. Ms. Babbitt said WRI can make a contribution on access issues, citing the need to move forward the discussion on transparency and accountability. Ms. Beinecke said WRI could play a role in elevating aspirations for the goals.

Mr. Dach suggested taking a micro approach on the political influence strategy, focusing on not just the top three people, but also working at other levels. On trying to engage business, Mr. Dach said that business tends to have a narrow focus, so a way will need to be found in which their participation could make a difference. He suggested engaging private sector foundations.

## EXECUTIVE SESSION

The meeting went into Executive Session at 3:30 p.m.

The meeting adjourned at 4:00 p.m.

Steve Barker  
Secretary and Treasurer  
Chief Financial Officer and Vice President of Administration