

**Minutes**  
**WRI Board of Directors Meeting**  
**December 13, 2005**  
**Conference Call**

**Board Members:** Jim Harmon-Chair, Julia Marton-Lefèvre-Vice Chair, Dave Buzzelli, Jessica Catto, Leslie Dach, Tish Emerson, José-Maria Figueres, David Gergen, Al Gore, Jonathan Lash, Jeff Miller, Peter Raven, Ted Roosevelt, Gus Speth

**Officers:** Steve Barker, Liz Cook, Paul Faeth

**Staff:** Vivian Fong, Dani Mesko, Georgia Moyka

Chairman Jim Harmon opened the meeting at 12:00 p.m. EST and welcomed members. He reviewed the meeting agenda, the updated schedule of meetings, and asked if there were any comments on the minutes for the September 19-20, 2005, Board meeting. There were none and **the minutes were approved as presented.** He then reviewed the revised list of Board committees, noting that the Audit Committee was being pulled out of the Finance and Investment Committee to stand alone as an independent committee. He also added that we are soon going to have a Development Committee again, although its members have yet to be identified. He then turned the meeting over to Jonathan Lash to update members on events since the last meeting.

Mr. Lash said he had recently sent to the Board a set of publications that WRI took to the COP meeting in Montreal, and a news release announcing that the Green Power Market Development Group is now up to 360 megawatts plus, and has initiated a new group in Europe, which may be the only area in which Europe is closely following the U.S. He added that an environmental reporter from *Science Magazine* said that “Navigating the Numbers” is the single most useful publication he’s encountered from a non-profit group since he began working at *Science*. In general, WRI’s work was well received at a difficult meeting.

At the last meeting we had also discussed the efforts of nine northeastern states, WRI’s Regional Gashouse Gas Initiative (RGGI), to set forth the first mandatory GHG cap in the U.S. Debate has continued with energy prices continuing to rise. A number of Board members have written to the governors urging their support, and Jonathan Pershing has been very involved in a series of conference calls with them to complete the agreement, expected by the end of the year.

A WRI team is now in India, announcing a new partnership with the Confederation of Indian Industries for measuring and reducing greenhouse gas emissions, and also to work with us on identifying and supporting small to medium sustainable enterprises. Richard Sandor, founder of the Chicago Climate Exchange, called to say that he had been invited to set up a voluntary trading system for greenhouse gas reductions in Mumbai, and he asked WRI to help, which we agreed to do.

Goldman Sachs has issued their sustainability policy, which is very good in terms of the integration of their policy into all of their business practices, something very difficult for banks to do. It is a very direct commitment to reduce their emissions, including those from their coal-fired power plants, and demonstrates their unequivocal support for federal cap and trade legislation, an important step that has resulted in considerable pressure on them. WRI is one of several non-profits they worked with, and we hope to compete for the policy research center that they are proposing to establish which will support the kind of work that we do.

Mr. Lash said he had a visit recently from Tom Stewart, editor of the *Harvard Business Review*, who said his readers are wondering about how to respond to climate change, and he asked if WRI would write something for the *Review*. He said Mr. Stewart would be contacting Al Gore and that he had also referred him to Brad Abelow at Goldman Sachs.

At our last meeting we reported on our efforts to reinvent think tank communications and to hold a charette to redesign the process. This project is moving ahead, led by Al Hammond at WRI and with a lot of good help from Leslie Dach. Mr. Lash said he recently met with Mitch Kapoor, who got very excited about this unique and unusual effort for a non-profit.

Jessica Catto asked Mr. Lash about the mood in Montreal. He said that despite the lack of US participation, the parties were willing to move ahead in discussions and consequently the NGOs were encouraged, however disappointed by the depth of the US's negative role.

David Gergen asked if he saw WRI and other NGOs coming together in any way to push the US harder on this. Al Gore said that Jonathan Lash and Frances Beinecke have played an important role in the emergence of a new coalition focused on that goal. He said it is not public yet but was soft launched last week in Palo Alto, CA, at a CEO-level Silicon Valley Global Warming event, to unveil an agenda of an impressive set of principles that will focus on getting out directly to the people a message of mass persuasion intended to change the position of the US on global warming. He said the response was very enthusiastic at this first venue and is off to a very good start. The public launch will probably take place in early February.

Dave Buzzelli asked if there were any plans to get large business involved in this, and Mr. Gore said there has been a great effort to get business involved. Mr. Lash added that he has been charged with the responsibility of building that part of the coalition, and said he would follow up with Mr. Buzzelli about that in a phone conversation.

Jonathan Lash invited Al Gore to say something about his slide show on global warming. Mr. Gore said it has been turned into a professionally produced documentary movie that will premier at Sundance on Jan 24 with a theatrical release

sometime in March. He said the DVD will be distributed widely, and 100% of his share of profits from its sale will go directly to the climate change coalition. He said the movie will end with an original song by Melissa Ethridge, and a website which will include ways for individuals to get personally involved and help the coalition. He said WRI and Mr. Lash have helped the producers design a new calculator for carbon neutrality and carbon offset that will be featured on the website. He noted that Google is going to host a website for the coalition and Google Earth will be linked to it.

Mr. Gergen asked if the movie will be tied to the coalition launch. Mr. Gore said the coalition won't be ready by the Jan 24 premier date but added that it is probably not a good idea because it's important that the coalition be perceived strictly as bi-partisan, non-partisan, and not tied to him in any way.

José-Maria Figueres commented that he was recently in Barcelona and had heard very good remarks about Gore's recent presentation there. Julia Marton-Lefèvre asked if the film can be used for education purposes, and Mr. Gore said that it is intended for that and will be made as widely available as possible. Mr. Gore said he is going to have an ongoing workshop to train others to make his presentation so it isn't strictly dependent on his presence. Ted Roosevelt said he wants to approach the Museum of Natural History about including it in their educational program.

### Finance Report

Steve Barker gave a brief financial update. He said a draft audit would be given to the Audit Committee by Dec. 16. For the year ended 9/30/05, we came in at \$20.1 in total expenses v. a \$21.9M budget, which represents \$1.8M in under spending. The significant under spending was in research, conference costs, and other miscellaneous line items. The programs with the most significant discrepancies were PEP, IGP, and GIP, for a variety of reasons, but notably these programs had no contingencies in their budgets, which made it especially difficult to recover from the unexpected.

The good news is that WRI did not have to make any additional draw on its endowment in FY05. The spending shortfalls were able to be offset with current and prior years' reserves, under spending in administration and development, and prior years' surpluses. Overall, the programs came in at 81.4% of total expenses, a respectable number to report to donors.

### Development Report

Liz Cook gave a Development status report. She said overall we are making good progress in fundraising. We have a very clear game plan and the team is aligned behind it. We have several new initiatives that we are working on with the Board, and Ms. Cook thanked members for stepping up and getting involved. Also, she said, we are now comfortable with managing for results and are better at it, and, like the

programs, the department has developed a specific set of objectives and milestones for the year, plus staff have developed their own personal goals.

Since reporting in September, we have raised \$6M. Some of that, a little over \$3M, was anticipated from USAID. We have received a \$50,000 gift for our Capacity Plan from the Winslow Foundation and a \$600,000 two-year grant from the Prospect Hill Foundation for our climate work. Ms. Cook thanked Wren Wirth and Frances Beinecke for making those gifts happen.

Corporate contributions are now over \$800,000. Perhaps most notably Alfa Bank and Marubeni Corporation have contributed \$50,000 each in unrestricted gifts, thanks to Jim Harmon's efforts. Raising unrestricted money remains our biggest challenge. We have received \$400,000 in unrestricted funds, including a substantial multi-year pledge from Mr. Harmon. All but about 4-5 Board members have made gifts to WRI this year. We have sent out this year's annual appeal, and included our BOD asking that they consider an annual gift in addition to their multi-year pledge. Unrestricted giving is very important to our efforts to scale up and to the organization's continued viability. We included a world map of our outcomes, and this year we sent the appeal to an additional 5,000 National Geographic subscribers.

In FY06 we have a \$1.5M goal for unrestricted gifts, of which we have in hand \$325,000. We are almost 100% certain to bring that amount to about \$670,000, which still will leave a gap of approximately \$800,000 in unrestricted gifts we will need in order to meet our goal.

New initiatives in addition to the Board appeal include a fundraising event in Boston on February 6 at the home of Jeff Miller where David Gergen and Jonathan Lash will talk about the environmental stories to watch in 2006. Also, we are talking with a consultant about plans for a fundraising dinner event to take place possibly as early as the fall of 2006, either in DC or New York, which would provide a source of unrestricted funds. As those plans take shape, we will be calling on our Board members for help.

The corporate sector continues to hold a great deal of promise for us as talks continue with Alcoa, Shell, and Caterpillar.

There followed some discussion about the need for clear, written guidelines for unrestricted giving by the Board, noting that Board giving sends a very positive message to donors. Jeff Miller said he thinks getting additional resources for Development, especially updated software, which would allow Liz to leverage her staff in ways she can't now, is a high priority.

#### Election of New Members

Ted Roosevelt, Nominating Committee Chair, put forth the three candidates for election to the Board and referred members to their bios. Everyone was very

enthusiastic about the three candidates, and **the Board unanimously passed a resolution to elect Afsaneh Beschloss, Gretchen Long, and Diana Wall to the WRI Board of Directors, Class of 2009, each to serve the term of office in accordance with the By-Laws.**

Jim Harmon asked members to think about how best to fully integrate our new members into the Board so they are fully involved and able to best participate and contribute. In addition to the Board orientation session, it was suggested to pre-identify some work that new members could do to help get them immersed more quickly. Mr. Roosevelt will telephone and Mr. Harmon will send a letter to our new members.

#### Items for Discussion

Jonathan Lash gave a brief background on his “environmental issues to watch” end-of-year press conference and asked the Board for comments on the outline he had sent to them earlier. He said the event gets good press coverage and demonstrates a desire to think about what’s going to be happening in the environment in the coming year. He said the emphasis on climate is very strong because it is urgent and is what is driving us. There followed some discussion/comments on the reorganization of USAID within the State Department; expanding the energy choices section and what is truly feasible to make US energy independent; trends as well as issues; and Katrina and its aftermath. Mr. Lash said a transcript should be available in early January.

Paul Faeth, from Jakarta, gave an update on what was happening at the Doha trade negotiations of the World Trade Organization in Hong Kong. He noted that WRI was releasing a working paper at the meeting (members received a draft copy), on the agricultural subsidies debate and their impact on poverty and the environment. The key issue – agricultural subsidies - is the sticking point and preventing the talks from moving forward. The developing countries want reduced subsidies by the richer, developed countries so the farmers in the developing countries are better able to compete and have access to developed country markets. This could signal a shift of production from the developed countries to the south, unleashing a whole new set of issues. At this point the expectations are low. They expect to wrap up the discussions sometime in early March.

Jim Harmon concluded the meeting by wishing everyone a happy holiday and thanking them for their support and involvement. Gus Speth commented that this is the strongest team he has seen at WRI.

The meeting was adjourned at 1:10 pm EST.

Steve Barker  
CFO and Secretary-Treasurer