Minutes
WRI Board Retreat & Board of Directors Meeting
September 19-21, 2010
The River House, Aspen Wye River Conference Center
Queenstown, MD


Staff: Manish Bapna, Steve Barker, Elizabeth Cook, Vivian Fong, Craig Hanson, Kirsty Jenkinson, Clayton Lane, Jennifer Morgan, Robin Murphy, Janet Ranganathan, Allison Sobel, Oretta Tarkhani, Dan Tunstall, Jacob Werksman, Zou Ji

Guests: Seema Paul, Anamaria Schindler, Ralph Taylor

Sunday September 19th – State of WRI and the World

The retreat was called to order at 5:45 p.m. ET by the Chair.

Opening remarks from the Chairman and President

Mr. James Harmon welcomed everyone to the retreat particularly new board members Mr. Göran Persson and Ms. Tiffany Clay. He welcomed back Mr. Preston Miller who had returned to the Board after a year's absence and Mr. Ralph Taylor as guest. Mr. Harmon said this was his third Board Retreat and spoke about WRI six years earlier when he assumed the Chairmanship. He reviewed some of WRI's past accomplishments and spoke about his vision of WRI for the years to come. Mr. Harmon spoke about WRI’s response to internal and external challenges and the Retreat agenda.

Mr. Jonathan Lash spoke about the accomplishments of Mr. Harmon as Chairman and thanked everyone for committing so much of their time and energy to the mission. He spoke about what would make this Retreat a success for him. Mr. Lash reviewed WRI's work around the world and spoke about the organization’s growth and investment in training new staff. He reported to the Board the status of each item in the Strategic Plan and highlighted the successes of Managing for Results. He said he was proud that WRI was doing well but noted that global trends are going in the wrong direction and he was worried about unrestricted funding prospects for the future. Mr. Lash spoke about the prospects for climate legislation and the COP process and WRI's strategy moving forward to 2015.
Après Dinner Salon: What are the global trends shaping the context in which we work?

Ms. Alison Sander began her talk by reminding the group of Gus Speth's presentation at the last Retreat when he said that WRI was doing well, but not solving global problems. She wanted to start this Retreat with a different tone and relayed results from the survey she had developed and circulated to Board and staff. She said all responders were concerned about whether WRI was having an impact. Ms. Sander spoke about the positive and negative trend curves in the world including urbanization, technology and innovation, information overload, health and wellness, transparency, resource volatility, and security concerns and the Board discussed aligning those trends with WRI's strategy. The Board also debated how to sustainably finance WRI's ambitions and develop a communications plan that marries the Strategic Plan to impact.

Mr. Jamshyd Godrej summarized staff and Board ideas on how to memorialize Mr. C.K. Prahalad. He spoke about what each proposal would accomplish and the impact it would have on moving forward the issues that were important to Mr. Prahalad. The Board discussed the options and agreed to make a decision at the end of the Retreat.

Monday September 20th – Understanding WRI

8:30 a.m.

Summary of WRI’s Mission, Values, and Approach

The session opened with a viewing of a recording of Mr. James Gustave Speth in which he shared the history of WRI's mission. Mr. Manish Bapna spoke about WRI's mission, values, and niche in the world.

9:00 a.m.

WRI’s Goals and Objectives

Mr. Lee Thomas introduced the session on WRI's Goals and Objectives presented by members of the Board. Ms. Kathleen McGinty presented the Climate and Energy Goal and spoke about the program’s domestic strategy work with emerging economies. Mr. Thomas presented the People and Ecosystems Goal and gave examples of the work of the Mainstreaming Ecosystems Services Objective and the Forest Landscape Objective. Mr. Roberto Artavia introduced the Markets and Enterprise Goal and spoke about the New Ventures strategy, portfolio of topics and possibilities for the future. Mr. Daniel Weiss presented on the other aspect of Markets and Enterprise, Envest, and spoke about the strategy, recent outcomes, and the future growth of that area of work. Ms. Afsaneh Beschloss introduced the Institutions and
Governance Goal and spoke about the work to increase access to information, influence Bank policies, and the focus on sustainable finance as a growth area. Mr. Jacob Werksman also spoke about his team's work to develop sustainable forest practices in Africa. Mr. Jamshyd Godrej presented the budget and goals of Embarq and discussed the reasons why that project was so vital to the world. Ms. Alison Sander spoke about ways that Embarq is seeking to reframe itself for the future.

10:45 a.m.

Deep Dive on Strategic Challenges

The Board divided into Breakout groups to discuss the following:

- Embarq: Working in Megacities: How can we achieve effective operations with a distributed network? – Led by Clayton Lane
- How do we scale up our “Rescuing Reefs at Risk” Initiative? – led by Craig Hanson
- How best to design the influence strategies and partnerships necessary to ensure that new development actors come to share and promote WRI’s values? – led by Jacob Werksman
- What else could WRI be doing to ensure that the U.S. finally acts seriously to reduce its GHG emissions over the short and medium term? – led by Jennifer Morgan

11:45 a.m.

WRI’s new five-year development strategy

Mr. Todd Thomson presented WRI's fundraising structure, recent successes, and challenges for the future. He reviewed development's five-year Strategic Plan and stressed the necessity for increased unrestricted funding and the elements of the Plan that addressed this issue. The Board discussed ideas to increase unrestricted funding from individuals and other sectors. Mr. Thomson also reviewed the history and present state of WRI's endowment.

1:15 p.m.

Branding – Now that we understand WRI, how do we talk about it?

Mr. Leslie Dach introduced the discussion on Branding and spoke about why it was critical for the organization even though encapsulating WRI into a brief statement is challenging. Mr. Robin Murphy introduced the draft positioning statement and asked the Board whether it was credible to the outside world, persuasive, and for general reactions. He reported on the history of how WRI has described itself and provided examples of Branding statements from
other organizations. The Board discussed the elements they liked and did not like about the proposed statement. The group debated the appropriate length, whether the draft statement contained enough urgency, excitement, and aspiration, and the difference between a positioning statement and an elevator speech. Mr. Lash spoke about what he was trying to achieve when he wrote the statement and said WRI staff would continue to perfect the statement based on the Board's feedback.

**Monday Evening - Expanding WRI's Global Engagement**

6:00 p.m.

**Global Voices**

Mr. Godrej introduced the session and welcomed Ms. Anamaria Schindler and Ms. Seema Paul to talk about Brazil and India respectively. He spoke briefly about the progress WRI has made in China and the status of WRI's work in India and Brazil.

Ms. Schindler spoke about what WRI should consider before expanding into Brazil and shared her ideas for branding and ways to have an effective institutional presence in the country. She said that since 85% of Brazilians are urban based, Embarq and transport projects are critical and that there was space to move in to the Northern region of the country. She presented facts about Brazil's demographics, economy, and politics, and recent societal changes. Ms. Schindler said that New Ventures was a critical project for Brazil and thought that there was space for an NGO like WRI to operate country-wide. She said that while Imazon was comparable to WRI, it was only focused on the Amazon, and there was a need for an environmental group focused on research and analysis to focus on the rest of the country. The Board discussed the roles of existing NGO's in Brazil and the way they interact with the people, government, and the private sector and the ways that WRI could add value.

Ms. Paul thanked the Board for inviting her to present and reported on issues in India that are relevant for WRI's decision to open an office in that country including dynamics between India and the U.S. and the Indian culture of fundraising. She spoke about India's vibrant existing civil society, the niche WRI should fill, and ways to interact with existing NGO's in order to operate successfully. Ms. Paul also highlighted key differences between India and China. The Board discussed the issues Ms. Paul raised and the legal necessity of creating an Indian Board.

**Tuesday September 21st**

8:00 a.m.

**WRI Board Meeting**
Mr. Harmon called the meeting to order and spoke about the business the Board needed to address. The Minutes of the March 9, 2010 WRI Board of Directors meeting were approved as drafted.

Mr. Thomson presented the Finance and Investment Committee report and spoke about the estimated budget for the 2011 fiscal year. He reported that WRI had changed financial managers and the transition went well. He highlighted the challenge of raising enough unrestricted funding for FY11. Mr. Steve Barker spoke about how WRI handled returning funding from BP and updated the Board on how that required a draw on the endowment.

The resolution to approve the FY 2011 Budget was approved as drafted. The authorization to transfer funds from the endowment to WRI’s operating account resolution was approved as drafted.

Mr. Harmon asked Mr. Persson to speak for few moments on the Swedish elections and on general European politics. Mr. Persson spoke about the reasons he joined WRI's Board and about how the Nordic countries and the broader European Union were dealing with the global recession and how that might impact climate policy moving forward. He spoke about how the Swedish government handled financial setbacks when he was Prime Minister. Mr. Persson offered his thoughts on the roles of individual countries as the EU becomes stronger, the role of Russia in the future in European governance, Sweden's transition to a green economy, and geographic tipping points such as Egypt and Turkey.

8:30 a.m.

*Expanding WRI’s Global Engagement – Global Choices*

Ms. Harriet Babbitt introduced the session and spoke about lessons learned from WRI moving into China that can be extrapolated for working in India and Brazil. Mr. Bapna spoke about the projects WRI is working on in China in and about the challenges of coordinating this work between Beijing and Washington, DC. He reported on staffing levels and budgets for the China office and the challenge to fund core operating costs from the region. Ms. Elizabeth Cook highlighted some recent fundraising successes. Dr. Zou Ji updated the Board on his program and fundraising work and noted that it was important for WRI to address whether they wanted a country office or a country program. He spoke about the lessons he had learned and the ways that he represents WRI in China. Ms. Babbitt was struck by Dr. Zou's description of the number of responsibilities of a Country Director. Mr. Lash spoke about Dr. Zou's key accomplishments. Mr. Barker, Mr. Hanson, Mr. Murphy, and Ms. Morgan reported to the Board what has worked better than they expected with opening an office in China, what they think should have been done differently, and what WRI should consider prior to moving into India and Brazil.
The Board discussed the lessons learned from China and ways to apply these lessons to opening other international offices. They discussed the process for selecting partners and sectors to work in. Mr. Lash reported on the role of the China Advisory Board, which is critical to advancing WRI’s work though has no fiduciary responsibility. Ms. Schindler said she thought the most vital element would be to identify the right person to be Country Director and thought that everything else would flow from that person. Mr. Artavia said that it was vital to transfer WRI’s missions and values overseas but that it was less necessary to transplant WRI’s operational structure. Mr. Lash agreed, but noted that differing structures can also create issues. Ms. Paul and Ms. Schindler spoke about the organizational structure they thought would be most effective in their respective countries. The Board discussed the necessity of getting the right Country Director to lead the building of partnerships and create effective structure as well as ways WRI can scale up current successful projects and continue to focus on core competencies when moving overseas.

10:00 a.m.

Board guidance on expansion in India and Brazil & Governance of WRI in a multi-polar world

Mr. Ted Roosevelt IV summarized the discussion and said he would like to focus on how to bring geography into the existing management system, what success would look like in a five to ten year time frame, and how to prioritize between leading countries. He asked Mr. Godrej and Mr. Artavia to provide some guidance with these questions. Mr. Artavia spoke about geopolitics in Latin America and the role of Mexico and Brazil with regards to economics, resource consumption, production, and existing institutions. The Board spoke about existing programs in Brazil, the niche WRI can fill in the country, and existing in-country connections.

Mr. Godrej spoke about existing institutions in India and thought that there was space for a nonpartisan, analytical, country-wide think tank. He spoke about the factors driving economic growth and said the pressures on resources were extremely high and that the current government is trying to move forward is a positive way. Mr. Godrej thought that WRI could help policymakers understand technicalities of green energy policies and the importance of partnering with the right organizations and hiring the right people.

Mr. Roosevelt spoke about the need for effective communications between the U.S. and overseas offices and between the international locations directly. The Board discussed ways to do this effectively and Mr. Lash reported on the way WRI currently handles interoffice communications. The Board spoke about techniques to manage geographic and regional issues and agreed that getting the office culture right was particularly important as well as maintaining Managing for Results. Mr. Oberhelman suggested that someone on staff at WRI be charged solely with managing international growth.

The Board debated whether WRI’s funding model plans could sustain the proposed growth and ways to increase unrestricted funding. Mr. Lash said that he took to heart Mr.
Prahalad's idea that WRI's ambitions should be higher than our resources. The Board discussed whether it would be possible to grow WRI's endowment and thought that would be extremely difficult to do. Ms. Chase asked to see a five year budget for the proposed expansions. Several Board members committed to reaching out to their networks overseas to help raise unrestricted funds but think this will be a big challenge moving forward.

Mr. Roosevelt asked the Board and staff to talk about possible successful outcomes from work in Brazil and India for the future. Ms. Sander thought it was vital that the international operations have strong synergies with the U.S. office and programs and that it would be important to move forward sustainably so WRI does not over-commit resources. Mr. Thomas thought that building a strong program and reputation would serve as the basis for fundraising. Mr. Lash said that the message he heard throughout the Retreat was that expanding WRI's mission, values, and brand was nonnegotiable, but that WRI would need to be flexible with its focus and priorities since what is relevant in Washington, D.C. is not relevant everywhere. He added that WRI will need to be humble in approach and prove its worth in new markets through the accomplishment of outcomes. Mr. Lash heard that the Board advised moving forward on the strategic plan prudently, being careful to manage the risks and incorporate the lessons learned from China. Mr. Artavia advised not to be overly prudent since externally the time is right to move our issues forward in India and Brazil. Mr. Roosevelt said that if WRI is successful in this expansion then it will have a huge impact both in the international arena and on politics in the U.S. as leaders will feel compelled to move forward on sustainability issues if other countries become more advanced. Mr. Harmon thanked everyone for participating in such stimulating conversation and said he trusts Mr. Lash and the WRI staff to move forward and continue to welcome comments and criticism.

11:45 a.m.

Wrap-up

Mr. Harmon asked the Board for thoughts on a memorial for Mr. Prahalad. Mr. Lash liked the idea of the memorial having a link to India, perhaps with an added link to the BOP and sustainable development, topics that were so important for Mr. Prahalad. Mr. Lash and Mr. Godrej will discuss this on their upcoming trip to India and come back to the Board with a proposal. Mr. Roosevelt added that it should be a living monument that involves youth and generates ideas as opposed to a statue.

The Retreat adjourned at 12:30 p.m.

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