

Dev Sanyal**Meeting Notes and Forward Plan: Discussion of Harvard/Tufts Grant Renewal****Attendees at 15 April 2016 Call: Dev Sanyal, Paul Jefferiss, Bob Stout, Jim Nolan**

This note captures the 15 April discussion prompted by a 9 March memorandum that recommended scaling back and refocusing the research grants with Harvard and Tufts.

Discussion

The Harvard relationship began as the climate policy adjunct to the Princeton CMI technical work but grew over time to include workstreams related to technology, economics and geopolitics. The March memorandum recommended a tighter focus limited to climate policy and geopolitics. Based on this narrower focus, the March memorandum recommended reducing the \$915k budget to no more than \$600k. After discussing the geopolitics workstream, it was decided that we could forgo that workstream as well. We recognized that the BP grant was a significant component of the funding for the geopolitics work led by Meghan O'Sullivan but the level was not immediately available. Following the call, Jim distributed the budget data which indicated that the geopolitics workstream was allocated \$195k in the last 3 year cycle (28% of the Harvard total of \$700k).

Though not discussed during the call, the March memorandum sought authority up to \$400k for the Harvard grant on the assumption that the geopolitics workstream would be retained. With the decision to limit the focus to climate policy, the total value of the Harvard grant could be further reduced, though that negotiation will need to be handled deftly to avoid damaging the Harvard/BP relationship. Bob has conveyed to Henry Lee the concept of a 1 year extension at \$350k.

The narrower focus on climate policy should enable a more integrated approach between the policy work at Harvard/Tufts and the scientific work at CMI. The CMI discussions are directly relevant to BP whereas the Harvard/Tufts discussions are directed by the Universities and are much less relevant to BP. There are personality and structural issues that make it more difficult to achieve the same BP focus in the

Harvard/Tufts context. The personality issues can be addressed (at least in part) by creating a larger role for Joe Aldy and Rob Stavins and a lesser role for Henry Lee, while maintaining a key role for Kelly Sims Gallagher at Tufts. At Harvard this might be accomplished by focusing the BP funding on programs directed by Aldy and Stavins.¹ The structural issue is not likely to change: BP funds CMI in its entirety but BP is one of many sources of funding for Harvard and Tufts. Nonetheless, there is an opportunity to more closely link the programs and obtain more value from the Harvard/Tufts relationships.

Path Forward

Bob/Jim will reach out to Gardiner Hill to discuss ways in which we can encourage more integration between CMI and Harvard/Tufts.

In addition, Bob/Jim will confer with Kelly Sims Gallagher, given her candor and her history at both institutions, about leveraging the collective experience of those institutions and enhancing linkage to CMI.

In the coming weeks, Bob/Jim will meet face-to-face with Henry Lee and Kelly Sims Gallagher to resume the renewal discussions, subject to the following parameters:

Harvard

- Maximum of \$400k for the Harvard grant. Of this, we prefer zero for geopolitics but understand it may need to be \$50-\$100k if necessary to manage the relationship. We support allocation of some amount to the Law School if that will enable the participation of Kate Konschnik.
- We also support administrative changes to reduce overhead, such as replacing the annual symposium with two smaller events, scaling back the quarterly and annual reports, etc. Our budget discussions should be more granular about the overhead costs.
- The desired term is 2 years. If we retain some funding for geopolitics, we will phase it out after 1 year.
- We will be clear with Henry Lee that we intend to interact more directly with Joe Aldy and Rob Stavins on climate policy given that

¹ Henry Lee is Director of the Environment and Natural Resource Program in the Belfer Center. Joe Aldy is the Director of the Regulatory Policy Program and Rob Stavins is Director of the Environmental Economics Program both of which are in the Mossavar-Rahmani Center for Business and Government. Belfer and Mossavar-Rahmani share the Harvard Project on Climate Agreements run by Stavins.

this will be the exclusive (or dominant) focus of the forward-looking relationship.

- To help manage the potential reputation impacts of the narrower focus, we should arrange a dinner or other event to thank the key contributors in the economics, technology and geopolitical realms.

Tufts

- Maximum of \$200k for the Tufts grant.
- The focus will be on the incipient climate policy lab under development by Sims Gallagher.
- The desired term is 2 years.

Bob Stout & Jim Nolan

27 April 2016