



May 11, 2021

The Honorable
Charles E. Grassley
United States Senate
Washington, DC 20510

Dear Senator Grassley:

With regard to your letter of May 3 Special Presidential Envoy for Climate John Kerry has taken all recommended steps to ensure that he is able to avoid financial conflicts of interest that would affect his current climate work.

Secretary Kerry filed an OGE-278 New Entrant Public Financial Disclosure Report, as is required by law for political appointees. His Financial Disclosure Reports are available for inspection upon request. The State Department's Ethics Office reviewed the financial disclosure report to identify holdings that could pose a potential conflict of interest. Secretary Kerry agreed to divest all the assets identified by the Ethics Office and has done so.

We should note that Secretary Kerry did not personally own stock in fossil fuel companies, and none of his investments were identified as possible conflicts. Secretary Kerry's wife's assets are also reflected in his OGE-278 report. Teresa Heinz's assets are in a family trust established for her benefit in 1991 at the time of the death of her late husband, Senator John Heinz. Mrs. Heinz is not a trustee of this trust, nor does she have control over the management or selection of the trust's investments. Secretary Kerry is not a beneficiary or trustee of this trust. Nonetheless, the assets are imputed to him for purposes of the conflicts of interest laws. The trust included one account broadly invested in stocks. Secretary Kerry committed, and the trust agreed, to close that account in order to eliminate any prospect of a conflict of interest.

While the potential financial conflicts of interest have been resolved, the ethics regulations and the administration's ethics pledge require that Secretary Kerry recuse from participating personally and substantially in particular matters in which certain entities that he was affiliated with prior to joining the Department are directly involved as parties. These entities include Yale University, Bank of America, Washington Speakers Bureau, Carnegie Endowment for International

Peace, The Rise Fund, American Security Project, World War Zero, Vietnam Sustainable Energy Corp., and Climate Finance Partners. This recusal obligation does not extend to policies or initiatives affecting many organizations or economic sectors. In some instances, special authorization may be issued for Secretary Kerry to participate in a matter in which one of these entities is a party. As an example, Secretary Kerry was recently invited to participate in a Climate Day at Yale University for which he received authorization from the Department's Ethics Office, and he has also agreed to participate in similar events hosted by other universities.

Special Presidential Envoy Kerry has committed to the highest standards of ethics conduct and will continue to consult closely with the Department's ethics office as appropriate.

Sincerely,

A handwritten signature in blue ink, appearing to read "Naz Durakoglu".

Naz Durakoglu
Acting Assistant Secretary
Bureau of Legislative Affairs