

## **MCC Press Release**

# It's time: MCC will be part of the Potsdam Institute for Climate Impact Research from early 2025

Continuing the success story after 12 years of funding by Stiftung Mercator. "Climate Economics and Policy – MCC Berlin" to be the fifth research department.

**Berlin, 09/12/2024.** Bundling climate expertise from the natural sciences to policy advice: as part of this comprehensive value proposition, the experts at the Berlin climate research institute MCC (Mercator Research Institute on Global Commons and Climate Change) will be operating in a new form from the start of 2025. As announced in October 2023, MCC will be integrated into the Potsdam Institute for Climate Impact Research as a separate unit. The Joint Science Conference of the German federal and state governments has now formally approved the necessary increase in the Potsdam Institute's long-term basic state funding – which goes beyond the takeover of MCC.

The additional basic state funding within the so-called strategic special budget framework will enable the Potsdam Institute to become an even more efficient interdisciplinary research institution. By combining two institutes with excellent reputations, and systematically expanding the outstanding scientific research, it will be possible to explore the full spectrum of governing the global commons within planetary boundaries. The forthcoming "Climate Economics and Policy – MCC Berlin" department complements the "Earth System Analysis", "Climate Resilience", "Transformation Pathways" and "Complexity Science" departments. The MCC location in Berlin-Schöneberg will remain for the foreseeable future, while the website and social media channels will be transferred to the Potsdam Institute; you can still find them through the usual links and will be guided from there.

"Climate and the Economy were – and are – often played off against each other," says Wolfgang Rohe, Chairman of the Executive Board of Stiftung Mercator. He points out that MCC was jointly founded by the Potsdam Institute for Climate Impact Research and Stiftung Mercator in 2012 because politicians clearly lacked concepts for securing prosperity and strengthening competitiveness through climate policy. "MCC has filled this gap in an outstanding way, combining cutting-edge research with political relevance."

"After a good 12 years of generous funding from Stiftung Mercator, MCC's success story will now continue within a strong network," says MCC founding director Ottmar Edenhofer, who has been the Chief Economist at the Potsdam Institute since 2005 and a Director there since 2018. "We are very grateful to the Joint Science Conference of the German federal and state governments for making this possible. MCC is home to high-level economic and social science research related to the climate crisis, providing

MCC was founded jointly by:







policymakers with options for action. This will be even more powerful in the future thanks to the combined knowledge at the Potsdam Institute."

Stiftung Mercator granted MCC core funding of 2.1 million euros per year on average over two funding periods (plus preliminary foundation and set-up costs), which will expire as planned at the end of 2024. Following the successful application for an increase in the core budget, the Potsdam Institute will now receive an additional basic funding of around 3.8 million euros per year on a permanent basis. This is the first core budget increase in in its 33-year history and an expression of trust in its strategy. In addition to the MCC integration, it will support the development of additional capacities on three topics: Earth Resilience, Machine Learning, and Inequality and Well-being. The Potsdam Institute staff body will increase from around 400 to around 480 as a result of the expansion.

#### **Further information**

Website of the Potsdam Institute for Climate Impact Research: https://www.pik-potsdam.de/en

#### **About MCC**

MCC explores and provides solution-oriented policy portfolios for climate mitigation, for governing the global commons in general, and for enhancing the many aspects of human wellbeing. Our six working groups are active in fields like economic growth and development, resources and international trade, cities and infrastructure, governance, and scientific policy advice. Co-founded by the Mercator Foundation and the Potsdam Institute for Climate Impact Research. | www.mcc-berlin.net/en | https://twitter.com/MCC\_Berlin

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