



EAERE NEWSLETTER

AUTUMN 2004

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Please send your feedback and contributions to the Newsletter by email only and copy to the
EAERE secretariat: eaere@eaere.org

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The EAERE website : <http://www.eaere.org>



Letter from the EAERE President

We have a class of character in Ireland known as the ‘whydon’tyis’ prominent at all public gatherings. They ask “Why don’t yis do this, and why don’t yis do that?” We all know the reason why many estimable ideas don’t happen; the resources and especially the talent and commitment to make them happen are a very scarce commodity. I’m pleased and grateful that one such idea – the re-introduction of our Newsletter – has proved possible for one reason. Katrin Millock has agreed to use her considerable talents and enthusiasm to do so by acting as our editor. We all know how important property rights are in making markets work. Our idea is that this Newsletter – our intellectual and social market place - will be owned by you, and we want you to feel free to suggest ideas for inclusion, to make submissions yourself, and in general, to get involved. Katrin will be in touch about specifics as we roll your ideas forward.

I’ve already been in touch with ‘Occasional Commentary 1’ (Membership Preferences) and ‘Occasional Commentary 2’ (Recognising Excellence) because we needed quick feedback.

In this Newsletter, I continue this sequence by including ‘Occasional Commentary 3’ (Testing Theory) to provide some context for why we are organising a few evidence based themes in the Bremen programme.

Enjoy this first newsletter, and let’s make it the first of many by giving Katrin the support that she deserves.

Frank



Occasional Commentary 3 Testing Theory

There's an Irish expression: 'You start out with a lot of theories and no children, and end up with a lot of children and no theories.' Everyone smiles knowingly in recognition of the gap between ex ante expectation, and ex post reality. But in truth, the evidence of experience does not leave us theoryless. Rather, our theories become more nuanced, more shaded, less unambiguous, less arrogant. But we need the interface between theory and evidence so that the latter can inform and improve the former. Theory, Scott Barrett has observed, is 'structured imagination.' It is crucial that we have this structure, even if only to reject it. Facts uninformed by theory are like an amoeba - formless, directionless and ultimately uninteresting. But theory perpetually disassociated from the reality check of evidence can likewise lose its way.

John Von Neumann observes that:

Mathematical ideas originate in empirics....But once they are so conceived, the subject begins to live a peculiar life of its own and is better compared to a creative one, governed almost entirely by aesthetical motivations...As a mathematical discipline travels, or after much 'abstract' inbreeding, it is in danger of degeneration....whenever this stage is reached, the only remedy seems to me to be the rejuvenating return to the source: the re-injection of more or less directly empirical ideas'.¹

The strand of our profession that addresses environmental and natural resource phenomena would appear to lend itself to a very active and productive interaction between theory and practise, imagination and experience. And yet we observe that evidence based analysis comprises a minor share of our scholarship, and, according to some metrics, a declining one.

And for academics in particular, it can be difficult to traverse the route from concept to where things are done. A former academic colleague at University College Dublin, Seamus Deane, expressed the dilemma:

*I remember at times
How irresponsible I have
Become. no ruling passion
Obsesses me, although passions
Are what I play among.
I'll know the library in a city
Before I'll know there is a slum.
I could wish the weight of
Learning would bring me down
To where things are done.*

¹ From *A Beautiful Mind*, by Sylvia Nasar, Touchstone, Simon and Schuster, New York, 1998.



The annual Global conference on Environmental Taxation, the Applied Environmental Economics Conference and the meetings associated with the European Society for Ecological Economics are growing, and all attract empirically rooted work.

In order to help correct this asymmetry in our endeavours, we are initiating a pilot scheme at our annual meeting in Bremen in June 23-26, 2005. For this meeting, we have identified four themes – emissions trading, renewable energy, transport and the environment, and biodiversity. For each of these, we are inviting submissions of evidence based papers, i.e. contributions where there is a substantive effort to test propositions emanating from theory with evidence. This is not a zero sum game. We continue to cherish and encourage submissions exclusively rooted in theory. We will start each evidence-based session in the morning with an invited 'stage setting' paper, followed by clusters of papers in sessions selected by peer review. For each theme, we may also have a panel incorporating some practitioners from the field in question. This initiative is taking place under the strategic direction of the Programme Committee led by Nick Hanley.

The extent of these sessions depends on the number of quality papers we receive.

We hope that these sessions may also be of interest to policy practitioners, who will come along to see what evidence-based analysis has to offer them as they try to improve the quality of their decisions.

So please 'spread the word' that these sessions are happening, and invite your colleagues who might have regarded the EAERE conference as inhospitable territory for evidence based work to change their minds and contribute papers.

More generally, if you have ideas on this concept, and how it might be developed, send a note to our Secretary General (monica.eberle@feem.it) so we can address your concerns at Council.

Favourite Quote: The encyclopedists wanted to know everything.....but that direct relationship between the self and – as the Italians say – lo scibile the knowable – was already broken. Leonardo da Vinci still had everything in his head, still knew everything, but now....it's not longer possible to know everything. The tie between the Self and Things no longer exists. One must make a world of one's own in order to satisfy one's need to know, one's need for order. Samuel Beckett



What can environmental economics contribute to the 7th Framework Program?

The European Union's main funding to research and science is channelled through the framework programs for research and development. The Seventh Framework Program (FP7) will be launched for 2006-2010 (see http://europa.eu.int/comm/research/future/index_en.html). The EAERE Council would like to open a public debate among its members on the role of environmental economics in the 7th Framework Program, with the aim of producing an official EAERE document to be sent to the Commission, the Parliament and the relevant Commissioners.

The European Parliament has unanimously adopted a report by German Member of the European Parliament Rolf Linkohr calling for the budget of FP7 to be raised to 30 billion euro for the four year period. New instruments proposed for FP7 are Technology Platforms (TP) involving industries, researchers, and policy makers.

FP7 is likely to take the form of a "Six + Two Structure" (the "+ Two Structures" refers to the two relatively new areas to receive EU research funding: Space & Security). These six major axes will be:

- Creating poles of excellence
- Launching technological initiatives in key industrial areas (technology platforms bringing together companies, research institutions, financial organisations and regulatory authorities)
- Stimulating competition between fundamental research teams (through a European Research Council)
- Reinforcing human resources
- Developing research infrastructures of European interest
- Reinforcing coordination of national programmes

The European Commission announced the main features proposed for the 7th Framework Program in a communication dated 16th June 2004:

http://europa.eu.int/eur-lex/en/com/cnc/2004/com2004_0353en01.pdf

Let us hear the voice of environmental economics! Contribute to the debate by sending your statement to the EAERE Secretary General no later than November 30th, 2004.

Email: monica.eberle@feem.it.

We will publish contributions on the EAERE website and a summary in the next Newsletter. Our idea is to both communicate directly with the European Commission and European Parliament via EAERE, and to identify nodes in each Member State (volunteers please to Monica) to lobby on our behalf at Member State level.



International climate policy dead or alive: Lessons from the Kyoto Protocol

Should the objectives in the Kyoto Protocol be abandoned if the Protocol is not ratified by the end of the current commitment period? Should diesel cars be banned? What is at stake in the design of the EU emission trading directive? These were some of the questions discussed in a roundtable organized at the EAERE 13th annual meeting in Budapest on June 25-28, 2004. Panellists included Professors Michael Hoel (Oslo University), Stef Proost (K.U.Leuven) and Christoph Boehringer (ZEW Mannheim and Heidelberg University). Johan Eyckmans (EHSAL and K.U.Leuven) chaired the roundtable.

This year's annual meeting of the EAERE featured a novel approach to the traditional expert roundtable. Each panellist defended one or two precise policy statements, and then a yes/no vote was held among the audience. Panellists were encouraged to be as controversial as possible in order to stimulate the debate among the participating audience. So, here are the statements and the support they obtained among the participants.

Michael Hoel was asked to address the issue of international coordination of climate change policy. His statements were:

Unless many more countries accept quantitative limits on their GHG emissions, the present ratifying countries should not continue to have limits on their own GHG emissions after 2012.

A future climate agreement should include elements aiming at promoting improved technology for reducing GHG emissions.

The reasoning behind the first statement goes like this: Given that the countries in the Kyoto Protocol only stand for less than 30 per cent of global greenhouse gas emissions the emission reduction in the Kyoto Protocol has almost no effect on global emissions, and is thus insignificant. The conclusion therefore has to be that the Kyoto Protocol is only a first step, intended to lead to further reductions in the future, and also to commitment from other countries that have not yet ratified the Kyoto Protocol. So, if no other countries join the Kyoto Protocol in 2012, after the end of the first commitment period (2008-2012), then the logical conclusion would be that the leader-follower approach has failed, and that the countries that have ratified the Kyoto Protocol (the European Union, amongst others) should abandon the objectives set by the Protocol.



The reduction objectives by these countries cannot have a significant effect on the climate; in particular when one considers that reductions by one group of countries (the European Union), may tend to increase emissions by other countries (the USA, for example).

So, did the participating EAERE members approve of this somewhat controversial statement? Quite a heated debate followed, in which many arguments in favour of a NO-vote were raised. First, the term “many more countries” would imply that it was developing countries that should join before any further reductions could be undertaken. Many participants rejected this on equity grounds. Michael Hoel was of the opinion that a climate change agreement should not be used to solve equity problems, and that it was important to have emission limits also for developing countries. Second, the argument was raised that there is a credibility problem with the threat of abandoning the Kyoto targets unless more countries join in; and that more immediate and tangible sanctions are feasible, such as trade sanctions. Michael Hoel’s response to this reasoning was that trade sanctions certainly are not credible, since the country imposing them also suffers a welfare loss. Third, it is easy to see from current European policy that the Kyoto Protocol actually has had a positive effect on national objectives. For example, the UK has set a tighter reduction objective than required, but it is of course too early to say whether these objectives actually will be met. The debate closed with a vote in which a majority raised a NO-flag (63 per cent).

As regards the second statement, almost everyone agreed that technological development is crucial to obtaining the targets of the UNFCCC. The relevant question is: will the price changes resulting from a standard agreement be enough to bring about this kind of technological development? There are studies showing that the price of carbon might be lower than previously suspected (especially with sinks allowed), and that it would simply not be high enough to induce technological development of the scale that is necessary. Another argument relates to technologies for using solar energy or carbon sequestration. A particular country that develops such technologies may not have incentives to sell or licence such technology at its social cost, but may try to prevent others from using it or engage in other strategic behaviour. A priori, there is no reason to believe that the seller’s price of such technology would equal its social benefit. Hence, since climate change is a public good and technologies to combat it might be used strategically, it is important to include provisions for the unhampered diffusion of new technology in any future climate change agreement.



This second statement proved less controversial, and was adopted with a 77 per cent YES- vote. Nevertheless; an important argument raised in favour of a NO-vote was that the market should decide what technologies to adopt and that policymakers should not try to promote certain technologies, which is a possible drawback when a clause like the one debated is included in treaties.

The roundtable then moved on to the specific topic of emissions from the transport sector. The dominant policy response today as concerns the transport sector is to limit emissions by cars using fuel efficiency standards, promotion of diesel cars, and to redesign vehicle taxes in function of their greenhouse gas emissions. Many European countries favour diesel cars, but this is not really wise since a diesel car generates less tax revenue (since it consumes less per km) and emits more conventional pollutants. So, the tax favours to diesel cars amount to a very strong greenhouse gas reduction subsidy in fact. Stef Proost argued that we should tax cars to raise government revenues without too much tax evasion, and to reduce the overall volume of car use (congestion, accidents) as second best policy. Taxes in Europe are in fact already very high on motor fuels (200-300% when excise duties are taken into account), so cars are too fuel efficient! For greenhouse gas reduction purposes, policy should instead look at other sectors. An efficient carbon policy would imply lower car fuel taxes and higher carbon taxes in other sectors. Based on this reasoning, Stef Proost proposed the following statements:

We should ban more fuel efficient cars as they constitute a disproportionate effort to save taxes and to a smaller extent fuel – carbon emissions are to be reduced in other sectors where fuel is taxed less.

We should ban diesel cars as they are more damaging to the environment and raise less tax revenues per vehicle kilometre.

The use of the word “ban” in the statements clearly did not go down well with audience – it was agreed that if Stef had substituted the word “tax” for “ban”, then the controversy would have died away. But then, where would the fun have been in debating? As it were now, the first statement was rejected with an 88 per cent NO-vote and the second statement was rejected with a 72 per cent NO-vote. The audience agreed that rebound effects can be important, so that energy efficiency is a double-edged sword for emissions from the transport sector. Another line of consensus was that current policy confuses three different kinds of externalities: greenhouse gas emissions, conventional pollutants, and congestion externalities, and that policy indeed should be reformed to better target the different problems.



Christopher Boehringer approached the timely subject of the EU's emissions trading system (ETS), which is due to start in 2005. He argued for the following statement:

The hybrid carbon regulation scheme put forward under the EU Emissions Trading Directive will weaken rather than promote the prospects for the Kyoto Protocol.

Based on studies performed by Christopher Boehringer and his colleagues at ZEW, the incomplete coverage of sectors leads to an inefficient allocation of emission reductions, and a higher cost of emission reductions than under a baseline of full trade. With the current over-allocation of emission rights to energy-intensive sectors under the National Allocation Plans it may be necessary to impose very stringent carbon regulation - e.g. high carbon taxes - for those sectors that are not covered by the Directive (such as transport or households) in order to comply with the EU burden sharing agreement under Kyoto. Such stringent regulation or high taxes are not politically feasible, and the overall societal acceptance of (unilateral) abatement policies in the EU might fail.

A related question is whether it makes sense to introduce a scheme for 3 years when it will have to be completely changed in 2008 (at the end of the first commitment period)? Still, several participants argued in defence of the EU emission trading scheme: First, given the high transaction costs of including the domestic sector and the high existing taxes on emissions in the transport sector, it would be unrealistic to assume full coverage of the scheme, and the current plan for emissions trading is the best that could be done given these existing constraints. Second, the current EU scheme is not only an issue of total efficiency in emission reductions, but rather about the burden-sharing between the covered and the non-covered sectors. It was acknowledged, though, that the big risk is that national climate policies will be less efficient. Finally, it was also argued that the long-term incentive effects of the scheme were ignored: firms will think emission limits will be strengthened in the future and may adopt emission-reducing technologies in order to gain from selling permits in the future. Chris Boehringer cautioned that any over-allocation of permits today would favour energy-intensive industry, which is the opposite of what should be done. In the end, the debate closed with a vote that went in favour of a rejection of the statement with 63 per cent of the votes.

To conclude, the panel organisers thank the participating panellists for being so bold as to volunteer controversial statements that provided for some very stimulating debate!

Katrin Millock



The 2004 Erik Kempe Award

The Award winners are:

Till Requate

Department of Economics, Kiel University, Olshausenstr. 40, 24098 Kiel, Germany,
and

Wolfram Unold

Siemens Financial Services, Hofmannstrasse 51, 81359 Munich, Germany,

for their paper

Environmental Policy Incentives to Adopt Advanced Abatement Technology: Will the true Ranking Please Stand Up?, *European Economic Review* 47, 125-146, 2003.

Prize Motivation:

This paper compares emission taxes, tradable emission permits and direct regulations from the point of view of incentives for firms to adopt new abatement technologies. It extends the existing literature in primarily two ways. The first is by reexamining a situation discussed in earlier literature, where the regulator commits to policy and does not anticipate the new technology. The second is by comparing the policy instruments also in case the regulator anticipates the new technology.

Previous studies in this area basically rely on calculating aggregate cost savings following from industry-wide adoption, whereas the point of departure in this paper is the decisions of individual firms to adopt the new technology in equilibrium. This change of focus is important because measures of aggregate cost savings in case all firms adopt a new technology provide no information about the incentives facing individual firms. The authors show that equilibrium aspects are crucial for the outcome of comparing the policy instruments from the



point of view of firm incentives to invest in a new abatement technology. For instance, taxes tend to provide higher incentives than permits, since individual firms in the permit regime might free ride on falling permit prices following from the investment behavior of other firms. This means that the results from comparing the policy instruments depend on whether or not equilibrium aspects are properly recognized.

Requate and Unold receive the Erik Kempe award for their insightful theoretical characterization of how emission taxes, tradable emission permits and direct regulations contribute to the incentive structure facing individual firms. As such, the paper provides information about mechanisms that are crucial for our understanding of environmental policy. It also provides new insights into the old debate about market based instruments versus quantity control. Finally, the theoretical results derived in the paper are highly relevant also from a practical policy perspective. Therefore, the paper does not only contribute by an interesting theoretical analysis; it also contributes in a way that is directly relevant for practical policy design.



News from other associations in environmental and resource economics:

AERNA

(Asociación Hispano-Portuguesa de Economía de los Recursos Naturales y Ambientales / Spanish & Portuguese Association of Natural Resource and Environmental Economics)

The Spanish & Portuguese Association of Natural Resource and Environmental Economics (<http://www.aerna.org>) was founded in 2002 by a group of academics and researchers from Universities and Research Centres in Portugal and Spain. A major objective of AERNA is to foster interactions among researchers in the field.

The 1st Conference of AERNA (<http://webs.uvigo.es/aerna>) took place in the University of Vigo (Galicia, Spain) on June 18th-19th, and was organized by the Department of Applied Economics. The conference started with a workshop on International Environmental Agreements, by Scott Barret, Houda Haffoudhi and Alberto Ansuategui. There was also a round table about the European Market of CO₂ Emissions and plenary sessions by J.M. Naredo, Frank Convery, C. Gallastegui and A. Xepapadeas. About 100 persons were registered and more than 60 papers were presented. The active participation of South-American researchers was notable and a value added of this conference.

The first publication of AERNA members as such is the book titled "Economic, Social and Environmental Effects of the Prestige Spill", coordinated by Albino Prada and María Xosé Vázquez. It is the printed and bilingual version (Galician-English) of the conferences presented at the International Seminar with the same title that was organized short time after the Prestige catastrophe (March 7th-8th, 2003) in Santiago de Compostela (Galicia, Spain) and financed by the Consello da Cultura Galega. The book includes contributions of international experts in the valuation of the consequences of oil spills, among them Richard Carson (Exxon Valdez, Alaska), François Bonnieux and Pierre Rainelli (Erika, France) and Olivier Thebaud and his team (Amoco Cadiz, France). In addition, Molly McCammon, the Executive Director of the Exxon Valdez Oil Spill Trustee Council, explained the restoration efforts and the subsequent results in the Alaska case. These experiences were the starting point of a debate among Galician and Spanish researchers on the valuation of damages from oil spills and its relation with the current international liability regimes. The full text of the book is available in pdf version at

<http://www.consellodacultura.org/mediateca/publicacions/prestige.htm>.



The 2004 EAERE Summer School

The European Summer School in the field of resource and environmental economics is back on track. After two “autumn schools” in the beginning of the nineties, the idea was revived in 2000 and schools are planned up to 2007. Resource and environmental economics is still a relatively small field and Ph.D. students and their supervisors are often quite isolated. It is therefore important to organize events like the annual conference and the summer school to disseminate knowledge and to develop the field. This is precisely the mission of the EAERE. Professor Ignazio Musu previously organized the autumn schools. He is also the dean of the Venice International University, the institution that provides the facilities on the beautiful island of San Servolo in Venice in Italy. The administrative organization is in the hands of FEEM. Angela Marigo now runs the secretariat of the school and she is doing a wonderful job. The website of FEEM (www.feem.it) gives all information on previous and upcoming summer schools.

The Summer School is open for Ph.D. students from all over the world. Usually the students are in their third year, so that they have sufficient experience to be able to present some of their own work but also have sufficient time to completion to benefit from the school. Sometimes the students are less advanced if their topic is very close to the theme of the school. In 2004, fifteen students were selected out of more than fifty applications. Five researchers from FEEM and two researchers from the EEE programme in Trieste (a joint venture of ICTP, Beijer Institute and FEEM) also participated. It turned out to be a very international group: not only many nationalities but most of the students are working on their Ph.D. in another country. The group was highly motivated and the atmosphere was very good. For the other lecturers and me it was a great pleasure to lecture in the school and to get to know the new generation of researchers.

In 2004 the theme was Dynamic Models in Economics and the Environment. The five lecturers presented some state-of-the-art in two lectures of two hours each. Professor Partha Dasgupta from the University of Cambridge discussed the concept of social capital with the purpose of relating it to more standard concepts in economic theory, such as resource allocation mechanisms, and to show what we know and where we should think a bit more. He said that he would be happy if he could leave some ideas in our heads and he succeeded in doing so. Professor Larry Karp from the University of California at Berkeley discussed two



topics in environmental control: hyperbolic discounting and anticipated learning. His broad knowledge and strong intuition were also very helpful in the discussions on the various contributions to the summer school. Professor Anastasios Xepapadeas introduced a relatively new topic: robust control. It was clear that many participants recognized the opportunities to use this tool in some of their own problems. At the end it is simple and powerful but you need someone to open it up. Professor Sjak Smulders presented the state-of-the-art for the topic growth and environment. His talent to present difficult issues in a clear and understandable way was highly appreciated. People who have been present at his plenary lecture at the 2001 EAERE meeting in Southampton know what I mean. I had the opportunity to talk about how to handle non-convexities in optimal control and differential games. The interest in this topic increased since we take the observed dynamics of ecological systems more seriously. The by now widely used case of the shallow lake remains a beautiful example.

The student presentations at the school were very good. It is clear that the field of resource and environmental economics in Europe has made a tremendous progress in the last fifteen years. All the papers are available on the website, as well as the lecture notes. Although the summer school was a success, we cannot relax but should try to further improve the school. Good suggestions were made on the evaluation forms that were handed out after the school. But most of the remarks on the forms were very positive which is motivating to continue on this track. To give two quotes: “the school has been extremely well organized, the level of interaction amongst participants has been high” and “the academic and residential environment was superb”.

The 2005 Summer School will take place on 3-9 July and will be organized by Karl-Gustaf Löfgren from the University of Umeå, Sweden, and Angela Marigo at FEEM, of course. The theme is Renewable Resource Management. In due time information will appear on the website. I wish this school and the schools after that all the best.

Aart de Zeeuw



The 2005 EAERE Summer School

(3-9 July 2005, Venice)

Welfare Measurement and Cost Benefit Analysis in Dynamic General Equilibrium

Here is a message from the 2005 summer school organizer. Watch the EAERE website for more details and news on application procedures!

Our summer course addresses welfare measurement and cost benefit analysis in dynamic general equilibrium models, where particular attention is paid to the consequences of market imperfections.

Literature

Aronsson, T., Löfgren, K-G. and Backlund, K. (2004) *Welfare Measurement in Imperfect Markets: A Growth Theoretical Approach*. Forthcoming at Edward Elgar Publishing Limited.

Weitzman, M. L. (2003) *Income Capital and the Maximum Principle*, Cambridge: Harvard University Press.

Articles to be selected by us.

Overview of the course

The main textbooks integrate the research on welfare measurement and social accounting in imperfect market economies. In a previously acclaimed volume, *Welfare Measurement, Sustainability and Green National Accounting*, we focused on the external effects associated with environmental damage and analysed their role in the context of social accounting. The literature adopts a much broader perspective by analysing a wide spectrum of resource allocation problems in theory and in real-world market economies.

A major purpose of the course is to address welfare measurement. This means deriving exact welfare measures in imperfect market economies and then comparing them with their counterparts in a first best equilibrium. Using numerical analysis, we also attempt to make the leap from theory to practical application by measuring the empirical importance of market imperfections. Such analysis provides the tools for examining whether 'real life' approximations of the welfare contribution of external effects, such as information collected by using the willingness to pay method, actually capture true and accurate values. Finally, we address the theory of cost-benefit analysis, in terms of environmental and other public policies, in dynamic general equilibrium models.

Karl-Gustaf Löfgren



**14th Annual Meeting of the European Association of Environmental
and Resource Economists
EAERE**

Bremen, Germany June 23 – 26, 2005

Dear Friends and Colleagues,

It is my pleasure to invite you to Bremen, Germany, for the 14th conference of the EAERE.

With the introduction of the European CO₂ certificate trading scheme the year 2005 marks the beginning of a new era in environmental policy. In the same way the transition to a higher share of renewable energy poses a lot of new problems. In the 2005 conference we will give adequate room to these new developments.

Bremen has been named “city of science 2005“ due to its many efforts in research and science. This is a good reason to hold our conference in this city. Bremen has a lot of other features that make it an interesting place to visit.

Our conference will be held on the campus of the International University, a newly founded private institution. Its academic programs and cultural environment prepare graduates for international leadership and global citizenship. The campus with its redbrick buildings, green meadows and parks will be ours for a few days and is an ideal place to concentrate on the exchange of ideas.

At the same time the city of Bremen offers a lot in cultural and leisure activities.

I look forward to welcoming you in Bremen in June 2005.

Wolfgang Pfaffenberger
Local organiser
Professor of economics
International University Bremen
Director of Bremen Energy Institute



Bremen

Founded in 787 by Charlemagne, Bremen earned its fame as a prominent member of the Hanseatic League of merchant towns, reaching its peak at the turn of the 20th century. Nowadays Bremen is a modern city turned towards international trade, science and education.

During its 1200 years long history, Bremen has often been a place where different economic, cultural, and political influences met. It is no wonder then that this liberal, ever entrepreneurially oriented city has become a prominent industrial and cultural centre in Northern Germany.

Home to the famous Bremen town musicians from the stories of the Grimm brothers and the current German football champion Werder, Bremen is one of the most interesting German towns to see.

Venue

Originally built as military barracks, the campus of the International University Bremen (IUB) has undergone a spectacular change since 2001. The buildings have been recently remodelled, and represent a marvelous combination of traditional and 21-century architecture. Nowadays, the former marching grounds are peaceful green areas surrounded by historic buildings and decennial oaks and willows.

The IUB Campus is easily accessible regardless whether you are coming by plane, train, or car.

General Info

14th Annual Meeting of the European Association of Environmental and Resource Economists,
June 23 – 26, 2005 Bremen, Germany

Venue

The meeting will take place on Campus of the International University Bremen, twenty minutes by train from the city centre.

Scientific Programme Committee

Nick Hanley, University of Stirling, Chair

Johan Eyckmans, EHSAL – Europese Hogeschool Brussels, Co-chair

Wolfgang Pfaffenberger, IUB – International University Bremen, Local organising chair

Registration

Online registration through conference web page with early registration bonus until May 6, 2005.



Web-site

For registration, paper submission, and additional information, please consult our web page:

www.conferences.iu-bremen.de/EAERE2005

Important Dates

The deadline for submission of papers is February 1, 2005.

Notifications of acceptance will be send out by April 15, 2005.

Conference begins on Thursday June 23 with a welcome reception.

Conference ends on Sunday June 26 in the afternoon.

Call for papers

You are invited to submit papers for presentation at the association's annual meeting to be held in Bremen, Germany, in June 2005.

- Submissions of papers covering applied, **evidence-based** and policy-oriented environmental economics are encouraged. To this end, there will be five evidence- based parallel sessions devoted to different topics. Please check the conference website for more details.
- Papers focused only on **theoretical aspects** are also encouraged
- There will also be country or region-specific sessions, where proposals to organise a session focused on a particular country or cluster of countries will be encouraged. It is expected that there will be sessions from Spain/Portugal, Ireland/UK and (provisional) Germany. If you are interested in organising such a session for your country or region, please contact Monica.

It is important to note that the traditional peer review of all submitted papers will apply to all sessions.

An electronic version of the complete paper should be submitted on-line. Details on the submission procedure will be published through the conference web site

www.conferences.iu-bremen.de/EAERE2005

Deadline for submission of papers is **February 1, 2005**.

Notifications of acceptance will be send out by April 15, 2005.

It is important to note that accepted papers will only be included in the final program if presenting authors have registered by May 6, 2005.



15th Annual Conference of the
European Association of Environmental and Resource Economists (EAERE)
June 2007

CALL FOR PROPOSALS

Local Organising Committee and Conference Venue

Deadline for Expressions of Interest: 15 November, 2004

Deadline for Proposals: 15 March, 2005

The European Association of Environmental and Resource Economists (EAERE) solicits proposals for the Local Organising Committee and for the Conference Venue for its 15th Annual Conference, to be held in late June 2007.

Proposals are solicited from universities, research organisations, or groups of organisations, that can assume all of the administrative, organisational and financial responsibilities listed in the “Guidelines for Applications” available in the EAERE website: <http://www.eaere.org>. The Guidelines also contain detailed instructions on how to apply.

Expressions of interest and proposals should be sent by e-mail to the EAERE Secretariat at the respective address and in accordance with the deadlines indicated below. Any material that cannot be sent electronically should reach the EAERE Secretariat by mail or fax in accordance with the deadlines indicated below.

Selections will be made by the EAERE Council.

Expressions of interest and proposals should be sent to:

EAERE Secretariat
Fondazione Eni Enrico Mattei
Castello, 5252
I-30122 Venice
Italy
Phone: +39.041.2711458
Fax: +39.041.2711461
e-mail: eaere@eaere.org

Deadlines:

Deadline for Expressions of Interest: 15 November, 2004
Deadline for Proposals: 15 March, 2005



Third World Congress of Environmental and Resource Economists Kyoto (Japan), 3-7 July 2006

Dear EAERE Members,

The Committee in charge of the selection of the Congress Venue and Local Organising Committee for the Third World Congress of Environmental and Resource Economists, to be held in 2006, has completed the selection process. Following a thorough evaluation of the excellent proposals prepared by the four candidates, Istanbul, Santiago (at Pucón), Kyoto and Chengdu, the Selection Committee has decided to entrust The University of Kyoto (Japan) with the prestigious task of organising the 2006 World Congress.

It has been difficult to take a final decision in view of the many high quality proposals that the committee received. The decision reflects the development of a cooperation with the Japanese Association of Environmental Economists (called Society of Environmental Economics and Policy Studies), which joins AERE, EAERE and ALEAR in the organisation of the 2006 World Congress. The Japanese association is committed to offer cheap accommodation facilities and to allocate 200 grants to encourage the participation of environmental economists from developing countries and of young economists from Europe and the US.

I would like to thank all members of the Selection Committee and above all applicants for their efforts and cooperation during the selection process.

Professor Carlo Carraro

On behalf of the 2006 World Congress Selection Committee



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(January 1st – December 31st, 2005)

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2. A reduced personal subscription rate for Resource and Energy Economics, Environment and Development Economics and Resources Policy.
3. A reduced registration fee for the EAERE 14th Annual Conference (23-26 June 2005, Bremen, Germany).
4. The possibility to apply for participation and scholarships in the EAERE-FEEM-VIU European Summer School in Resource and Environmental Economics (3-9 July 2005, Venice, Italy).
5. Secondary membership in our sister associations AERE and ALEAR at reduced rates.
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CALL FOR MEMBERSHIP