



***Pre-Conference on***  
**Climate mitigation policies in developing countries**  
***Cerdi - Ferdi - Iddri***

***Introductory remarks***  
**by**  
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## The Ferdi

- « Fondation reconnue d'utilité publique », set up in 2003
- Initiated from Cerdi
- As a think-tank, aiming at supporting policy oriented development research
- Associated in 2007 with Iddri through the « IDGM », supported by AFD...
- ...then with Iddri and Cerdi, as coordinator of the Labex « IDGM+ » : « Designing new international development policies from research outcomes »
- A purpose well illustrated by this conference



## Ferdi on the environment–development nexus

- Initially not the main Ferdi field of research ...well covered by its partners
- But Ferdi more and more committed to this field (their influence?)
- Involvement in the preparation of the post-2015 agenda linking MDGs and SDGs (workshops in Paris with Iddri at MAE and in New York, books in preparation, new projects,...)
- Research in several areas in relation with climate and environment (trade and environment, adaptation finance, indicators of vulnerability in particular the Physical Vulnerability to Climate Change Index, PVCCI...)



## Convergence as mitigation?

- Today a wonderful programme on mitigation in developing countries with enlightening presentations
- Maybe a neglected concern: the impact of long term trends in relative prices, essentially the price of tradable vs non tradable, i.e. the RER
- Intuition from a research on the impact of RER on deforestation (JLA-PG-SGJ, *JDE* 2008)
- Real depreciation increases deforestation in poor countries, and has the opposite effect in rich countries, where time preference is lower
- Since (income) convergence leads to convergence of relative prices, « RERs will appreciate in poor countries and depreciate in rich countries, leading to reduction in deforestation »
- By this way and *ceteris paribus* convergence works as mitigation...



## Caveat

- Of course several other major channels through which convergence may negatively or positively impact mitigation
- This was just a provocative idea to illustrate the role of relative prices ...
- Have a good and provocative, at least challenging conference!

THANKS

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