



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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