

REEPS/Andong University Joint Workshop

# Modelling the land use, agriculture and local pollution

E3ME

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# Overview

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- NEXUS and land
- E3ME and FTT-Agriculture
- Example research questions

# NEXUS Definition

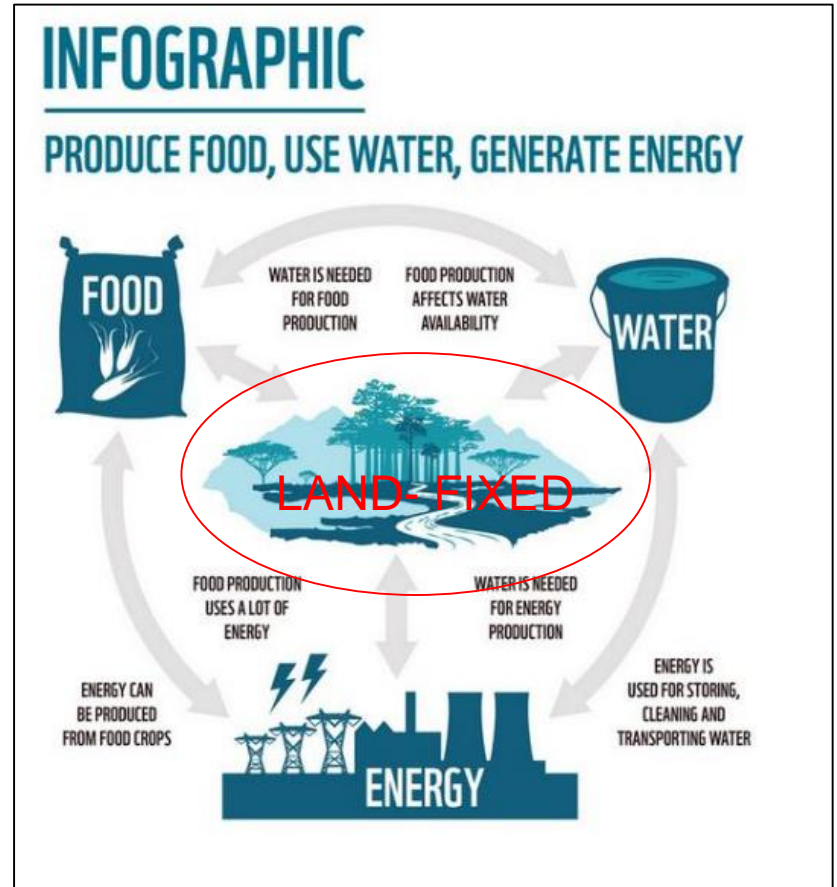
## nexus

/ˈnɛksəs/ 

noun

1. a connection or series of connections linking two or more things.  
"the nexus between industry and political power"
2. a central or focal point.  
"the nexus of any government in this country is No. 10"

\*interdependencies \*trade-offs



Source(s): Water Footprint

# E3ME and FTT–Agriculture

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- Linkages to land-use (FTT-Agriculture) model is under development
- Ongoing NEXUS research project for Brazil  
<https://www.camecon.com/news/brazil-food-water-energy-nexus/>

# FTT–Agriculture in E3ME

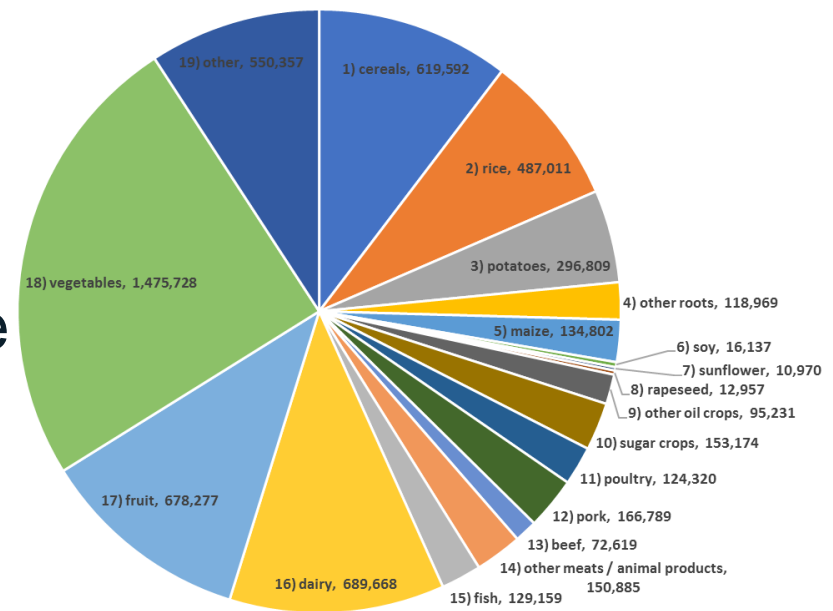
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## Three stages

- Introducing new detailed food demand equations in E3ME
- Constructing FTT-Agriculture to allocate land used
- Linking FTT-Agriculture to E3ME and other FTTs

# Stage 1: Constructing detailed food demand equations in E3ME

- 19 different food types for each region including
  - food crops
  - bio crops
  - animal
  - fishing
- units are in physical tonne



Global food consumption, 2013 (1000 tonnes), FAOSTAT2013

# Stage 1: Constructing detailed food demand equations in E3ME

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- econometrics approach
- demand = function of income and price (with income converted to a log shaped curve so that demand doesn't increase indefinitely).
- corrections are put in for both spoilage and waste (i.e. non-demanded food), and also the primary-final conversion for animal feed.
- replace food and feed demand (aggregated) in existing material demand modelling (further feedbacks via IO)

## Stage 2: Constructing FTT–Agriculture

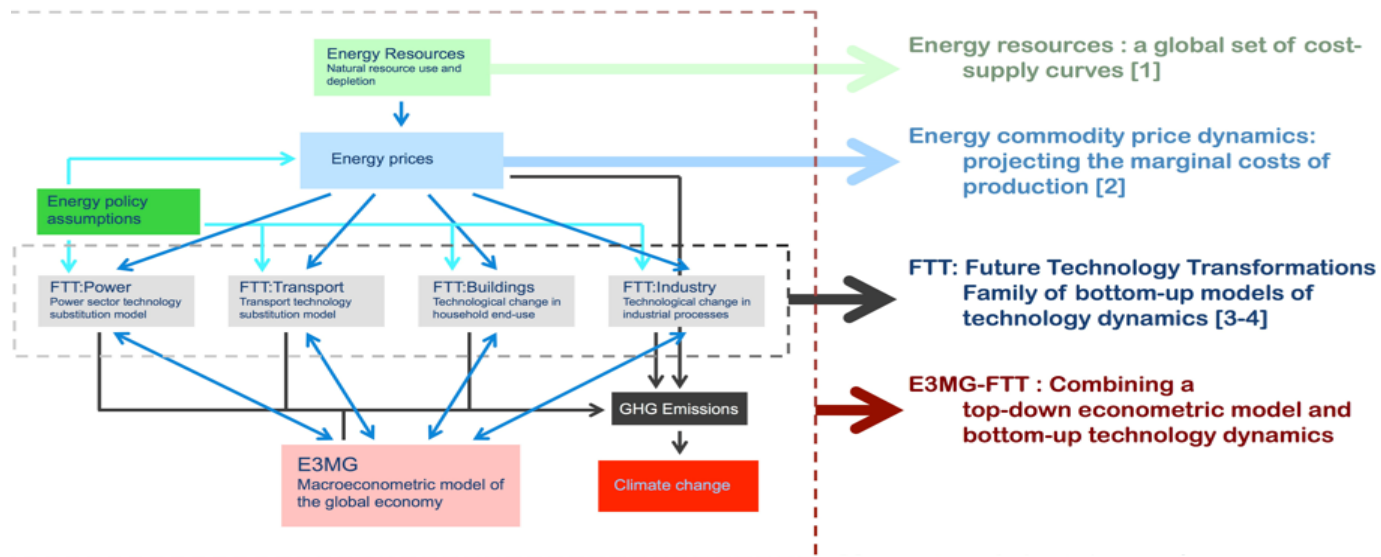
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- FTT -the technology and decision diffusion model methodology Future Technology Transformations
  - a group of sectoral models of technological change to calculate global emissions, using diffusion theory
  - micro-model of technology choice and substitution, given economic/policy context
- E3ME 'top-down' approach is supplemented by a set of 'bottom-up' engineering sub-models (FTT)
  - the current model version includes a detailed treatment of the electricity supply industry, road transport and heating (FTT)
  - recent publication “*Modelling complex systems of heterogeneous agents to better design sustainability transitions policy*”, Mercure et al (2016) <http://dx.doi.org/10.1016/j.gloenvcha.2016.02.003>



# FTT-E3ME

## Summary: the FTT-E3ME model in a nutshell



- [1] Mercure & Salas, *Energy*, DOI 10.1016/j.energy.2012.08.018
- [2] Mercure & Salas, *Energy Policy*, DOI 10.1016/j.enpol.2013.08.040
- [3] Mercure, *Energy Policy*, DOI 10.1016/j.enpol.2012.06.025
- [4] Mercure, *IST2013 papers*

## Stage 2: Constructing FTT–Agriculture

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- growing demand for food, bioenergy, housing all competing for land
- think of the food types as competing technologies competing on a fixed amount of land
- E3ME estimate demand for food (stage 1), FTT-Power and FTT-Transport estimate demand for bioenergy, simpler treatment of housing demand

## Stage 2: constructing FTT–Agriculture

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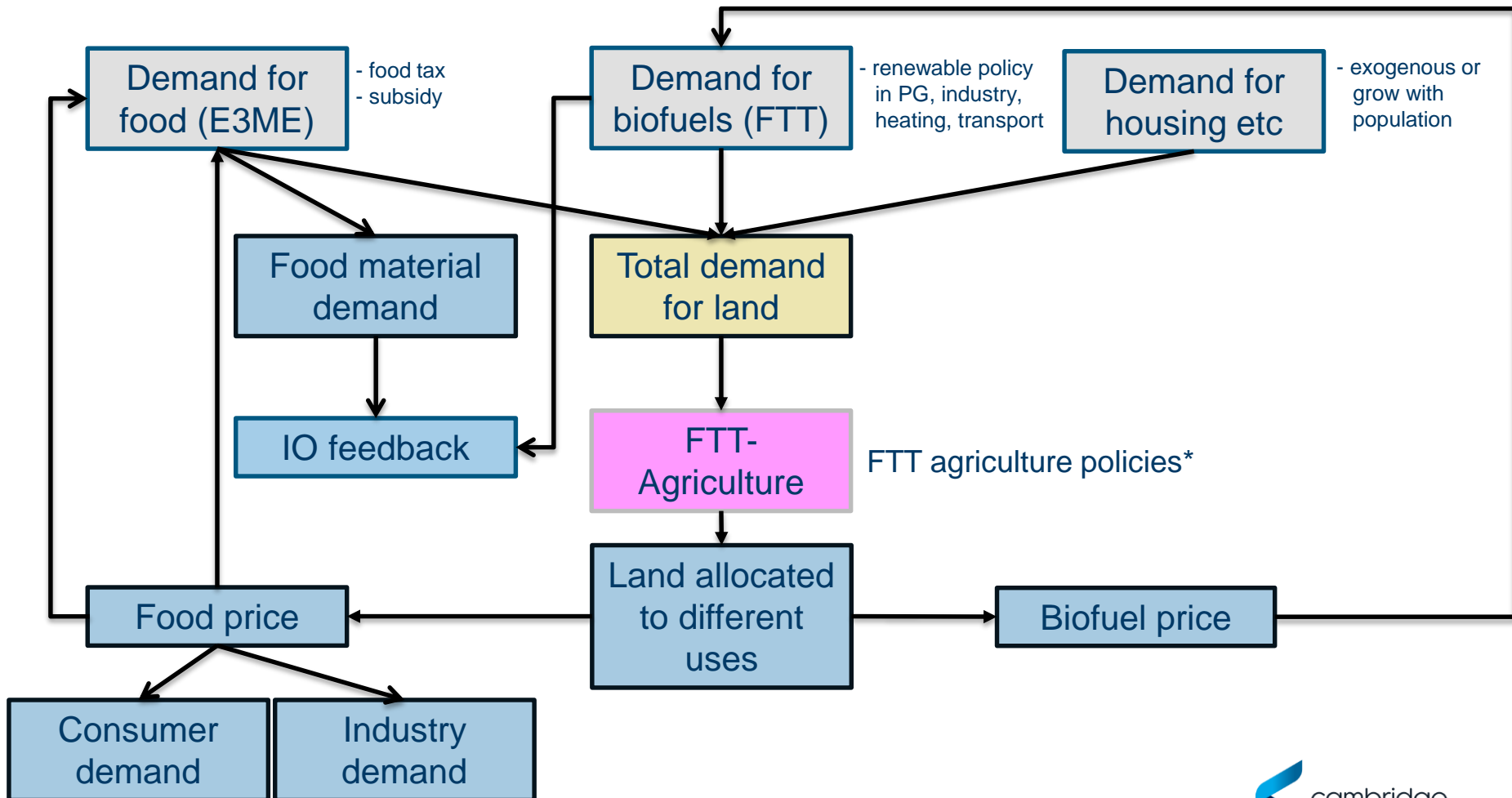
- FTT-Agriculture allocated amount of fixed land to different used (supply) to meet demand for food and bio crops (demand) based on land productivity
- farmers are more likely to switch to what they know about, but there will be ‘levelised’ costs based on soil productivity and the prices for each crop.
- ‘levelized costs’ can be influenced by exogenous policies

# Stage 3: Feedback to E3ME

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- The prices are returned to the main model and back into the equations.
  - food price paid by end users – consumer and industry demand (domestic, imports and exports)
  - biofuel price – power generation, transport energy demand

# E3ME and FTT–Agriculture Overview



# Example research questions

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- trade-offs between bioenergy and food production
- social impacts of higher food prices
- potential impacts of meat/vegetarian dietary trends
- restrictions on available land and rates of deforestation
- impacts on pollutions from different land uses

# Timetable

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- Brazil – end of 2017
- Rest of world early 2018

# Thank you!

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