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Deutsches Institut für
Entwicklungspolitik



German Development
Institute

Managing economic rents for the green transformation

German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE)
Tulpenfeld 6, Bonn, Germany
6-7 November 2012

The failure of internalising the social cost of greenhouse gases is, as the Stern report states, the greatest market failure of all times. This has to be countered by decisive government action: policy makers need to create, and establish rules for, new markets to deal with environmental externalities, subsidise new environmentally sound technologies and discourage more harmful ones. However, the deliberate shift of incentives by policy makers opens up avenues for lobbying, for example when new tradable certificates are established or when specific technologies are supported. Together with the uncertainties and incomplete information under which governments have to take decisions, this brings about a serious risk of government failure. In this challenging context, a close cooperation between researchers and practitioners can provide insights into and evidence of effective and efficient policies which could overcome these failures.

The conference “Managing economic rents for the green transformation” aims to explore the challenge of mobilizing ‘green’ long-term investments under conditions of uncertainty about future technologies and markets. It will focus on how governments can manage the process of incentivising green investments in such a way that minimises political capture and information asymmetries. The conference brings together academics, policy makers and practitioners to share insights into and evidence of effective and efficient policies.

The conference is international in scope and significance and will be hosted by the German Development Institute / Deutsches Institut für Entwicklungspolitik (DIE), one of the leading research institutions and think tanks for global development and international development policy worldwide, and is supported by the German Federal Ministry for Economic Cooperation and Development (BMZ). It finalizes a three-year research project on low-carbon development in emerging economies, focusing on political economy issues in the development and deployment of renewable energy technologies.

Programme

6 November 2012		
10:30	Arrival and registration	
11:00	Welcome address	Imme Scholz
11:10	The Green Transformation and the need for global upfront investments	Ulf Moslener
12:00	Risk of political capture in the Green Transformation	Cameron Hepburn
13:00	Lunch	
14:15	Managing rents for the Green Transformation	Hubert Schmitz
15:15	Case 1: Managing rents in subsidising renewables in emerging markets	Anna Pegels
15:45	Coffee	
16:15	Case 2: Reforming fossil fuel subsidy regimes in MENA countries	Georgeta Vidican
16:45	Case 3: Trade-offs in rent management: the case of India's Solar Mission	Oliver Johnson
17:15	End of day one	
19:00	Conference dinner (by invitation)	

7 November 2012		
9:00	Managing green rents – the German experience	Hans-Jochen Luhmann
9:30	Managing green rents from the perspective of the UK Low carbon partnerships	Jim Watson
10:00	Open discussion with panellists	Hans-Jochen Luhmann Jim Watson Moderator: Doris Fischer
11:00	Coffee	
11:30	Accelerating the green transformation without creating unproductive rents - Lessons for policy	NN, Federal Ministry of Economics and Technology (BMWi) Michael Taylor Peter Wooders Elmar Baumann Moderator: Tilman Altenburg
12:30	Lessons from the conference	Gottfried von Gemmingen-Guttenberg
13:00	Lunch	

Dr. Tilman Altenburg heads the department “Competitiveness and Social Development” at German Development Institute (DIE).

Elmar Baumann is CEO of the German Biofuels Industry Association (VDB).

Prof. Doris Fischer is Professor of China Business and Economics at University of Würzburg.

Dr. Cameron Hepburn is Senior Research Fellow at London School of Economics and Political Science and University of Oxford.

Oliver Johnson is Senior Researcher in department “Competitiveness and Social Development” at German Development Institute (DIE).

Dr. Hans-Jochen Luhmann is Freelance Researcher at Wuppertal Institute for Climate, Environment and Energy.

Prof. Ulf Moslener is Head of Research at UNEP Collaborating Centre for Climate and Sustainable Energy Finance, Frankfurt School of Finance & Management.

Dr. Anna Pegels is Senior Researcher in department “Competitiveness and Social Development” at German Development Institute (DIE).

Prof. Hubert Schmitz is Professorial Fellow at the Institute of Development Studies (IDS), University of Sussex.

Imme Scholz is Deputy Director of the German Development Institute (DIE).

Michael Taylor is Renewable Costing Analyst at the IRENA Innovation and Technology Centre.

Gottfried von Gemmingen-Guttenberg is officer in the Climate Policy and Climate Financing Division of the Federal Ministry for Economic Cooperation and Development (BMZ).

Dr. Georgeta Vidican is Senior Researcher in department “Competitiveness and Social Development” at German Development Institute (DIE).

Prof. Jim Watson is Director of the Sussex Energy Group at SPRU, University of Sussex.

Peter Wooders is Senior Economist at the International Institute for Sustainable Development (IISD).

Your directions to the German Development Institute /
Deutsches Institut für Entwicklungspolitik (DIE)

Tulpenfeld 6
D - 53113 Bonn

From Bonn Central Station (*Hauptbahnhof*):

Take the U-Bahn U 16/ U 63 or U 66 to "Heussallee/Museumsmeile". Take the exit Heussallee. Turn right after 50 m onto the footpath towards the office complex 'Tulpenfeld'. Follow the signs across Tulpenfeld to the building of DIE at Tulpenfeld 6.

The buses No. 610 and 611 run from the train station Bonn *Hauptbahnhof* to the bus stop "Heussallee/Museumsmeile". Turn onto the footpath towards the office complex 'Tulpenfeld'. Follow the signs across Tulpenfeld to the building of DIE at Tulpenfeld 6.



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