

Abstract for presentation on Danish Environmental Economic Conference, August 2015

Institution: The Danish AgriFish Agency

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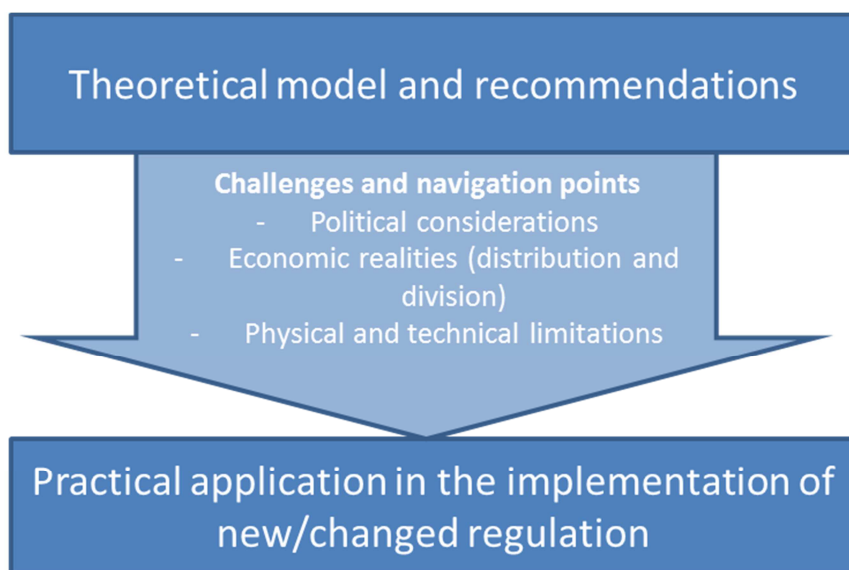
Title: From theory to practical implementation

The benefits of applying environmental economic theory in the development of new policies and regulation of agriculture and fisheries are widely recognized by the civil service. There is currently a general focus on 'A green transition' of the primary sectors. It is important that the transition is based on factual evidence in order to achieve a successful implementation of the agreed policies. To some extent applicable models and data are lacking if the civil service virtues of professionalism and objectivity are to be adhered to.

Our presentation will describe the process from a theoretical model based on scientific data from research projects to applicable regulation and policy advice. The description and the following reflection will be based on experiences from implementation of policies. Consequently the presentation will touch upon the possible challenges and navigation points in the process. Among other things we will present how research based model and data are used in our work.

The presentation will be debate-oriented deliberating the application of research/models/data from universities and research institutions in support the development of policies, regulation and economic instruments in the Danish AgriFish Agency. The Danish AgriFish Agency strives to create the optimal conditions for sustainable growth and green transformation in the fields of agriculture, fisheries and aquaculture, plants and horticulture.

The road from a theoretical model and thereby a string of (environmental and economic) assumptions to the implementation of new or changed regulations in the form of rules and subsidies is not a simple one. There are usually many challenges throughout the process.



The following are some of the challenges the civil service may meet during the process:

- The political reality – as civil servants we are required to abide by the policies the Danish government and Parliament agree to. Within the confines of said policies it is important that the civil service has the required information to offer a (professional and objective) evidence based estimation of alternative paths to implementation.
- The practical reality – are there physical limitations (area, number of farmers, number of animals, etc.)? There may also be technical limitations – is the technology widely available and economic profitable?
- Are there significant preferences in play? We are limited by the assumptions that are built into the theory or which are commonly accepted. Are there other factors (human, social, cultural) that influence behavior? Does the ‘economic man/woman’ exist, and do farmers and fishermen actually behave as economically rational individuals?
- The economic reality – what are the costs and benefits of the recommendations? Are there any distribution effects within the sector and/or between sectors?
- Scaling – if the theoretical knowledge is based on a controlled research project, there may be significant uncertainties when the conclusions and results are transferred and projected to a whole sector (cost- and benefit transfer). While most cases the regulation and subsidy schemes need to be general, in real life things are often considerably more complex and not ‘average’.