

Project Concept, Research Questions and methodology

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*Forest Sector Institutional Reform and REDD+ in
Ethiopia: Making Participatory Forest Management
Pro-Poor Carbon Sequestration Policy*

Sponsor: The World Bank

Presentation Goals

- Give information necessary for you to evaluate whether the project can support your work.
- Give information necessary for you to offer feedback on the project and help us with our work. ALL COMMENTS AND SUGGESTIONS ARE WELCOME

Project Overview

- Funded by the World Bank
- Portland State University (Oregon, USA)
- Environmental Economics Policy Forum (EEPFE) at the Ethiopian Development Research Institute (Addis Ababa, Ethiopia)
- In collaboration with Gothenburg University (Gothenburg, Sweden) and Colby College (Maine, USA)

Research Project Goal

- *Using focus groups, field-based lab experiments and field-based stated preference experiments evaluate how institutions can be crafted within both CCFs and REDD+ systems to achieve climate change, livelihood and poverty reduction goals.*

Hypothesis to Evaluate

- *REDD+ contracting mechanisms and interactions between community members are important determinants of successful integration of CCFs with REDD+. Effective REDD+ instruments must therefore carefully consider incentives and community interactions.*

4 Key Project Goals

1. Support poverty alleviation and climate change mitigation
2. Inform Ethiopia and international climate change and forestry policy efforts
3. Advance the state of academic knowledge
4. Shed light on the conditions needed for REDD+ to work in Ethiopia and other low-income countries

4 Policy Questions the Project Hopes to Answer

- What income, equity or environmental tradeoffs might be associated with adapting the existing Ethiopia community forestry system to include climate benefits ?
- What institutional structures and levels of REDD+ payments would spur Ethiopian forest users to supply critical carbon sequestration services?
- What is the appropriate level of local-level decision-making?
- What benefit-sharing mechanisms are likely to be most appropriate?

4 Sets of Empirical Methods

- **Method 1:** Conduct 15 focus groups of 20 participants each
 - Identify key problems with existing CCFs
 - Identify the key institutional features and tradeoffs likely to be important for including REDD+ in CCF systems.
 - Identify reasonable levels of institutional features

Method 2

- Conduct behavioral experiments to estimate the following basic values likely to be critical to REDD+ success
 - Conditions when cooperation is most successful (immediately after focus groups)
 - Preference for present versus future rewards (In conjunction with 500 respondent survey)
 - Desire to avoid risk (In conjunction with 500 respondent survey)

Method 3

- Field based choice experiments that utilize hypothetical scenarios with real payoffs (In conjunction with 500 respondent survey)
 - Offering respondents the opportunity to consider REDD+ futures.
 - Ask respondents to evaluate tradeoffs in REDD+ institutional features identified during focus groups
 - Estimate the monetary values respondents place on the different institutional features

Method 4

- Randomized field experiment focusing on low wood-using cooking stoves
 - 250 improved stoves distributed (treatment) and 250 control households
 - Evaluate the wood savings potential of new stoves
 - Evaluate satisfaction with stoves
 - Using direct measurements evaluate
 - Conditions causing households to actually use improved stoves
 - Indoor air quality and human health implications of using improved cooking stoves

What can you Expect?

- Sincere desire to collaborate as appropriate to make all REDD+ work more effective
- Periodic updates if you want them
- Policy briefs at conclusion of project
- Invitation to policy workshop at conclusion of project.

Many Thanks for Collaborating!!!

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