

## Launch of the Sida supported Environment for Development Tanzania at the University of Dar es Salaam, January 28, 2008.

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Ladies and gentlemen, esteemed colleagues and friends. It is a great pleasure and with great pride I take part in this launch.

I'll start by looking back. Twenty years from now the UN report Our Common Future introduced the need for sustainability. As a response the Swedish International Development and Cooperation Agency, Sida, identified the need not only for science, but for social science in general and for environmental economics in particular. Humans create environmental problems and in order to adjust for and solve these problems it takes knowledge about human behavior and about human response to changes in conditions, regulations, legislation etc. About the same time, a young Ammon Mbelle defended his PhD thesis at the Gothenburg University thanks to the support by Sida and, at that time the independent research body Sarec

Hence, I am particularly happy to note the presence of Professor Mbelle and Maria Teresa Berajano of the Swedish Embassy also representing Sida and the former Sarec.

Sida's interest and support to were instrumental to the environmental economics unit at Gothenburg University, which now has delivered 35 PhDs in environmental and resource economics, including Dr Adolf Mkenda, myself, Dr Razack Lokina, and from Ethiopia also with us today, Dr Mahmud Yesuf.

Hence, over the years and not only from Gothenburg there have been quite a few qualified researchers and teachers returning to their native countries. But with limited resources it is hard to interact with the international research community and it is also hard to find your way to policy influence with a heavy teaching and administrative working load. It may even be that resources are available for analyses, but captured by international consultants.

So what Sida and EEU identified was a number of gaps. A capacity gap, which consists of a lack of enough many trained environmental economists in these countries. There is an analytical gap, which is due to missing research on poverty and environment. A communication gap, because existing academic knowledge is not communicated to policy. And finally, an institutional gap as there is a platform missing to ensure resources for research on environmental and poverty concerns. There should be a think tank specialized in environmental and resource economics in every country, but such institution should not be an isolated island but intensively interacting with a leading national university. So it pleased me to hear the deputy Vice chancellor of University of Dar es Salaam.

This initiative is in fact global. There are now Sida supported centers in:

- China - Peking University
- Central America – CATIE (Costa Rica)
- South Africa – University of Cape Town
- Kenya – KIPPRA/Nairobi University
- Ethiopia – EDRI/Addis Ababa University, represented here today by dr Yesuf

The objectives of these centers are:

- to carry out relevant applied research on environment & poverty issues
- to create strong links with policy-makers, processes and implementing agencies
- to improve and develop domestic and regional Master and Ph.D. Programs, and help to teach the next generation of academics and civil servants.

I gladly note the group of students present today. We have great expectations on you! We also hope these centres can provide a system to channel funds, and potentially other donors can take active part.

I also gather that there are a few representatives of private companies here today. In environmental economics our point of departure is how well market works if conditions are right, but when conditions are not right that is a reason why environmental and resource problems occur. When we are trying to address these problems an important aspect is to mimic the function of markets and to take advantage of markets where they work. The threat of climate change has now become a major global issue, which needs a lot of policy action. Defining rights and caps for emissions, creating systems for trading emission rights between countries and at the same time take distributional aspects into account imply that there will be, and in fact already are resources, via the clean development mechanisms, available for poor countries like Tanzania. Here is definitely room for interaction between policy makers – private enterprises – and academia.

Finally, because I'm reaching the end of my talk, I also would like to give a word of caution. It is important with integrity and anti-corruption awareness. Corruption, or that funds and positions are allocated with varying degrees of nepotism could endanger the quality, efficiency and integrity of the centres. It is a necessity to apply Sida's anti-corruption regulation. To make sure that anti-corruption clauses are part of all formal negotiations and agreements. And to be aware that a common vision, ideology, trust, and social capital are most important.

There are a lot of pressing issues for Tanzania that I hope this centre will contribute on, such as

- Local forest management schemes – what are the actual effects?
- Distributional effects of energy taxes
- Environmental fiscal reform
- Coastal subsistence fishing
- Distributional impacts of the export boom in Lake Victoria fisheries
- Climate adaption and distributional consequences

If you have time, I take the opportunity on behalf of the organizers to invite you all to the session later on this afternoon. To EfD Tanzania; Good luck on behalf of EEU and Gothenburg University! Thank you all for your attention.