

Title of the thesis: Economic analysis of payments for environmental services, between label and agri-environmental measures.

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Initiatives for the introduction of Payments for Environmental Services (PES) are proliferating, due to the announced decline in public support for agriculture, particularly agri-environmental payments and disappointing efficiency of past agri-environmental schemes applied to agriculture. These initiatives are very heterogeneous in their forms regarding payment channels, stakeholders and their public or private status.

This thesis aims to compare two polar cases of governance structures for the remuneration of environmental services, i) the agri-environmental measures (MAE) based on the remuneration by the public authorities of voluntary actions by the farmers in favor of environment, and ii) the creation of a label on a foodstuff of agricultural origin for the remuneration of an environmental service by consumers.

These two governance structures have very different characteristics that raise relevant research questions to improve the effectiveness of PES. The first question concerns the theoretical framework for analyzing these devices. The comparison of the equilibrium and optimality conditions of each option will have to take account of market imperfections, ie transaction costs in the case of AEMs, and monopolistic competition in the case of a label. The second question concerns the payment terms of the ES. Dedicated devices such as AEMs are generally oriented towards the payment of the means implemented. Environmental services are generally defined by agricultural practices whose environmental outcomes can be very vague and poorly documented. The introduction of new financers is likely to modify this approach, by conditioning the payments to an obligation of results. In return, farmers will face additional risks because they can not control all the factors that affect the outcome.

Ongoing programs at UMR SMART LERECO give the opportunity to observe PES in progress. This is the case, among others, of the experience of Terres de Sources in the Rennes conurbation which could serve as an example of a PES based on a food brand, whose service rendered by farmers is to improve the quality of the water caught for the production of drinking water.

In addition, the PhD student will benefit from the scientific environment of the European consortium H2020 CONSOLE which includes 21 partners (among others, CNRS, the universities of Bologna, Vienna, Madrid, and Cork).

Requested skills

The requested skills include modelling capacity in industrial economics and public economics (master level). Solid competences in microeconomics will be appreciated. The application is for the food, agriculture and environment sectors.

Application

Applications should include a detailed CV; at least two references (persons likely to be contacted); a one-page cover letter; the master thesis and a one-page summary of this master thesis; Master or engineering school grades. The deadline for sending applications is 07/07/2019. Contact: pierre.dupraz@inra.fr and elodie.letort@inra.fr.