

Land Use in the iPETS Integrated Assessment Model: Progress Report

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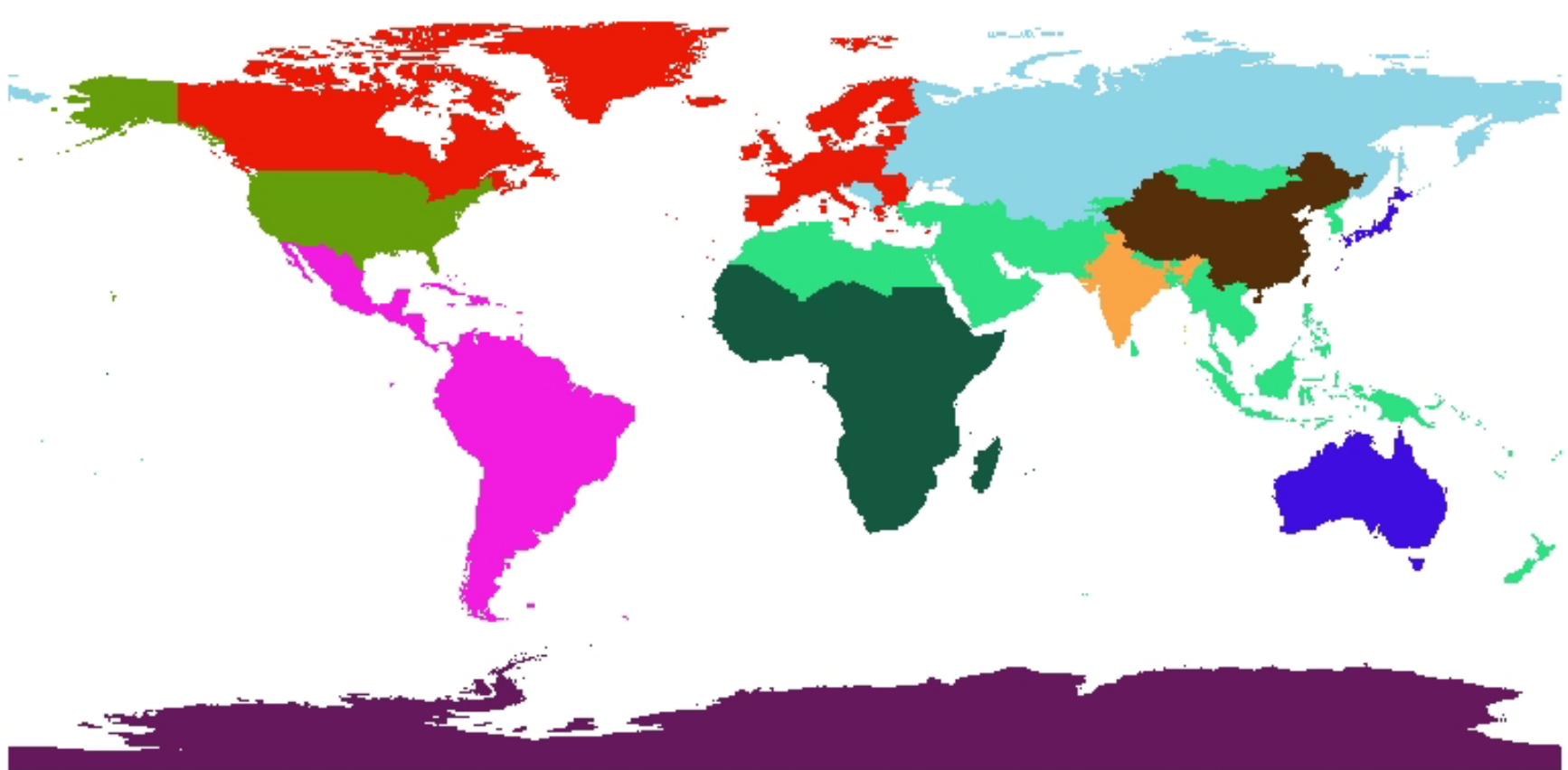
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Joint CLM/BGC Workshop, NCAR

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iPETS: 9-Region CGE Model, with Trade

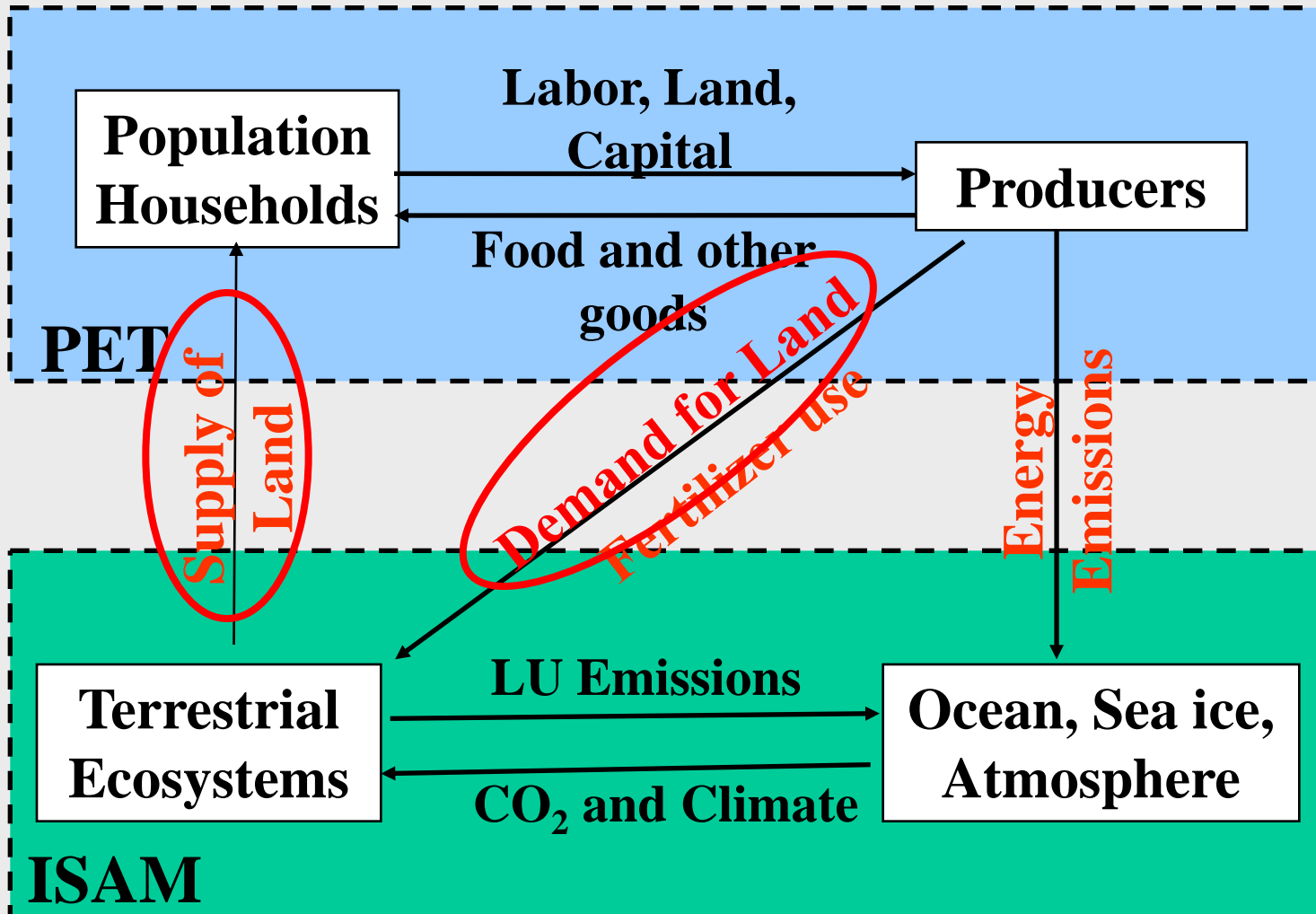


Legend

0 - Antarctica	4 - Other Industrialized Countries (OIC)	8 - Sub-Saharan Africa (SSA)
1 - USA	5 - China (excl. Hong Kong) (CHN)	9 - Other Developing Countries
2 - EU +27	6 - India	
3 - Transition Countries	7 - Latin America and Caribbean (LAC)	

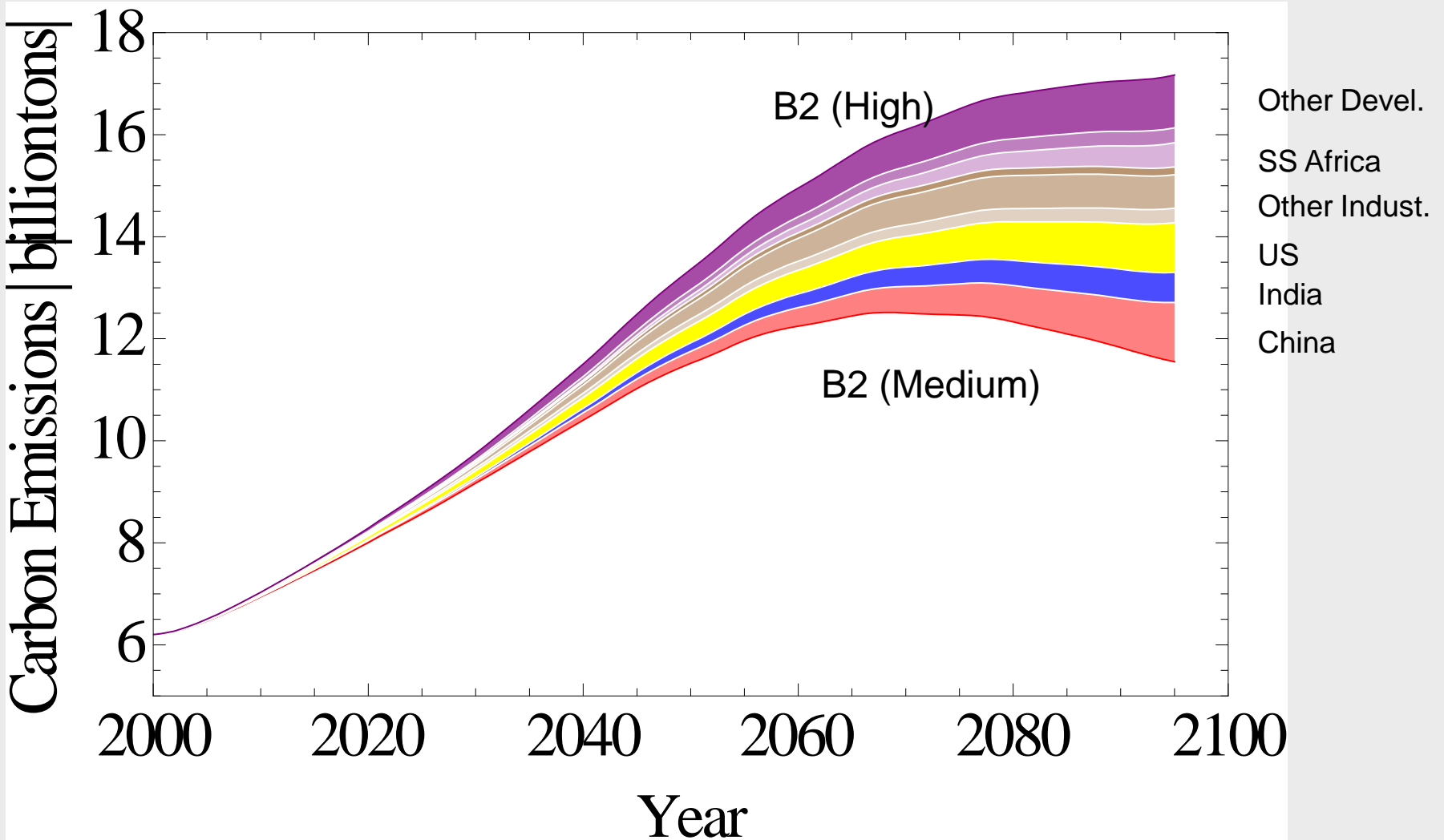
iPETS: Global, regionally disaggregated IA Model

(Integrated Population-Economy-Technology-Science Model)



Collaborators: O'Neill (NCAR); Dalton (NOAA); Jain (U. Illinois);
Jiang (PAI); Fuchs/Gmeiner/Pachauri/Zigova (IIASA)

Global CO2 Emissions Scenarios (Energy Only)



Sector Disaggregation in iPETS

Agriculture

Crops



Cropland

Animal products



Pasture

Forestry



Mngd. Forest

Coal

Oil

Gas

Electricity

Petroleum products

Manufacturing

Services

Energy

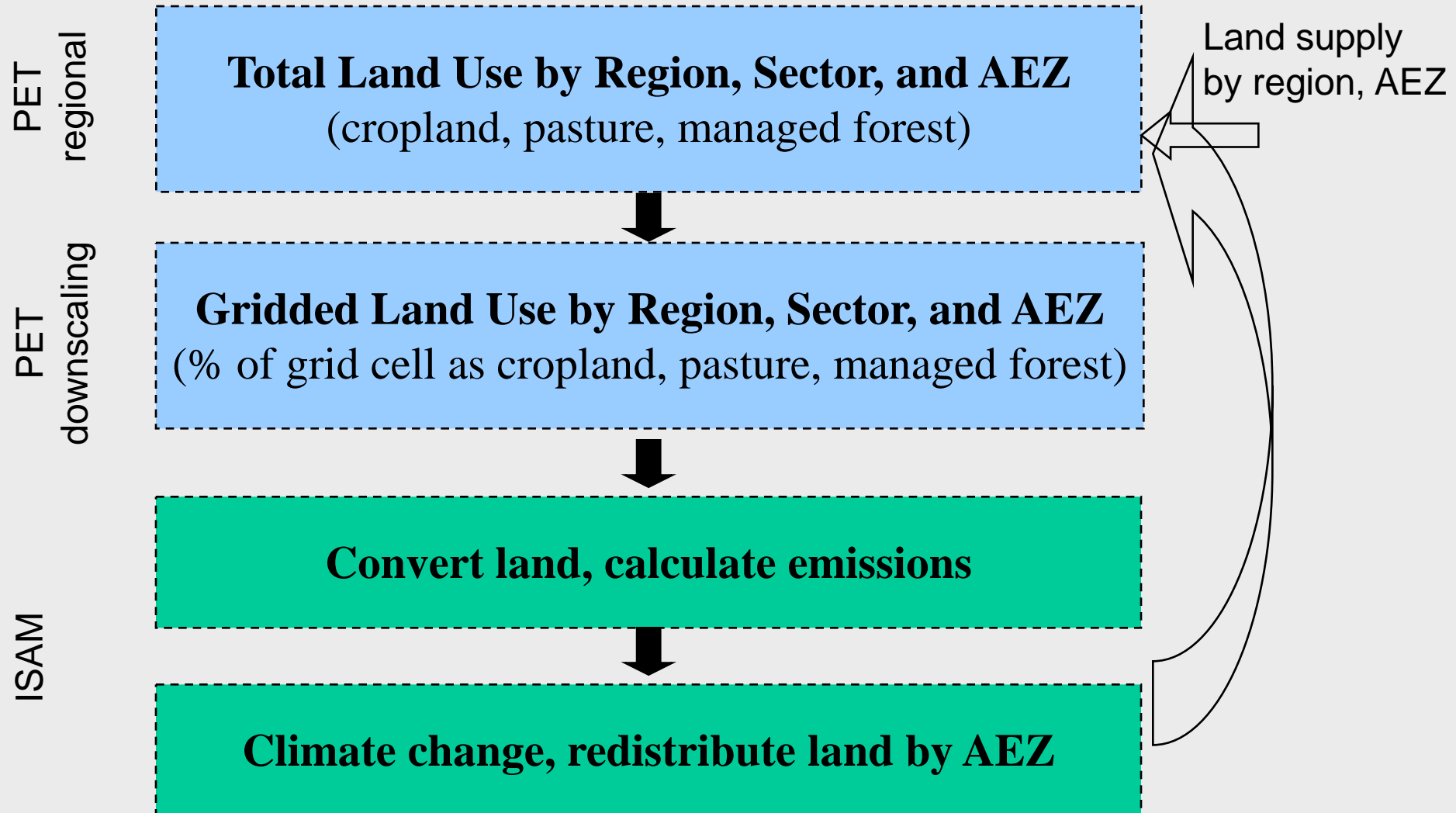
Other

Data for base year: GTAP 6.0

\$ of input/output by industry

Hectares of land by industry

Land Use Modeling Framework

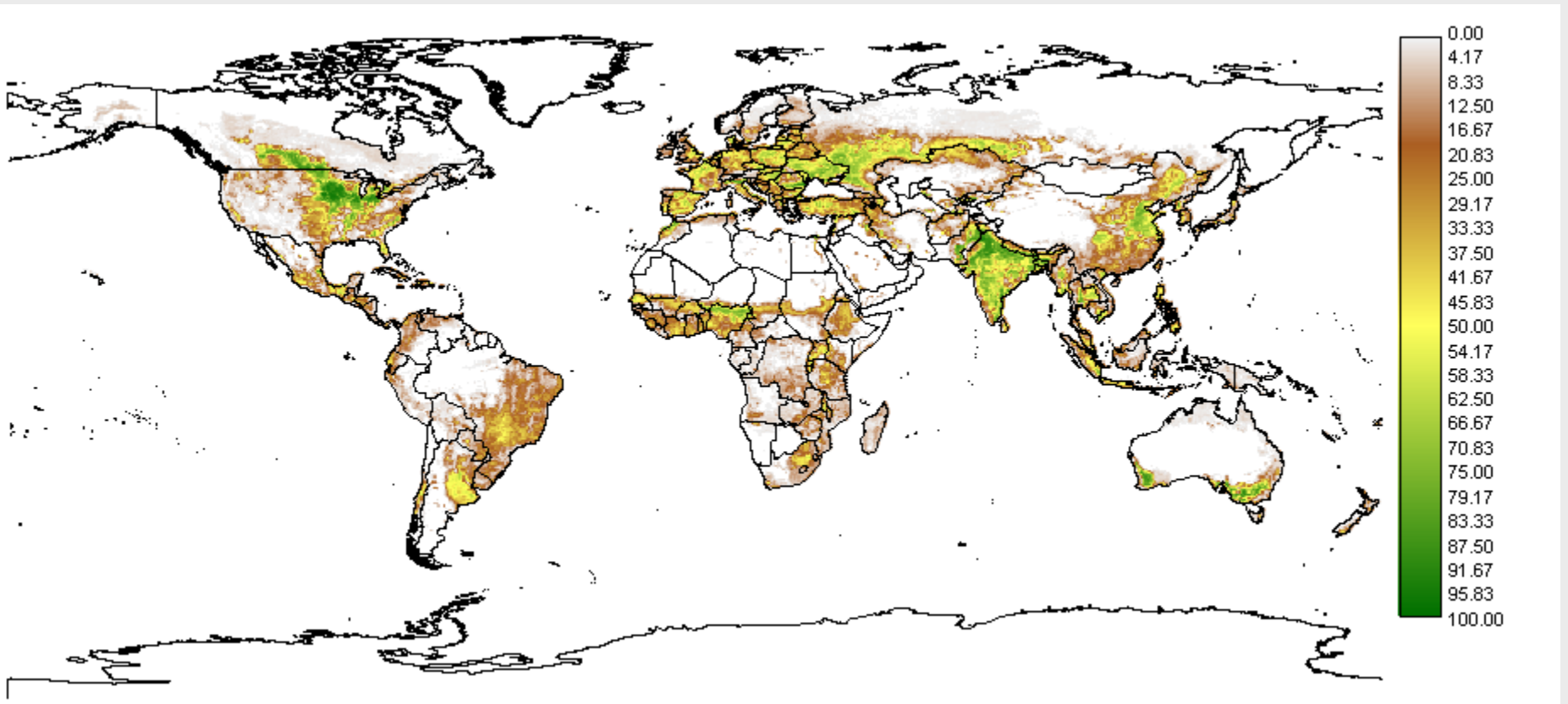


Agro-Ecological Zones (AEZ)

- **AEZ defined primarily by Length of Growing Period (LGP)**
- **LGP = number of days annually with temperatures above 5°C when moisture conditions are considered adequate**
- **LGP a function of**
 - Climate conditions (temperature, precipitation)
 - Soil conditions and properties
 - Ecosystem processes

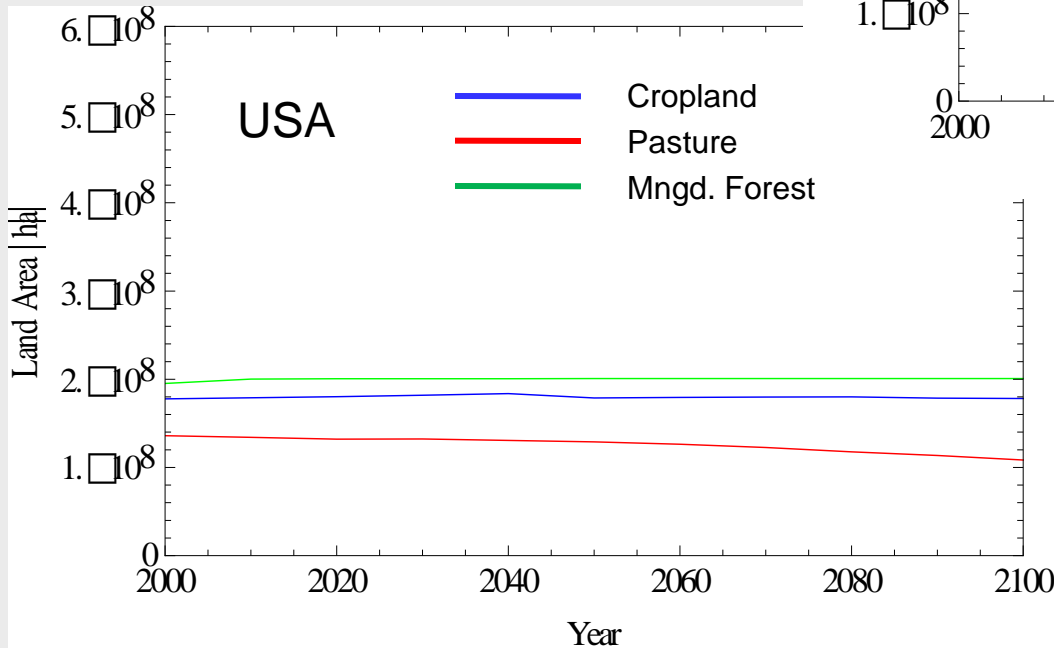
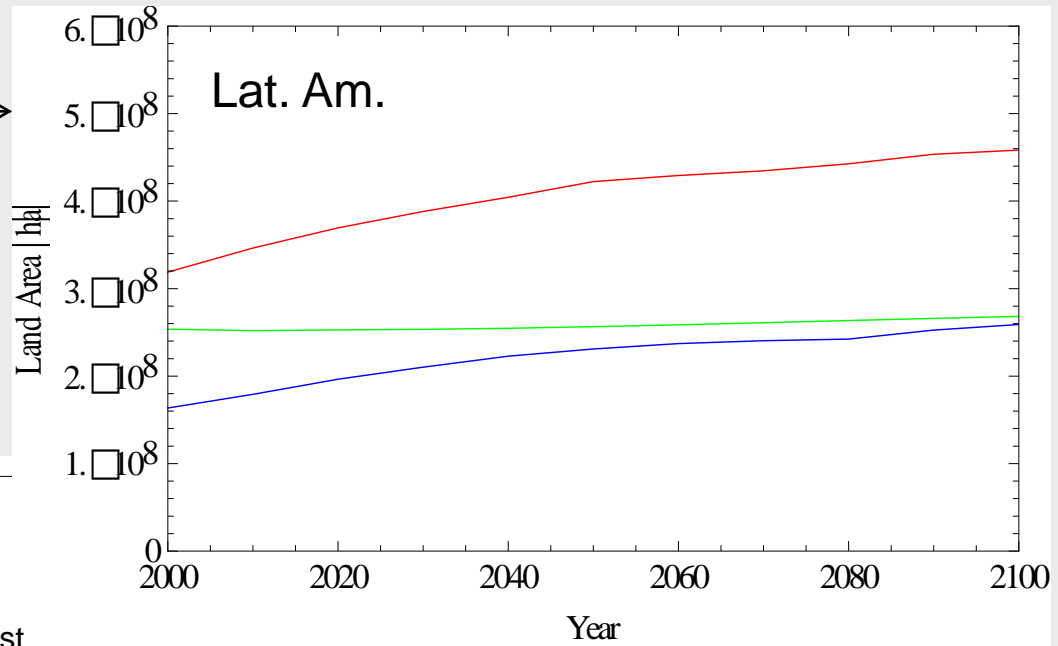
Land Use Modeling

Percent of grid cell in crop production, A2r scenario
IIASA model



Total Land Use by Region, Sector (IIASA A2r, RCP8.5)

Only Latin America & Sub-Saharan Africa experience significant aggregate change



Most regions experience relatively little aggregate change

iPETS downscaling model: Three principles

- 1. Satisfy demand at regional level**
- 2. Maximize revenues at the grid cell level**
- 3. Economic tradeoffs between different uses of land within each grid cell are efficient, and are informed by current land use data**

Grid cell-level land use decisions

Within each grid cell (k) in a given region:

$$\underset{S_i}{Max} R_k = \sum_{i=1}^I P_i^S S_{ik} \quad \text{s.t.} \quad H(S_{1k}, \dots, S_{Ik}) = 0$$

maximize revenues by choosing
land (S) for three different sectors (i)

stay on the Production Possibility
Frontier (PPF)

Across all grid cells in a given region:

$$\sum_{k \in AEZ(j)} S_{ik}^* (P_i^{*S}) = s_{ij} (P_i^y, P_j^S, y_i) \quad \forall i, AEZ(j)$$

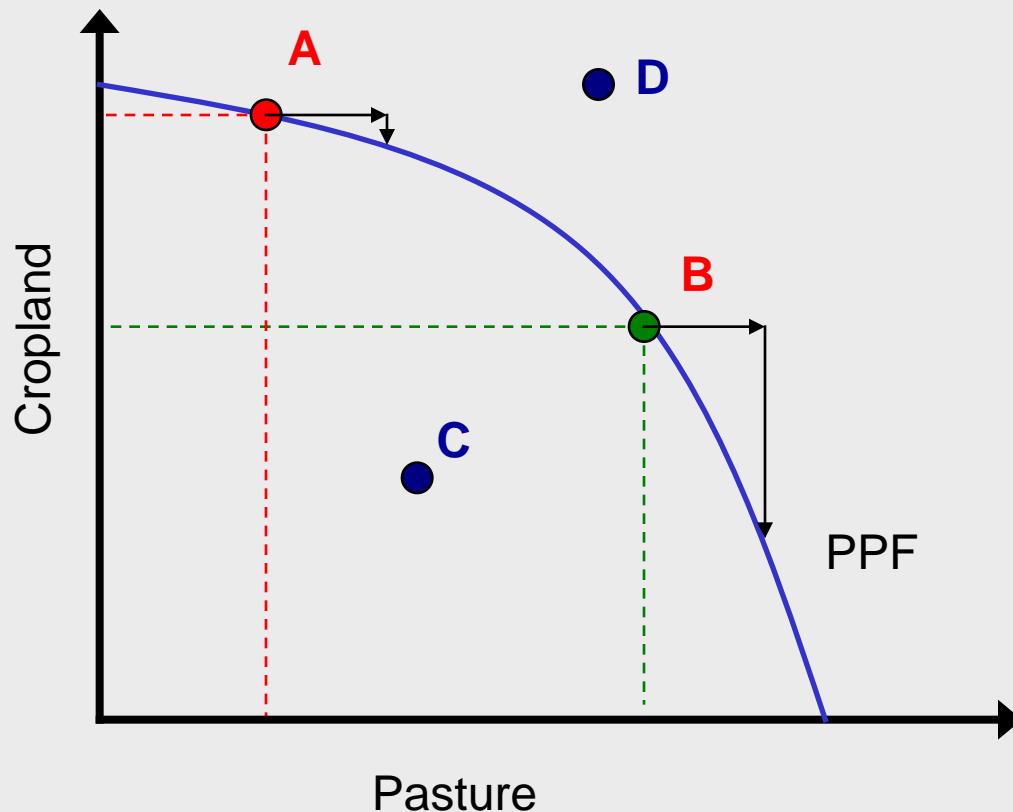
sum of land used in each
sector across all cells

=

total land used in each
sector at regional level

Production Possibility Frontiers (PPFs)

Economically efficient combinations of production of animal products (using pasture) and crops (using cropland).

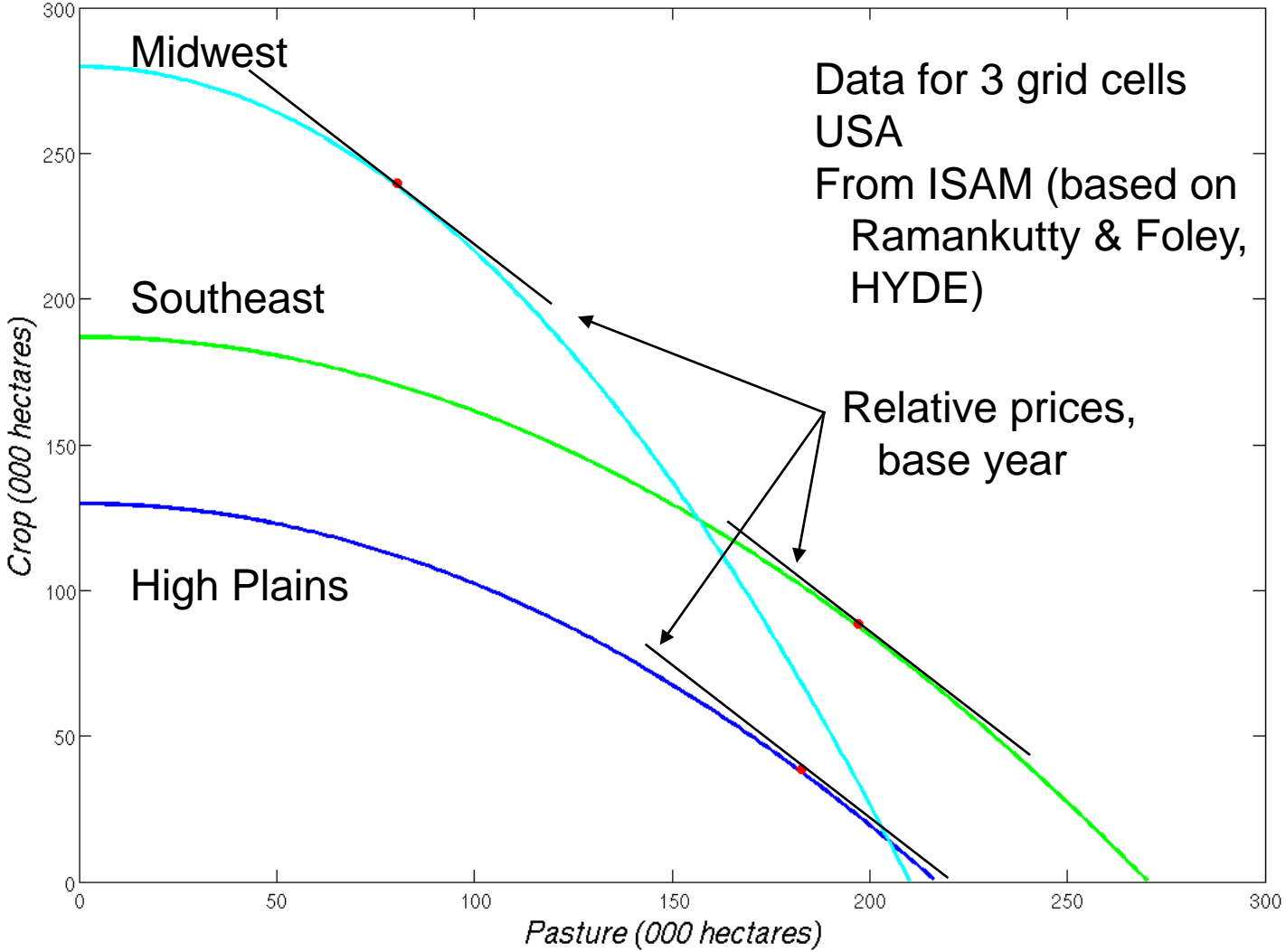


A and B efficient
C inefficient
D not achievable

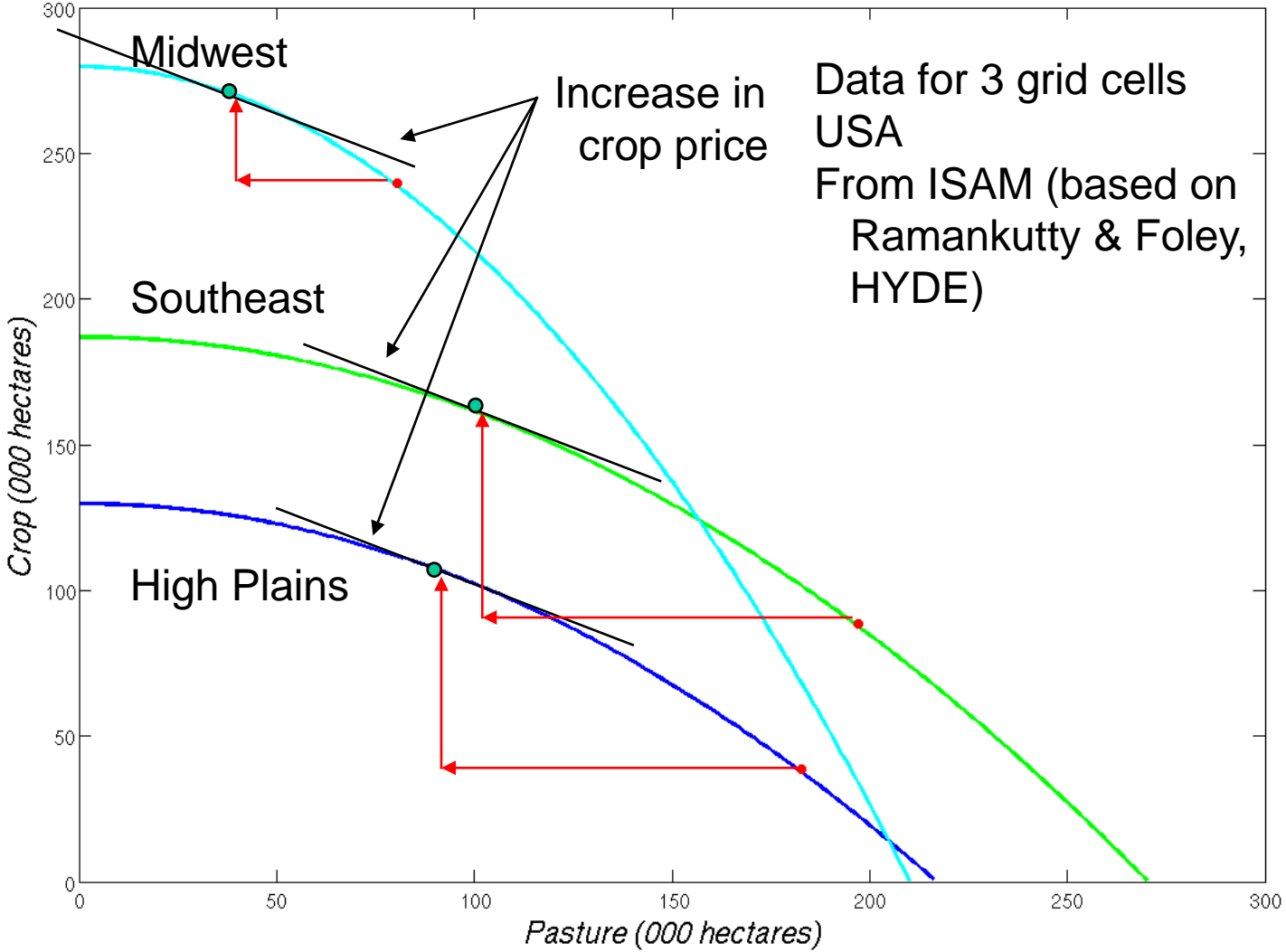
Concavity implies
increasing opportunity
cost of production

Optimal point depends
on relative prices

PPFs calibrated to gridded land use data



PPFs calibrated to gridded land use data



Next Steps

- **Test downscaling model for one region**
 - using historical gridded land use data
 - using IIASA regional land use scenario
- **Issues:**
 - calibrating to cells with zero(s) for current land use
 - representing changing technology (moving PPFs)
- **Production of global results**
- **Link to iPETS**
- **CLM?**

Production data: IO Tables

5-16
Industries

		Makers of commodities (Production commodities)	Final Demand										
Tradable commodities	Intermediate demand of commodity j	Value of intermediate usage of commodity i by producers of commodity j	C	I	G	X	M	Total output of commodity i					
									Intermediate output of commodity i				
									Value added used by final demand				
	Tot. val. add.												
Endowment commod.	K		Value added used by final demand					Tot. val. add.					
	L												
	T												
Total cost of producing commodity j		National Accounts											

1-16
Consumption
Goods

PET Features: A Few Details

- **Economic growth and technological change**
 - KLEM production structure can incorporate different patterns of technical change across industries and regions

$$F (a_K (t) K, a_L (t) L, a_E (t) E, a_M (t) M)$$

- **Solving the model**
 - Forward looking (perfect foresight)
 - Households maximize utility (Stone-Geary)
 - Producers maximize profits (nested CES production)
 - Market clearing condition