

Newsletter

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SUST-RUS – Spatial-economic-ecological model for the assessment of sustainability policies of the Russian Federation – is a sound scientific support for formulating sustainability policies with the focus on a balanced integration between social, economic and environmental policy objectives.



Dear Colleagues,

This is the last issue of the SUST-RUS Newsletter. It summarizes the results and marks the end of our project.

SUST-RUS is the model of sustainable development, and now Russia is an integral part of the sustainable world.

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Contacts of coordinator:

CEFIR, Nakhimovsky pr., 47, office 720,
Moscow, Russia
Tel: +7 495 925 5002, Fax: +7 495 925 5003;
contact person – obuturlina@cefir.ru

Key events and developments in the second period

It has been a busy period for us since our last issue in the summer of 2010. Let us review some key events and developments:

For the fifth time we got together in the office of ZEW in Mannheim (Germany). We discussed the results of WP3 (model implementation) and the strategies for WP5, WP6 and WP7.

Christophe Heydrickx (TML) provided some explanation on the model implementation in WP3. Victoria Alexeeva-Talebi and Andreas Löschel (ZEW) shared their ideas on building the Environmental Module and methodology for the assessment of data. Irina Denisova (CEFIR) presented her view on building the Social dimension (WP7). The issues of Literature review in WP6 were presented by Natalya Tourdyeva (CEFIR).



Our last internal meeting (IM6) took place at the office of TML in beautiful Leuven (Belgium). This was a working meeting, where the key participants of our consortium (ZEW, TML and CEFIR) got together to resolve some issues with the Russian statistics data, its quality and the methodology of processing it.

This meeting was an excellent solution to some difficulties related to the issue of differences in statistical data processing methods used in Russia and Europe – the technical issues were resolved in time for the first run of the model before our public seminar at the international conference EcoMod in July 2011.

In order to share findings and discuss strategies of linking international, social and environmental modules we participated in the International Conference on Economic Modeling (EcoMod-2011) where we had an open session “Assessment of Sustainability Policies for Russia”.

This seminar provided a great opportunity to share an overall vision and the innovative component of the SUST-RUS project (namely coherent work on different dimensions of sustainability) as well as technical details concerning its implementation.



The final conference on SUST-RUS project

The SUST-RUS final conference took place in Moscow on December 15, 2011. The conference “Energy efficiency and sustainability policies in Russia” was devoted to the issues of the assessment of energy efficiency and sustainability policies of the Russian Federation. A number of modeling approaches for evaluating economic, foreign trade, environmental and climate policy measures were presented by experts from Russia, Germany, Belgium and the USA.

The main topics of discussion were:

- Developing a sustainability model for Russia
- The Economic and Environmental Implications of Russian Sustainability Policy
- SUST-RUS model: Regional, industrial and social aspects of energy strategy
- Scenarios of CO₂ emissions in Russia up to 2030 and potential for reduction based on best available technologies

The conference program featured presentations from Natalya Tourdyeva and Irina Denisova, CEFIR and Andrey Velichko, Far Eastern Center for Economic Development (Russia); Dr. Victoria Alexeeva-Talebi, the Center for Economic Research ZEW (Germany), Christophe Heyndrickx, TML Research Center (Belgium) and our invited expert in economic modeling Dr. Oleg Lugovoy, the Environmental Defense Fund (USA).



The detailed report in two languages (English and Russian) and presentations from the conference are downloaded into our website.

Short summary of the SUST-RUS project results

The main achievement of the SUST-RUS project is a publicly available CGE [Computable General Equilibrium] model. The SUST-RUS model links three pillars of sustainable growth: economic, environmental and social issues. Publicly available modelling pack consists of the database and the model code in GAMS [the General Algebraic Modeling System]. This is the first instrument available for policy makers in Russia to assess the sustainability policies.



SUST-RUS is the first ever integrated spatial-economic-ecological model for the Russian Federation, which represents the state-of-the-art in different areas of economic, transport, resource-use and environmental modeling, accompanied by the set of sustainability indicators

The model is accompanied by the set of sustainability indicators which incorporate most of the issues raised in economic literature with respect to interaction and tradeoffs between economic development, environment safety and social well-being.

SUST-RUS model is the result of our close collaboration. Our research centers with unique expertise in various aspects of economic research and economic policy studies provided SUST-RUS with unique research capabilities for achieving the projects' ambitious goals.

The importance and possible applications of the SUST-RUS project

The SUST-RUS is very important since there is no model of such class in Russia. When working on this project we have solved the problem of the absence, lack or poor quality of some data on Russian economy by developing special mathematical tools for data management which incorporated pure mathematical methods, data on other countries and economic consistency check.

Now policy makers and experts can develop the plans of economic reforms assessing their sustainability outcomes. The SUST-RUS model can help policymakers to find balance between urgent policy actions (such domestic energy price regulation reform) and long-term sustainability goals, including climate change policies.

The SUST-RUS model has also important regional dimension which allows the coordination of sustainability policies in Russia on country and regional levels. To illustrate the outcomes of the project and to demonstrate the SUST-RUS model, it was employed to assess the economic impact of WTO accession on the Russian economy, including the effects on inequality and environment.

Follow-up research projects, using results of the SUST-RUS

The SUST-RUS team will continue to improve the model and to work on spin-off activities. The SUST-RUS project plan for using and disseminating the knowledge represents a complete picture of all activities undertaken during our three years project. This plan and detailed explanations of our activities are presented in *D10.3: Final plan for using and disseminating knowledge*, which is published on our website in an open access.

We wish you success in your work and hope to meet again in other projects!

SUST-RUS Consortium Partners



CEFIR, Russia, Moscow
Coordinator of the Consortium

Centre for Economic and Financial Research (CEFIR) was founded in 2000. It is one of the leading Russian independent economic policy think tanks.

Transport & Mobility Leuven NV, Belgium

Transport & Mobility Leuven (TML) clusters the knowledge of both research institutes and applies it to actual policy problems. TML has unique experience with building regional and European general equilibrium models.



Zentrum für Europäische
Wirtschaftsforschung GmbH
Centre for European
Economic Research

Zentrum fuer Europäische Wirtschaftsforschung GmbH, Germany

The Centre for European Economic Research (ZEW) in Mannheim is one of the leading economic research institutes in Germany. Work in the SUST-RUS project will be undertaken by the Department of Environmental and Resource Economics, Environmental Management at the ZEW. The department has acquired a reputation in expertise in Computable General Equilibrium model building and analysis at the national as well as international (global) level in the field of energy and environmental policies. It has furthermore developed methods for integrating bottom-up technological information into a CGE environment.

Institute For The Economy In Transition, Russia, Moscow

Institute For The Economy In Transition (IET) is an independent non-commercial research organization. The Institute conducts both theoretical and applied studies in the field of economics, consults the agencies of state power of the Russian Federation on issues concerning the problems of economic growth in economies in transition, public finance, monetary and currency exchange policies, privatization policies, corporate finances, restructuring and institutional reform.



Ural State University, Russia, Ekaterinburg

Ural State University (USU) was founded in 1920 in Ekaterinburg, the oldest city in the Middle Ural, situated on the border between Europe and Asia. During its existence more than 50 thousand experts have been prepared; the University is one of the first Russian institutions to prepare a number of holders of a master's degree. Today USU offers an opportunity to get a fundamental education and actively participates in the development of various sectors of the Ural region's economy, using its scientific potential in Natural sciences, social and humanitarian spheres.

Voronezh State University, Russia, Voronezh

Voronezh State University (VSU) has a well-established reputation for excellence in teaching and research and is consistently ranked amongst the top Russian Universities. In the SUST-RUS project the basic attention will be concentrated to problems of regional economy and influence FDI on innovative activity of regions.



Far Eastern Center For Economic Development, Russia, Vladivostok

Far Eastern Center For Economic Development (FECED) – is a non-government, non-profit organization. The general mission of the FECED is to provide assistance in promoting the effective economic policy on the Russian Far East, deepening of mutually advantageous trade and economic cooperation with the Pacific Rim countries, and developing the domestic and foreign businesses' activities in the region. FECED pays special attention to development of civil society on the regional and municipal levels as an essential condition of social, economical and political development of the Russian Far East.