# Energy and food transitions, in what sense a regional problem?

March 8th 2023 "Energi och cirkulär ekonomi, vad är nästa steg och kan det finansieras genom JTF (fonden för rättvis omställning)?"

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08/03/2023

# Why regional transitions?

• "the intellectual and policy legacies of our focus on regional competitiveness leaves our discipline out of step with the most pressing regional environmental and economic issues of our time" (Donald and Gray, 2019, 300)

- How do we deal with climate change at the regional level?
- How do we deal with social inequality at the regional level?

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#### Editorial

#### Regional foundations of energy transitions

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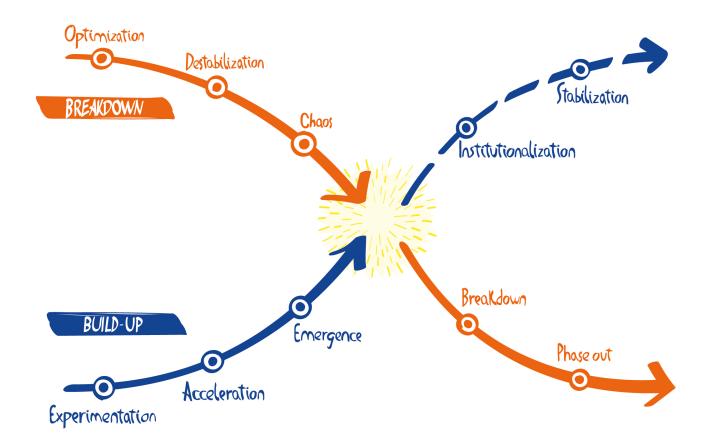
Due to a spatial turn in the socio-technical transition literature, the geography of energy transitions has recently been taken increasingly seriously, leading to burgeoning research output on regional energy transitions since early 2010. Amidst this wealth of publications, however, it can be difficult to keep track of its diverse and constantly evolving landscape. This editorial therefore aims at developing a framework that allows for bringing multiple approaches to regional energy transitions into conversation with each other and that helps to understand and explain the complexity of these interdependencies in ways that go bevond observing regional variety in energy transitions.

Keywords: regional energy transitions, energy transition, sustainability transition, framework JEL Classifications: O18, P18, Q42, Q48

#### Energy transitions, in what sense a regional problem?

Across the world, we are witnessing a plethora of actions, policies and innovations that are expediting energy transitions away from fossil fuels towards zero-carbon energy production. The global energy landscape is diversifying, and yet only recently is this development becoming

the subject of regional studies and cognate fields of research. As recently as 2019, Donald and Gray observed, 'the intellectual and policy legacies of our focus on regional competitiveness leaves our discipline out of step with the most pressing regional environmental and economic issues of our time' (Donald and Gray, 2019, 300). Increasingly, the twin crisis



#### **COP26:** Document leak reveals nations lobbying to change key climate report

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#### "

Phrases like 'the need for urgent and accelerated mitigation actions at all scales...' should be eliminated from the report."

#### Adviser

Saudi Oil Ministry

#### "

Coal is likely to remain the mainstay of energy production in the next few decades for sustainable economic growth of the country."

#### **Senior scientist**

India Central Institute of Mining and Fuel Research

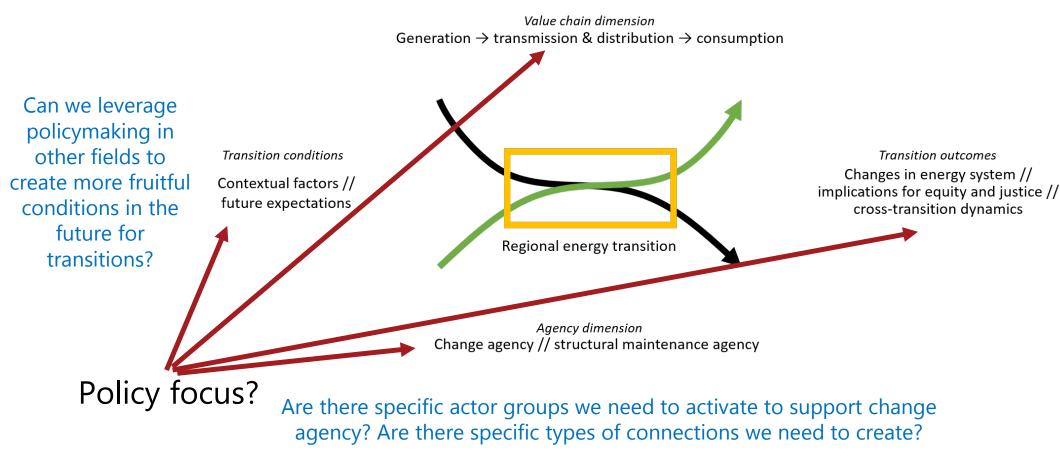
# Different perspectives on regional transitions?

Transitions <u>in</u>, <u>of</u> and <u>by</u> regions (extending Hölscher and Frantzeskaki 2021)

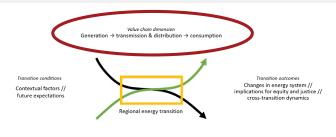
- Transitions <u>in</u> regions
  - Regions as constitutive contexts of (energy) transitions (Hansen and Coenen, 2015; Rohe & Chlebna, 2021)
- Transitions <u>of</u> regions
  - Outcomes and impacts of (energy) transitions on regions (Trippl et al., 2020)
- Transitions <u>by</u> regions
  - Regions as agents of change in (energy) transitions (Späth & Rohracher, 2010)

# Different perspectives on regional transitions?

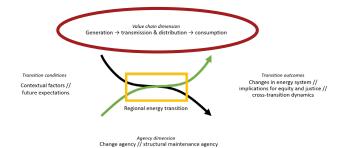
Are we focused on growing new industries? Or changing consumption patterns? And if both, how can we connect the two?



What are our key priorities? Which ones are further down the list?



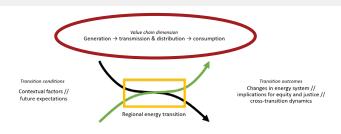
- Multiple forms of green industry development
  - Growing existing green industries (industrial path development)
  - Major qualitative changes to existing industries (industrial path upgrading)
  - Development from existing industries into new industries (industrial path diversification)
  - Emergence of new green industries, unrelated to existing regional industries (industrial path emergence)
- Varying policy approaches needed
- Regions differ in their opportunities for green industry path development



**Table 1.** Regional typology for green industry development.

	Peripheral region	Specialize	Metropolitan region	
Support system for innovation and entrepreneurship	Weak and limited	Strong in supporting sector-specific innovation, but weak in provision of generic resources		Strong and comprehensive
Regional industrial specialization Forms of green path development	No specialization  Regional emergence of a green industrial specialization  Upgrading of existing embryonic green industries	<ul> <li>Specialization in a green industry</li> <li>Growing existing green industrial specializations</li> <li>Diversification into other green industries based on accumulated knowledge and resources</li> </ul>	<ul> <li>Specialization in a dirty industry</li> <li>Introduce new technologies to green the dirty industry</li> <li>Diversification into green industries based on existing competencies</li> </ul>	Mix of industrial specializations  Developing new technologies for green industries  Forms of path development for green and dirty industries apply also in this context  Shift resources from dirty to green industries

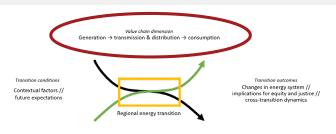
- Transform dirty into clean
- Example: Ruhr
  - Coal mining and heavy industry!
  - Technical knowledge about pollution and waste helped to establish environmental technology businesses
  - Facilitated by increasingly strict environmental regulation
  - ≈ 100,000 jobs



Agency dimension



- Transform dirty into clean
- Policy priorities
  - Encourage collaboration between incumbents, startups and civil society
  - Fund significant research efforts into new technologies
  - Support pilot plants to test new technologies
  - Promote green institutional entrepreneurs
  - Break-up alliances that hinder green restructuring







Agency dimension

Change agency // structural maintenance agenc

Develop specialization in a clean industry through path emergence

Key challenge:

Avoid status of "resource periphery" where natural resources are extracted with little

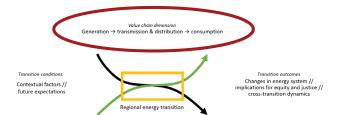
value creation locally

Upgrading possible beyond basic activities?



Energimastodont rydder landsbyer for at opføre vindmølller





Agency dimension

Change agency // structural maintenance agenc

Develop specialization in a clean industry through path emergence

- Policy priorities
  - Provide institutionalized access to extra-regional resources
  - Establish networks to learn from extra-regional policymakers
  - Coordinate between actors involved in technology diffusion
  - Attract external actors in a green industry

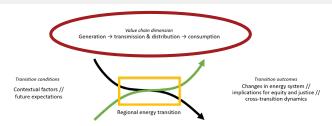
#### Velkommen til Østerild

Nationalt testcenter for store vindmøller





- How can we simultaneously support regional transitions in the production AND consumption parts of the value chain?
- Living labs as a potential answer?
  - Sites used to design, test and learn from social and technical innovation in real time
  - Experimentation with development of new products and processes...
  - ...but equally important: experimentation with more sustainable lifestyles
  - How well do solutions scale? What is needed to achieve broader impact?



Agency dimension
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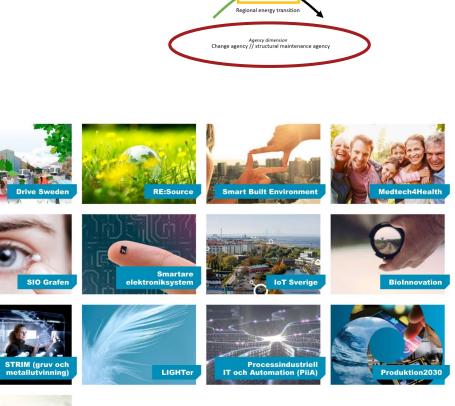
Generation → transmission & distribution → consumptio

mplications for equity and justice /

# Agency dimension

To orchestrate or not to orchestrate?

- There are limits to how detailed policymakers can manage collaborative relations...
- ...but the trend is moving towards more hands-on, less hands-off



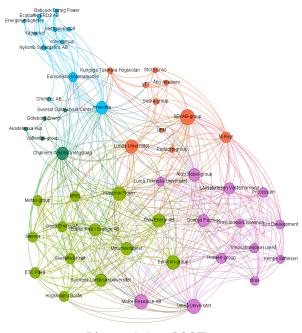
future expectation

https://innovair.org/en/about-innovair/about-strategic-innovation-programmes/

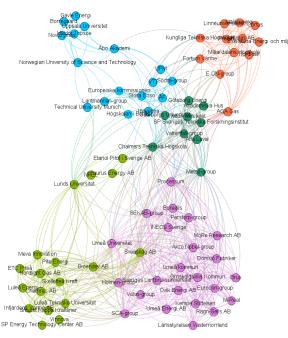
Energimyndigheten



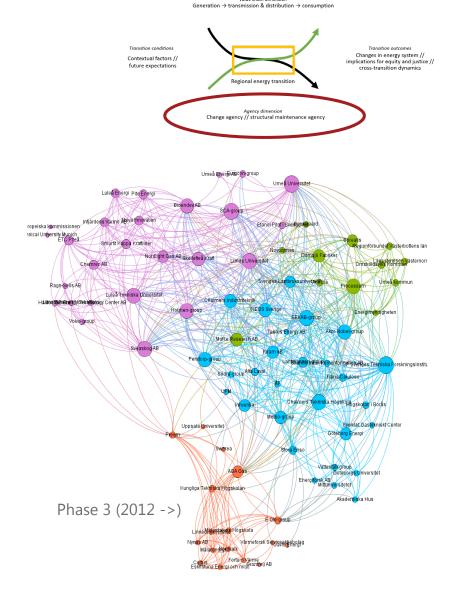
# Agency dimension



Phase 1 (-> 2007)



Phase 2 (2008-2011)



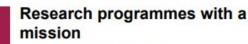
Value chain dimension Generation → transmission & distribution → consumption

future expectations

Changes in energy system // implications for equity and justice /

#### Transition outcomes

Rathenau Instituut

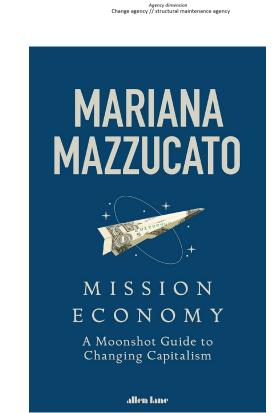


Lessons for challenge-driven innovation policy



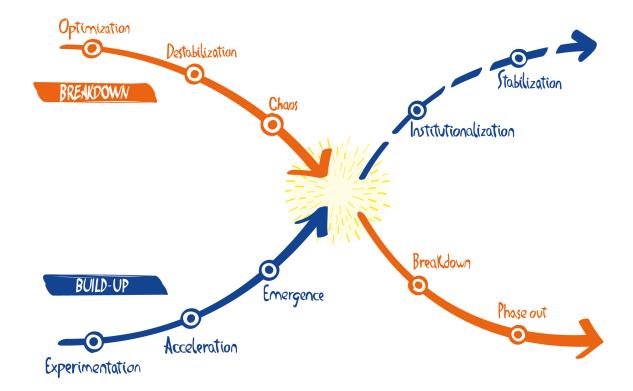


Report



# We need a direction!

## Transition outcomes



Value chain dimension
Generation → transmission & distribution → consumption

Transition conditions

Contextual factors //
future expectations

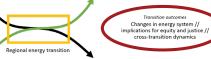


Agency dimension
Change agency // structural maintenance agency

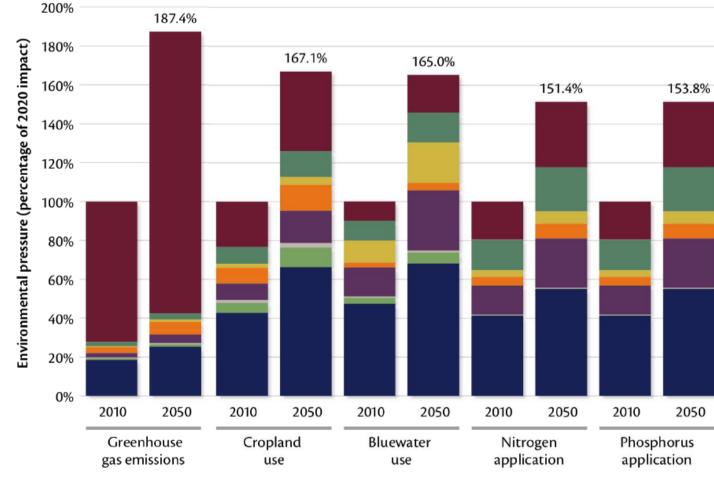
## Transition outcomes

Value chain dimension Generation → transmission & distribution → consumption

Contextual factors // future expectations







Food group ■ Animal products Other crops Sugar Vegetable oils ■ Fruits and vegetables Nuts and seeds Legumes Staples

Note: Bluewater is fresh water in streams, rivers, lakes and aquifers. Source: Global Nutrition Report (2020)5

https://www.glopan.org/wp-content/uploads/2020/09/Foresight-2.0 Future-Food-Systems\_For-people-our-planet-and-prosperity.pdf

## Transition outcomes

Value chain dimension

Generation → transmission & distribution → consumption

Transition conditions

Contextual factors //
future expectations



Agency dimension
Change agency // structural maintenance agency

		Animal-Source Foods						
		Dairy	Eggs	Fish and Seafood				
		<b>5</b> ,	-99"	Tion und sourced	Unprocessed red	Processed red	White	
Health outcomes	Iron-deficiency Anaemia	Neutral	Slightly reduces	Slightly reduces	Strongly reduces	ŚŚ	Slightly reduces	
	Micronutrient deficiencies	Reduces	Reduces	Reduces	Reduces	ŚŚ	Reduces	
	Stunting	Reduces	Reduces	Reduces	Reduces	ŚŚ	Reduces	
	Diabetes, cancer, heart disease	Likely reduces or neutral, but contested	Likely reduces or neutral, but contested	Reduces	Likely increases, but contested	Increases	Likely neutral	
Environ- mental outcomes	GHG emissions	Moderate	Moderate	Moderate (with wide range)	High, but highly variant by setting/system	High, but highly variant by setting/system	Moderate	
	Other environmental factors	Moderate to high	Moderate	?? (highly variant)	High, but highly variant by setting/system	High, but highly variant by setting/system	Moderate to high	
Livelihoods	Poverty reduction, economic development	lmportant	Less important (production more industrialised)	Important but geographically concentrated	Important	śś	Less important (production more industrialised)	

Figure 6. Summary of the health, environmental, and livelihood dimensions of ASF production and consumption. Source: authors' interpretation of the literature cited in this paper.

https://www.gainhealth.org/resources/reports-and-publications/gain-discussion-paper-series-5-role-animal-source-foods-healthy-sustainable-equitable-food-systems

# Conclusion – implications for regional development policy

- Be realistic about what regional policy can do
- Be willing to set requirements to the consortia you support
- Be clear on the regional preconditions and the (im)possibilities that they offer
- Be ready to prioritise between outcomes
- Be attentive to possible synergies and tradeoffs between outcomes

Good luck with the rest of the day! Teis.Hansen@ifro.ku.dk







