



POTSDAM INSTITUTE FOR
CLIMATE IMPACT RESEARCH

Climate Change & International Trade

Channel for Damage Propagation or Chance for Adaptation?

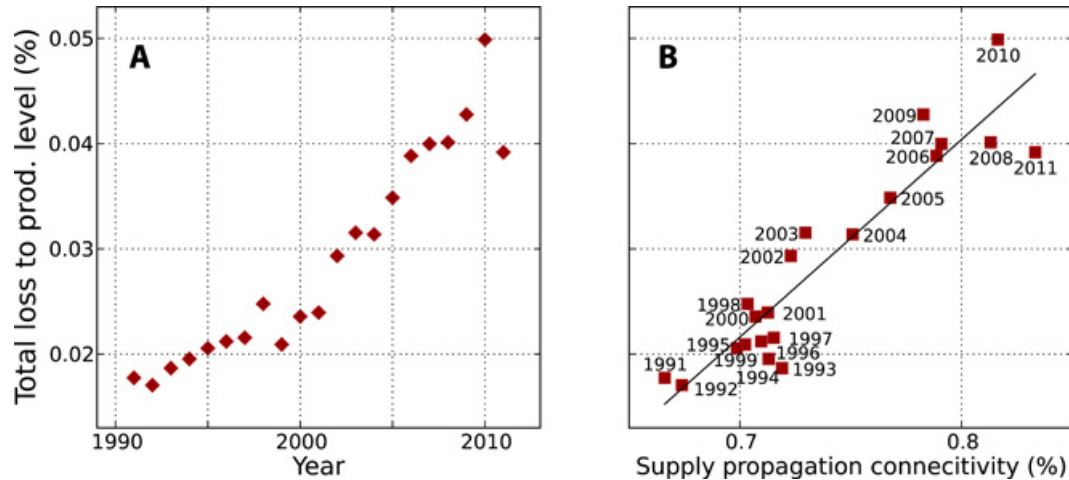
Miodrag Stevanović

Impacts World 2017

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Changes in network structure increase relative production loss.

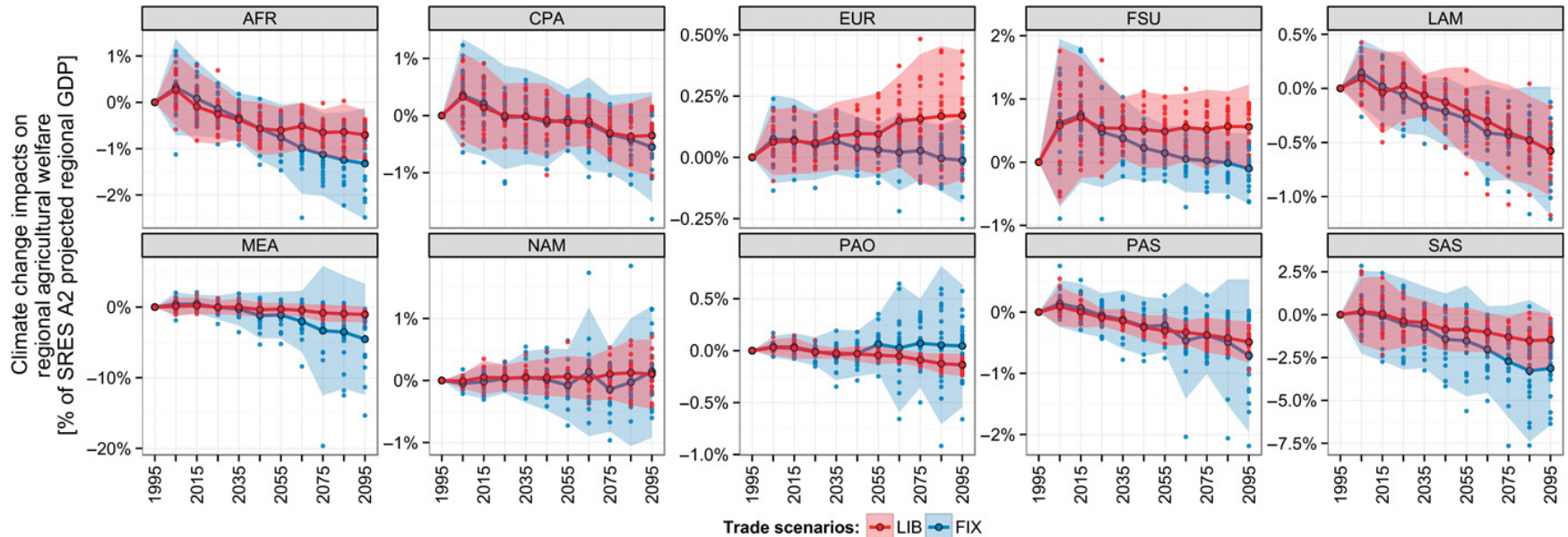
- A dynamic economic network framework to capture the network-related economic response to perturbations on the same time scale as those occur.



- Existing dependencies on supply chains have become larger.
- The intensification of international trade has the potential to amplify climate losses if no adaptation measures are taken.

Climate change impacts on regional agricultural welfare

- Partial equilibrium agro-economic framework in a impact modelling chain.
- Trade policy reforms toward further liberalization help alleviate climate change impacts.



Panel

- **Debate on international trade in the context of global climate change.**
 - What is the **role** of more **liberalized markets** between the poles of **climate impact amplification** through damage propagation and **climate impact reduction** through the build-up of effective adaptive capacities.
 - How further **trade** liberalization can be **guided** in order to provide improvements of **welfare** and **food security** while avoiding an increase in climate vulnerability.