# Local to global economic and environmental trade-offs of the Food-energy-water-ecosystem nexus

Klaus Hubacek

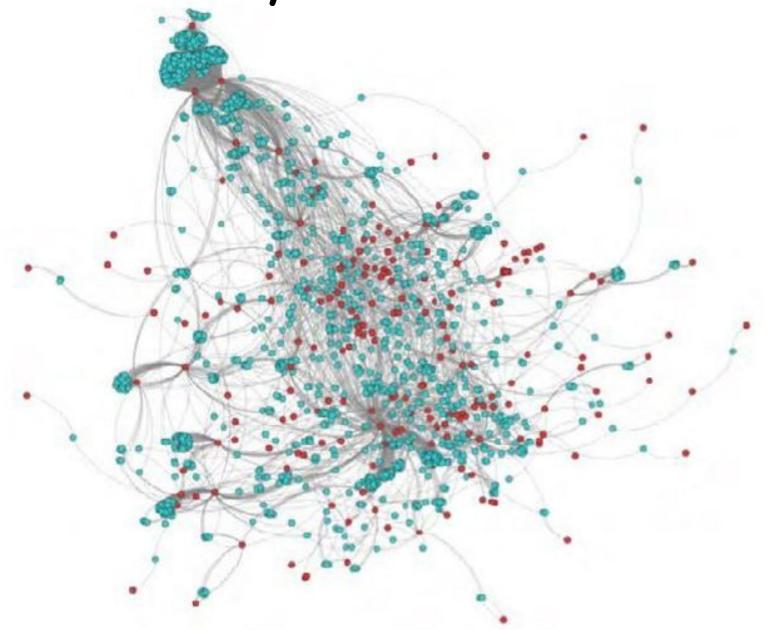
&

Kuishuang Feng, Laixiang Sun





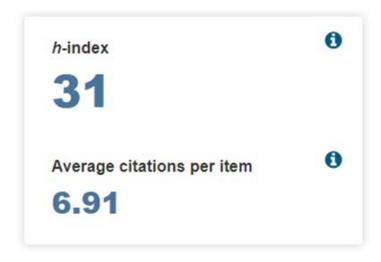
### Bibliometric Analysis



#### Dataset

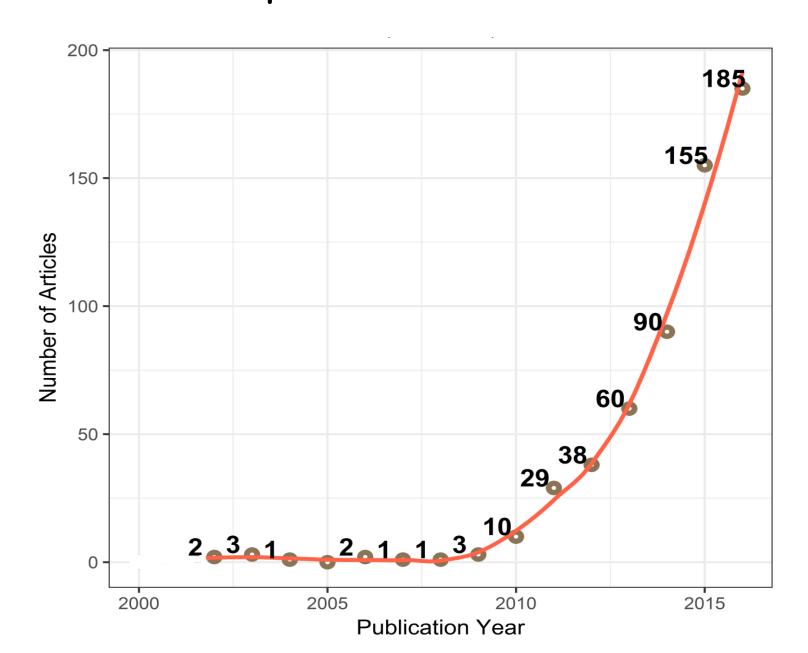
 755 Documents from ISI Web of Abstract or Knowledge (as of 2-Dec-2017)

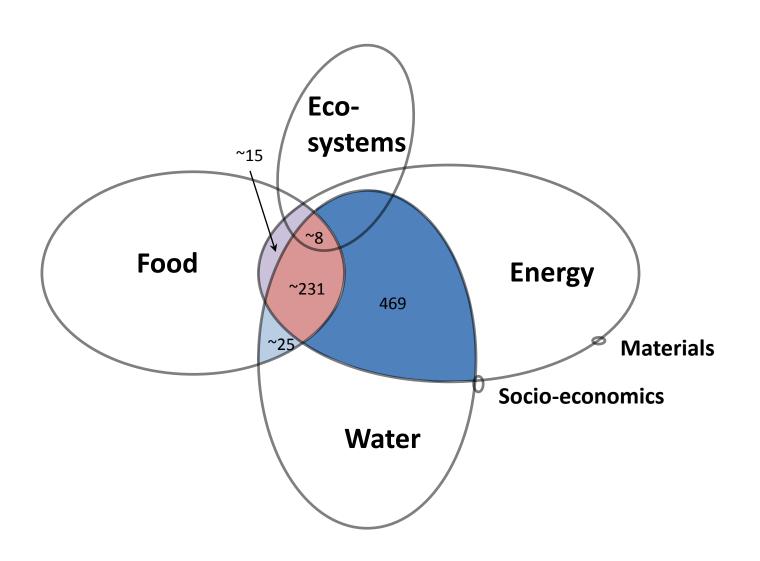
 Nexus (in Title, Keywords)





#### Numbers of nexus publications are on the rise





Nexus has moved beyond water and energy Number of Articles Topic Water Energy Food Ecosystem Water Energy Food Water Energy **Publication Year** 

#### Articles by Selected Research Areas

- Environmental Sciences/Ecology (~300)
- Engineering (~280)
- Water Resources (~200)
- Energy Fuels (~160)
- Atmospheric Sciences (43)
- Thermodynamics (27)
- Agriculture (24)
- Geology (22)

#### Main outlets for nexus publications

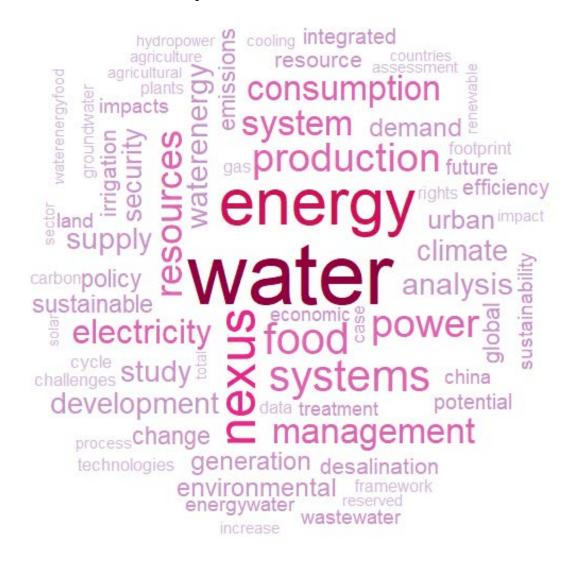
Total of 200 journals; 115 with only 1 publication

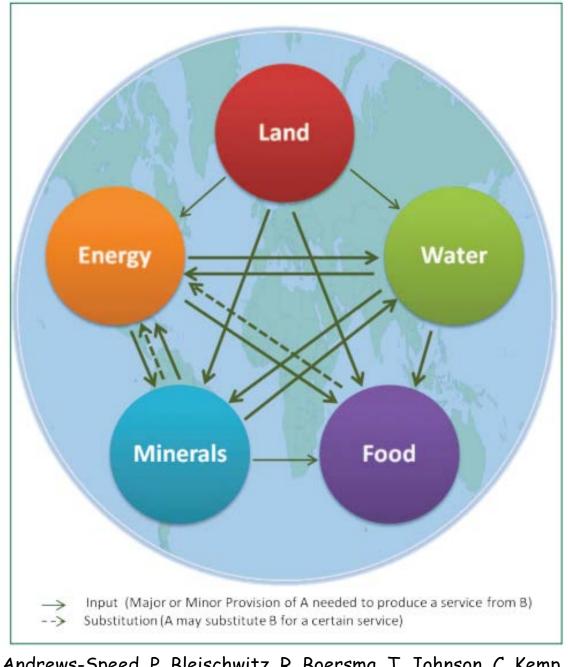
	Title	Coun	t %
1	ENVIRONMENTAL RESEARCH LETTERS	33	6.1
2	JOURNAL OF CLEANER PRODUCTION	24	4.5
3	APPLIED ENERGY	21	3.9
4	WATER	20	3.7
5	INTERNATIONAL JOURNAL OF WATER RESOURCES DEVELOPMENT		3.5
6	ENERGY	15	2.8
7	ENERGY POLICY	14	2.6
8	ENVIRONMENTAL SCIENCE & TECHNOLOGY	14	2.6
9	ENVIRONMENTAL SCIENCE & POLICY	13	2.4
10	WATER INTERNATIONAL	13	2.4

## Summary-bibliometrics

- 200 Sources
- Only 13 articles between 2002 to 2010.
- Top cited manuscript:
  - Considering the energy, water, and food nexus: Towards an integrated modelling approach by Bazilian, M. et al. (2011) *Energy Policy*. (>150 citations)
- High concentration of articles on energy/water; lack of ecosystems, materials, and socio-economic aspects

#### Definitions





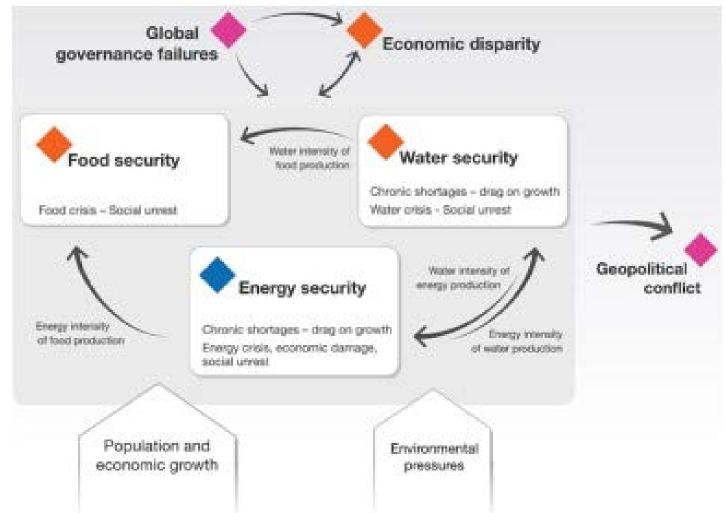
One resource being an input to produce another

or

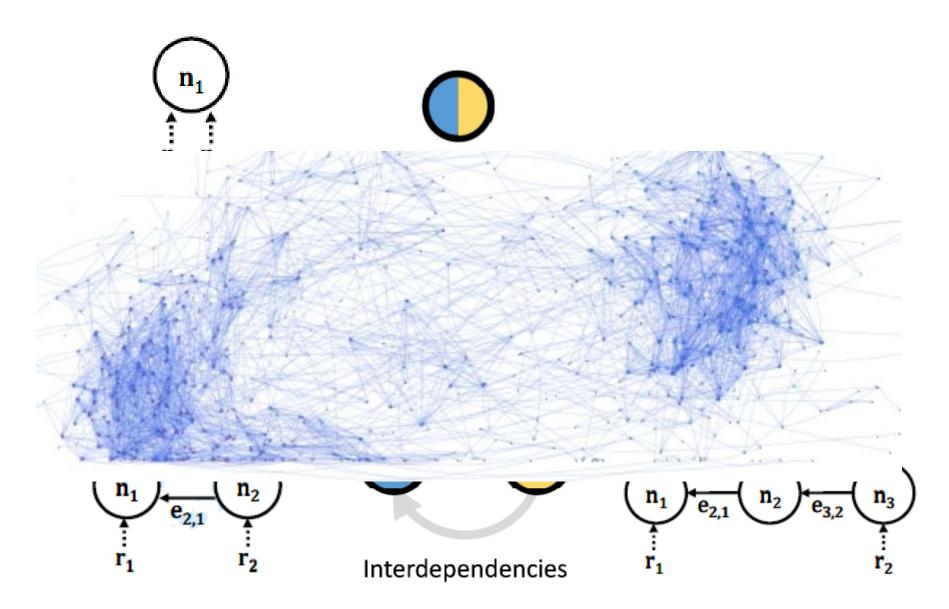
Substitutability of two or more resources.

Andrews-Speed, P, Bleischwitz, R, Boersma, T, Johnson, C, Kemp, G, VanDeveer, SD, 2012. "The global resource nexus: the struggles for land, energy, food, water, and minerals." Transatlantic Acad., Washington, DC..

# Nexus as interdependencies between production systems



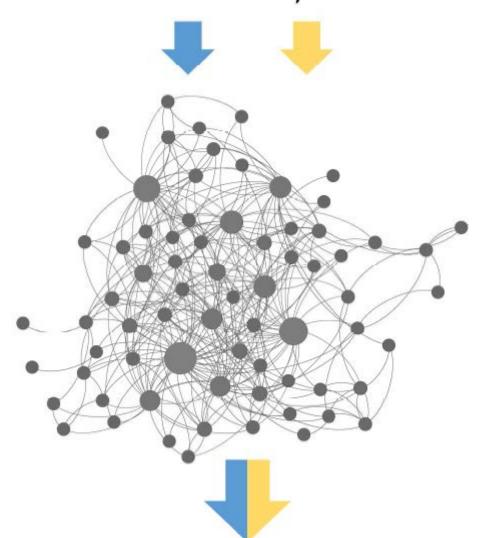
M Bazilian et al. 2011. "Considering the energy, water and food nexus: Towards an integrated modelling approach". *Energy Policy*, Volume 39, Issue 12, 2011.



Font Vivanco, D., S. Deetman, R. Wang, E. Hertwich (forthcoming). "Unravelling the nexus: exploring the pathways to combined resource use. *Industrial Ecology* 

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#### Water and energy inputs to an economic system



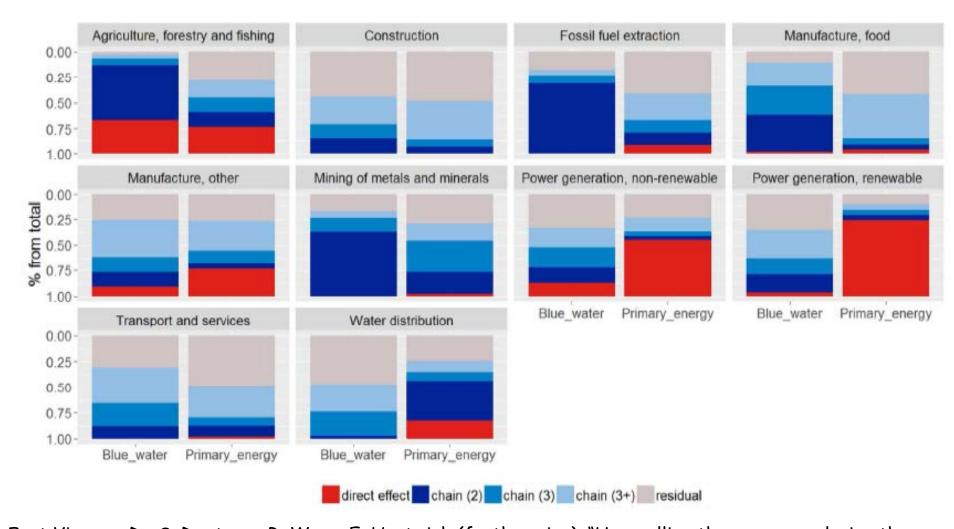
Resource Nexus, which refers to the combined use of two or more resources, is a result of resource flows along supply chains

Water-energy nexus

Font Vivanco, D., S. Deetman, R. Wang, E. Hertwich (forthcoming). "Unravelling the nexus: exploring the pathways to combined resource use. *Industrial Ecology* 

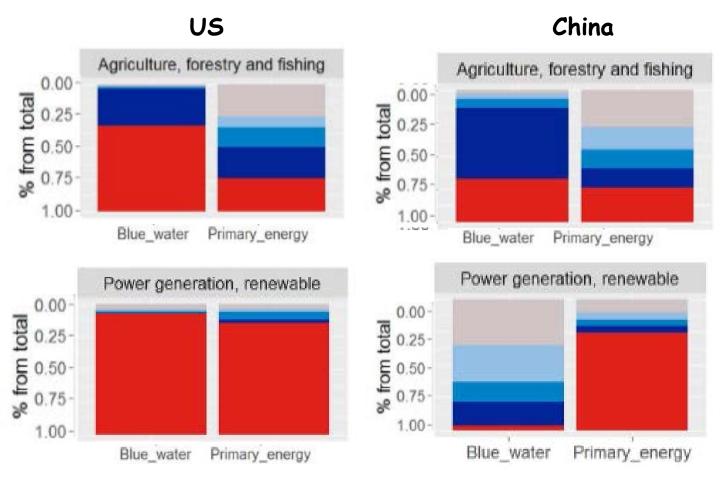
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# The E-W nexus is less evident in manufacturing and service sectors, where most of the resource use takes place several steps upstream in the supply chain



Font Vivanco, D., S. Deetman, R. Wang, E. Hertwich (forthcoming). "Unravelling the nexus: exploring the pathways to combined resource use. *Industrial Ecology* 

#### Disparities in the relative contribution between the US and China can be largely explained by differences in economic structure, technology, and resource endowments

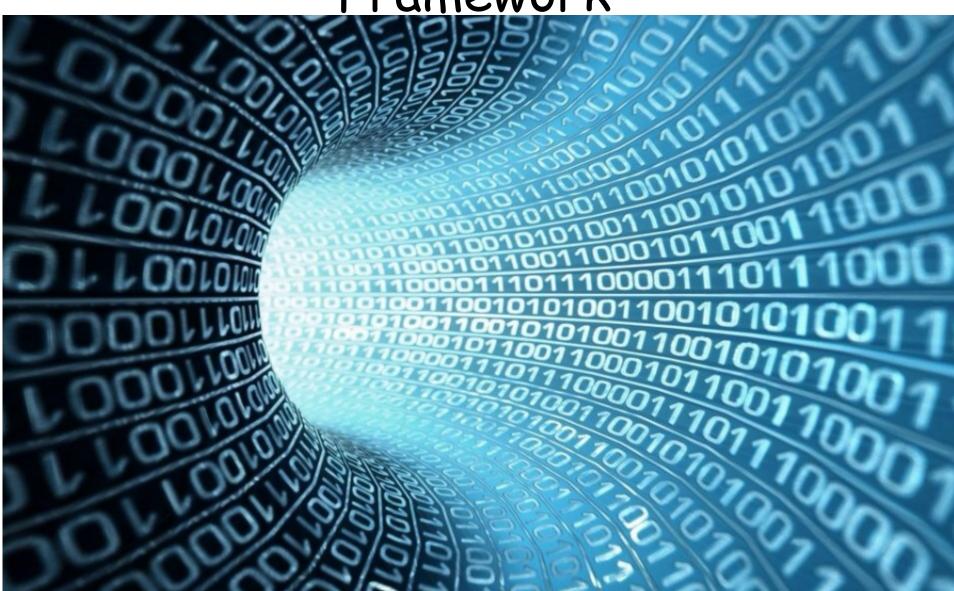


Font Vivanco, D., et al. (forthcoming). Industrial Ecology

## Summary-definitions

- Many nexus studies are case studies within a specific area.
   While some nexus issues are location-dependent, there is a trans-regional or global dimension as local constraints can be mediated by trade.
- Moreover, most of the nexus literature focuses on particular industries, such as food and energy, where large quantities of natural resources are directly used.
- On the other hand, the water-energy nexus is less evident in manufacturing and service sectors, where most of the resource use takes place several steps upstream in their supply chain.
- As a consequence, those industries with no immediate resource implications or in which resource interdependencies reside across complex and global supply chains are overlooked.

Conceptual and modeling Framework



## Requirements/Ingredients

- Along the entire supply chains (from cradle to grave);
- across space (globally); and
- tracking multiple flows



# From cradle to the grave using Life-Cycle Analysis (LCA)





There are millions of products, each one is different from the other!

If we want to calculate emissions from all consumption of a given territory, we will abuse to do that with LCA

obviously not be able to do that with LCA





## Hybrid approaches overcome the shortcomings of both top down and bottom up approaches



Resource footprint of countries



Regional footprint Local footprint

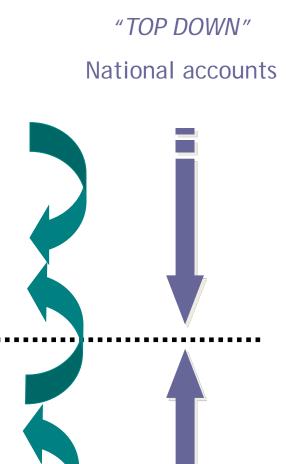


Footprint of companies and organizations



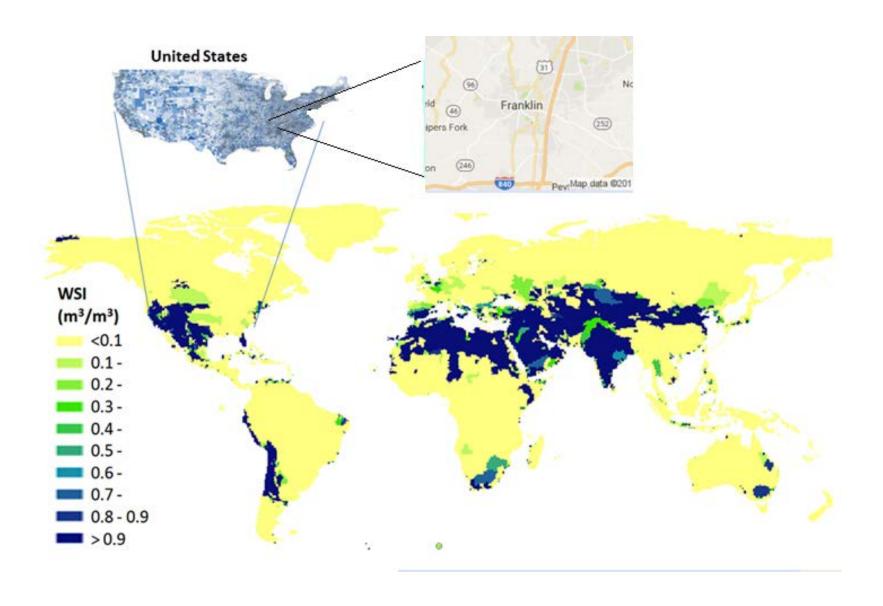


Footprint of products and activities



LCA & CES

#### Linking local consumption to global impact



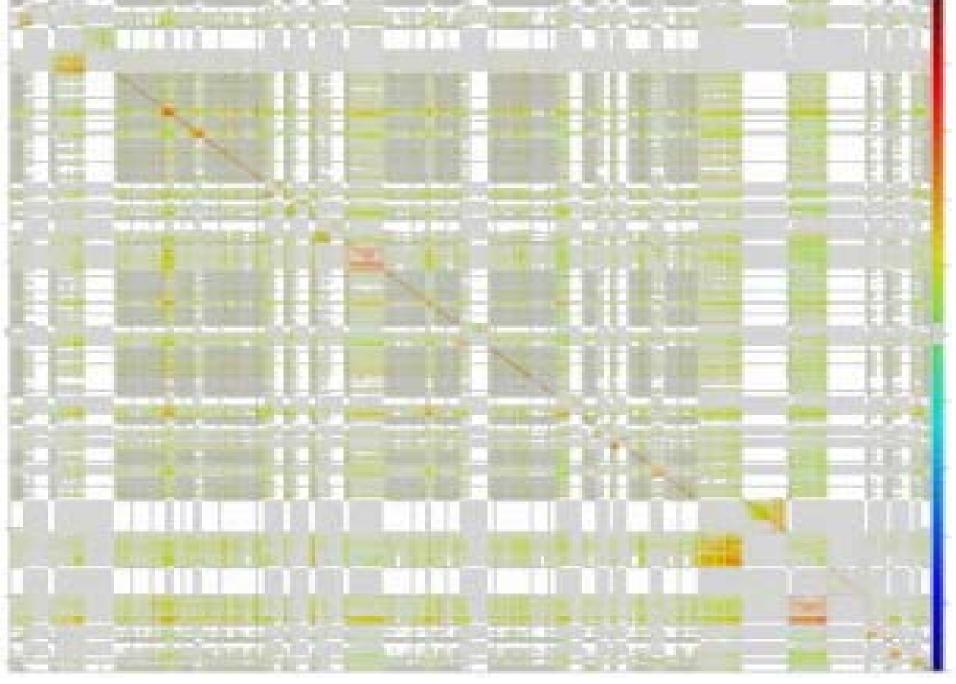
Hubacek et al. (2014). "Teleconnecting Consumption to Environmental Impacts at Multiple Spatial Scales. Research Frontiers in Environmental Footprinting. *Industrial Ecology.* 

#### **Burden shifting**

10-30% of global surface and rainwater use 11% of global groundwater use 13% of global polluted water 15-38% of global labor 17-30% of global biodiversity loss 20-24% of global land use 22% of global PM<sub>2.5</sub>-related deaths 22-30% of global air pollution 22-33% of global CO<sub>2</sub> emissions 23-30% of global GHG emissions 24-68% of global raw material extractions 26% of global reactive nitrogen emissions 32% of global scarce water use 35% of global energy use 62-64% of global metal ore extractions 67% of global mercury emissions

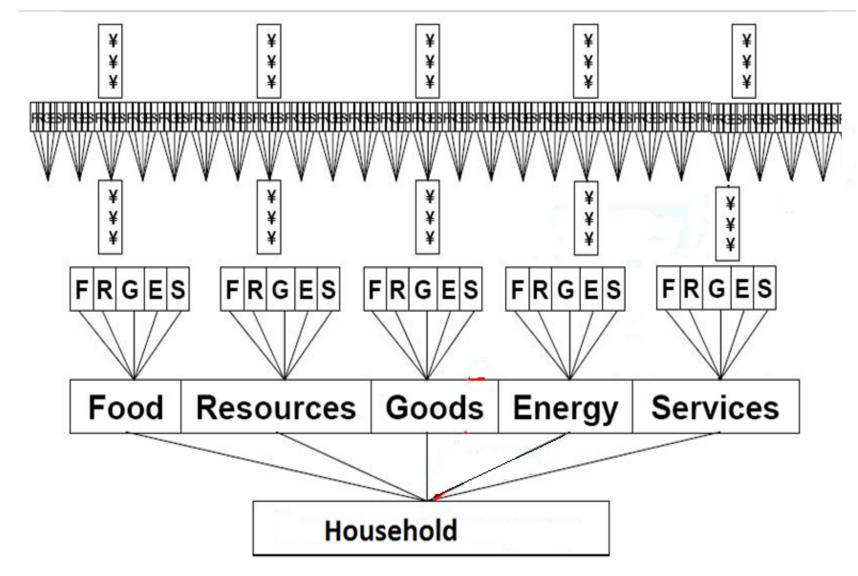


are embodied in international trade



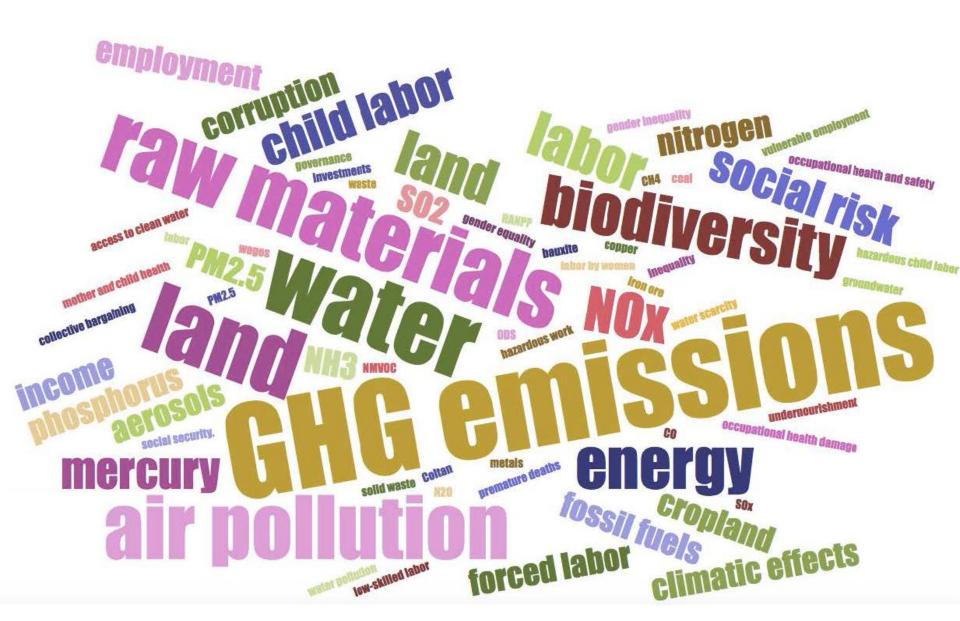
A 160-country 10,000×10,000-sector balanced World MRIO for the year 2000; by Lenzen et al.

## Taking care of upstream emissions



Source: Foran, Lenzen et al. 2005. "Integrating Sustainable Chain Management... Ecological Economics.

#### GMRIO-calculated footprints of...



## Summary-approach

- Input-output (IO) analysis allows:
  - to model all sectors of the economy that use 'Nexus' resources
  - to add socio-economic aspects, value added, jobs,...
  - to investigate resource flows along global supply chains ('teleconnecting') to other economic systems.
  - to identify intervention points along the entire supply chain as well as for demand-side management



Hybrid LCA-IO approach for nexus to assess the carbon and hydrological consequences for electricity production in China



Feng, Li, Siu, Hubacek (2014). "The energy and water nexus in Chinese electricity production: A hybrid life cycle analysis." *Renewable & Sustainable Energy Reviews*. Volume 39, Pages 342-355.

#### What are the carbon and water costs of decarbonization/renewables? 1200 1000 855.9 800 600 400 200 0 Coal Oil Natural gas Solar PV Wind Nuclear **Biomass** Hydro № Petroleum and nuclear fuels. ■ Direct emissions III Mining % Chemicals and plastics \* Metals

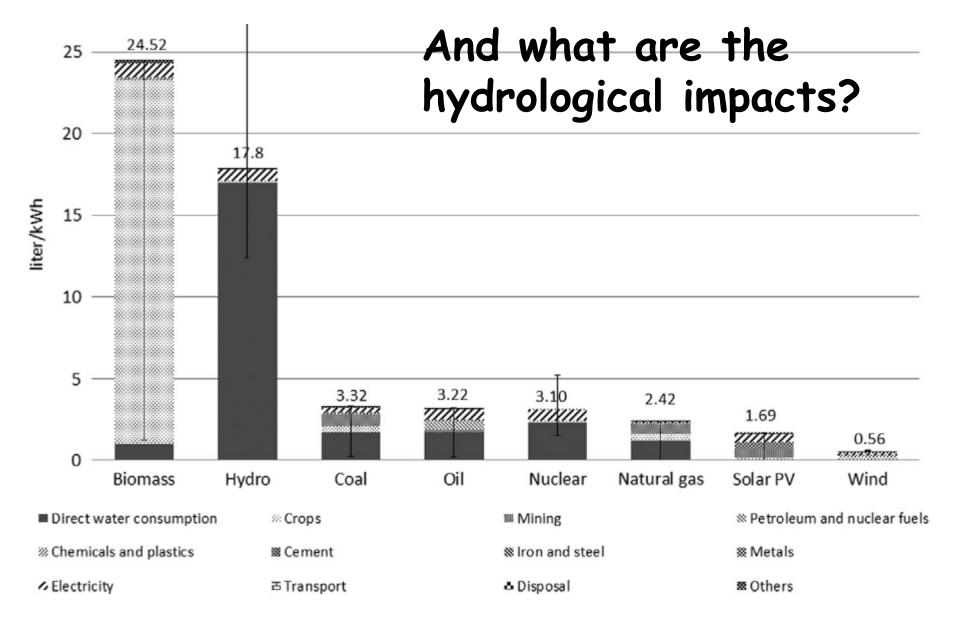
Feng, Li, Siu, Hubacek (2014). "The energy and water nexus in Chinese electricity production: A hybrid life cy analysis." *Renewable & Sustainable Energy Reviews*. Volume 39, Pages 342–355.

Disposal

**∓** Transport

⊗ Others

✓ Electricity



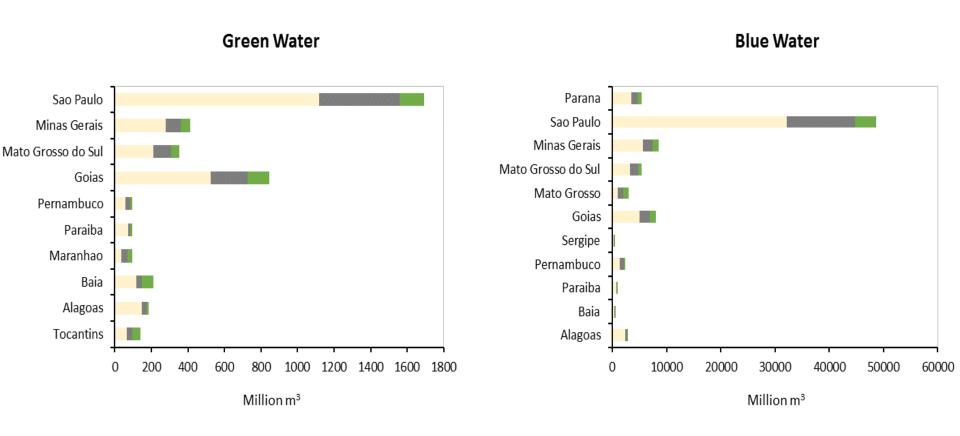
Feng, Li, Siu, Hubacek (2014). "The energy and water nexus in Chinese electricity production: A hybrid life cycanalysis." Renewable & Sustainable Energy Reviews. Volume 39, Pages 342–355.

# MRIO to calculate water footprints of biofuel production in Brazil

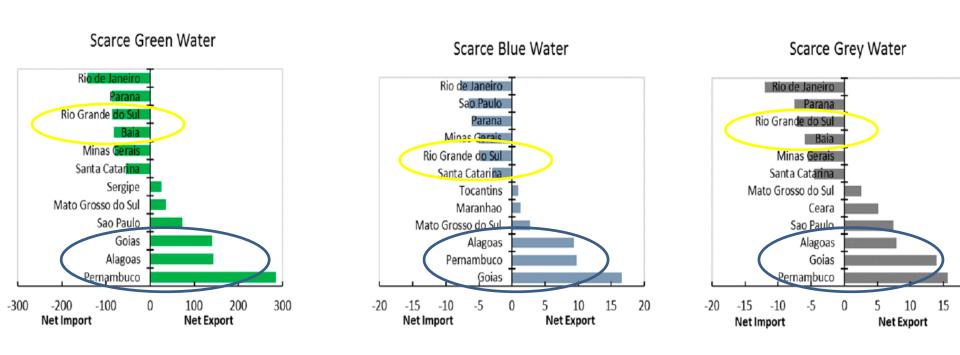


Munoz Castillo, R., K. Feng, K. Hubacek\*, L. Sun, J. Guilhoto, F. Miralles-Wilhelm (2017). "Uncovering the Green, Blue and Grey Water Footprint and Virtual Water of Biofuel Production in Brazil, a Nexus perspective." *Sustainability*. 9, 2049.

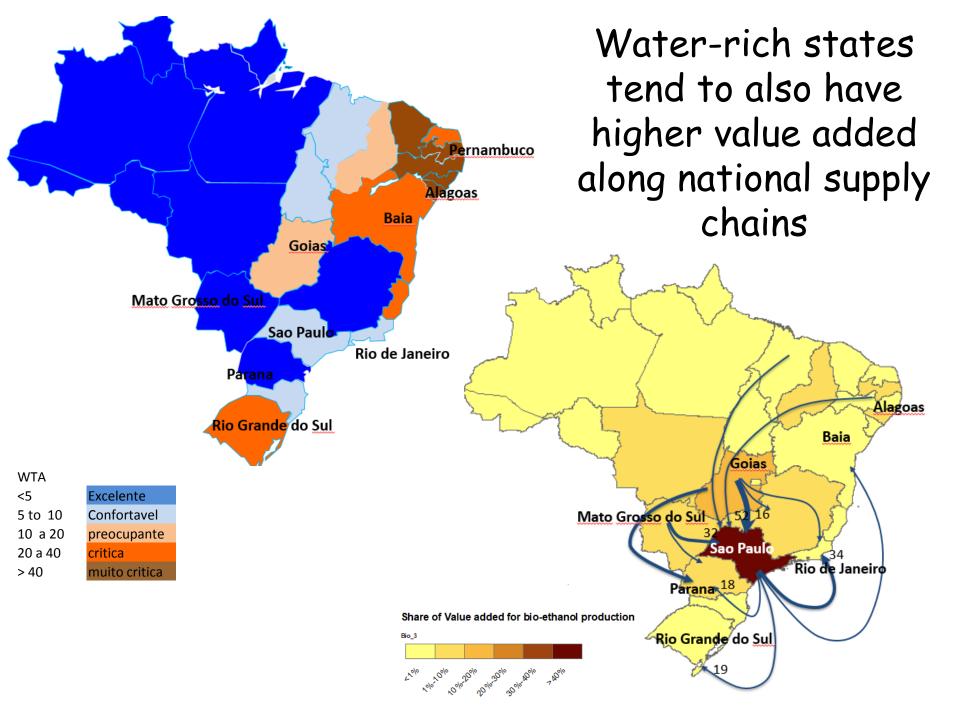
# Sugar is the biggest contributor to the water footprint



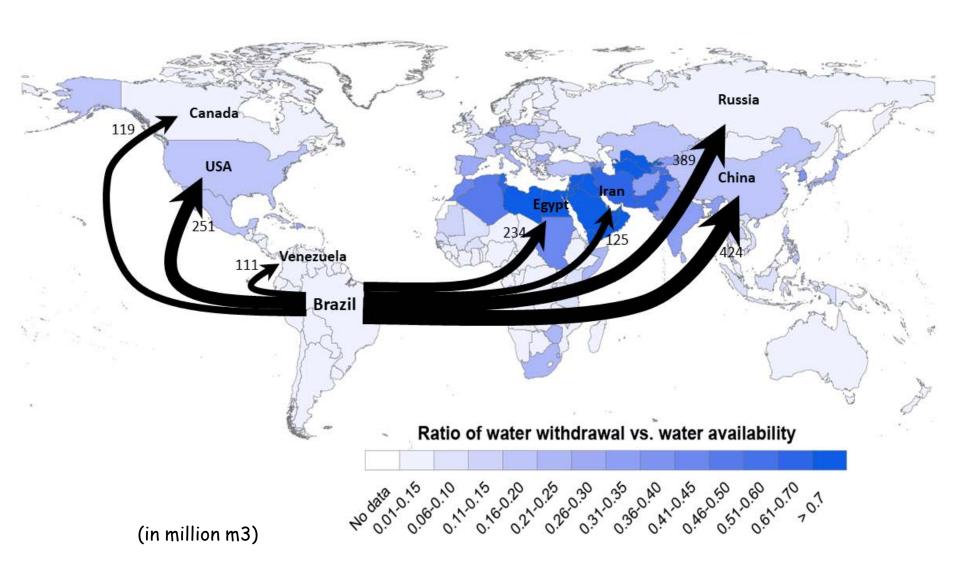
# Some states facing severe to critical water scarcity conditions are benefitting from importing virtual water, ...



but predominantly, water-rich states outsource water pressure to water-scarce states



#### Brazil's water used for bioethanol is exported globally



### Utilizing and modeling global supply chains



### GMRIO can show how production and consumption are linked across the globe **GHGs**

16.1 %

ISA 16.9 %

APAC 24.2 %

CN 24.1 %

Water Land Consumption of goods and services Consumption of goods and services Emissions of greenhouse gases Water extraction Land use Consumption of goods and services 7.0% 12.6 % EU 20.2 % EU 7.8% USA 13.1 % 11.5 % USA 10.9 % USA APAC 24.7 % 25.1 % APAC APAC 42.8 % 41.0 % APAC 22.2 % APAC

LAM 18.9 %

AFR 20.9 %

14.2 % CN

8.1 % AFR

15.0 % LAM

16.0 % AFR

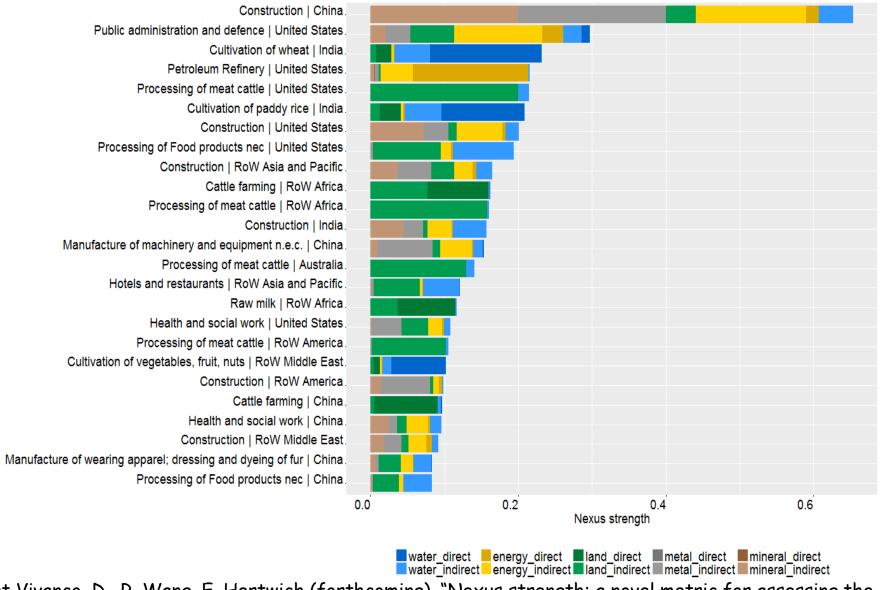
19.2 %

16.0 %

0.4 %

8.8 %

#### Top 25 product nexuses identified through consumption-based accounting



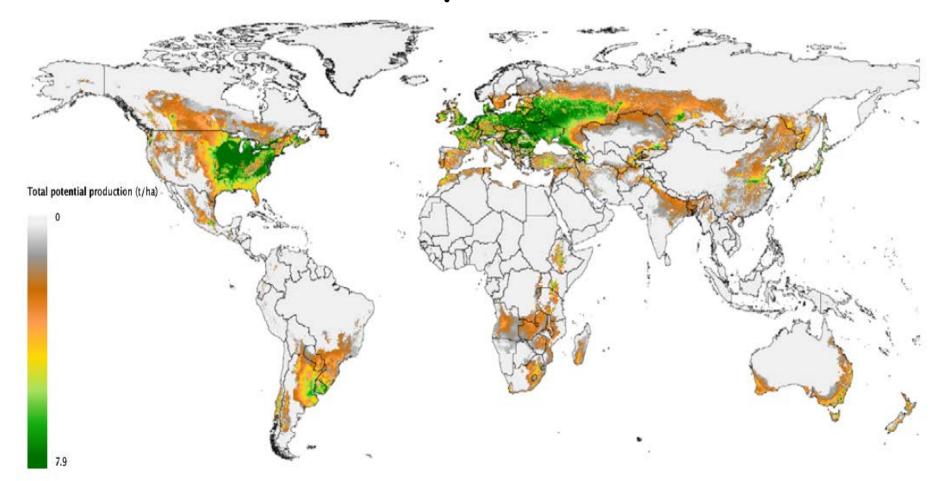
Font Vivanco, D., R. Wang, E. Hertwich (forthcoming). "Nexus strength: a novel metric for assessing the global resource nexus. . *Industrial Ecology* 

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# Spatial mismatch economic and biophysical data

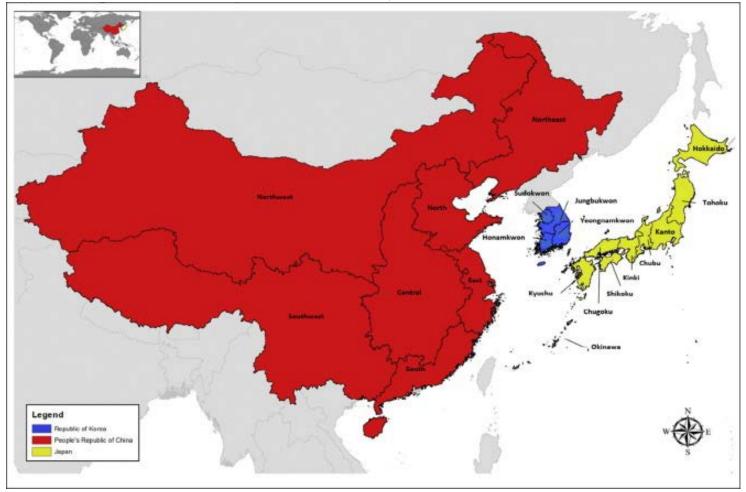


# Biophysical accounts are available at fine spatial scale

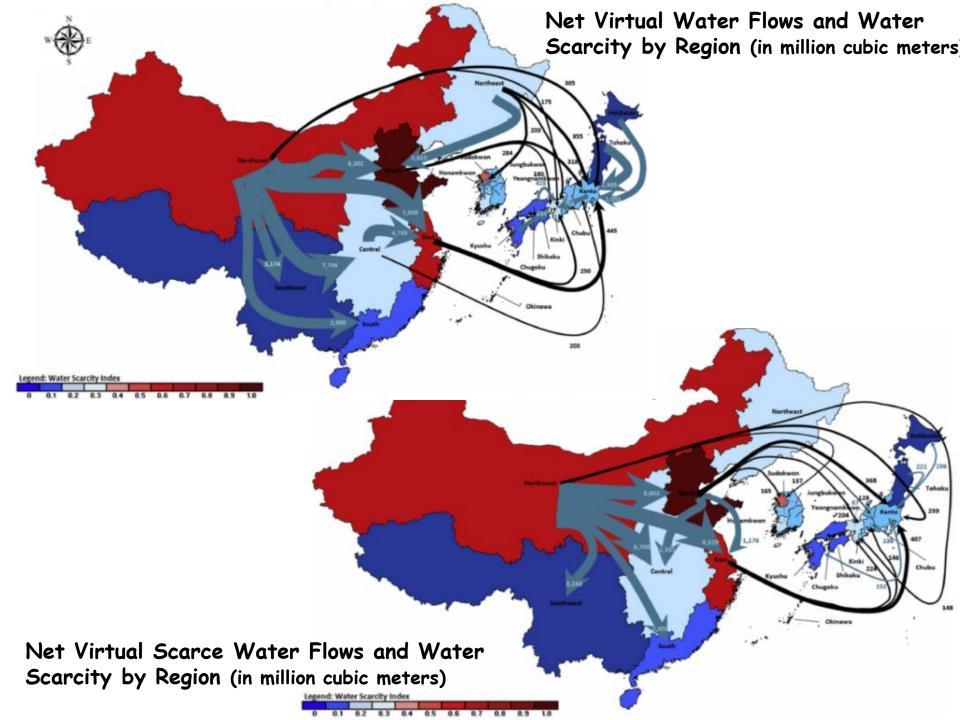


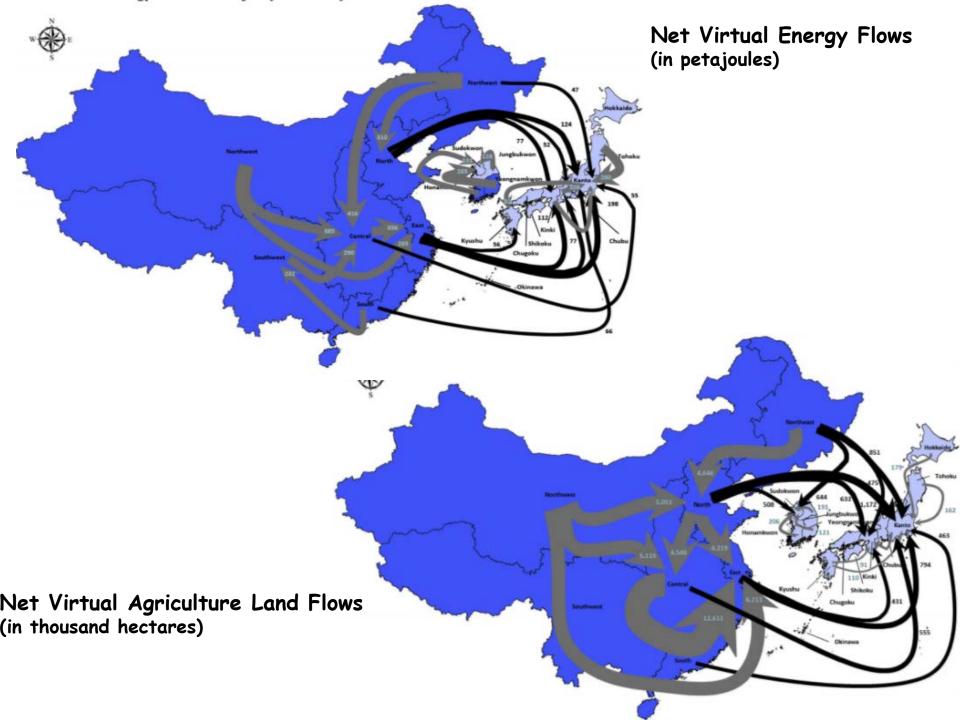
IIASA/FAO Land suitability and land productivity potential

# MRIO for subnational water, energy, food, GHG, $SO_x$ flows



White, David and Klaus Hubacek\*, Kuishuang Feng, Laixiang Sun, Bo Meng (In Press). The Water-Energy-Food Nexus in East Asia: A Tele-connected Value Chain Analysis Using Inter-Regional Input-Output Analysis. *Applied Energy*.





We see outsourcing of pollution and environmental pressure to China: E.g., Japan's consumption of textiles depends to 74% water, 79% energy, and 100% agriculture land from China.

In other words, Japan and South Korea externalize environmental impacts by importing low value added and pollution intensive commodities produced in China.

We see a similar pattern of outsourcing from rich to poor regions within China.

The nexus approach provides entry points in a defined economy to identify and manage tradeoffs between the (three) subsystems and across various spatial scales.

Net Virtual  $SO_{\times}$  Flows (in ten thousand metric tons)

# Main scientific de PROGRESS recent y

#### New indicators

- \* many more environmental and social indicators
- \* pressure > impact > damage

### Coupling of models

- \* physical/chemical process/transport models
- \* exposure / fate / life-cycle impact coupled with flows

### Big data

linking models with novel data

### Spatial resolution and crossing scales

spatial mapping and sub-national analysis linked within nested GMRIO

# 谢谢!

#### **Klaus Hubacek**

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### **Additional Slides**

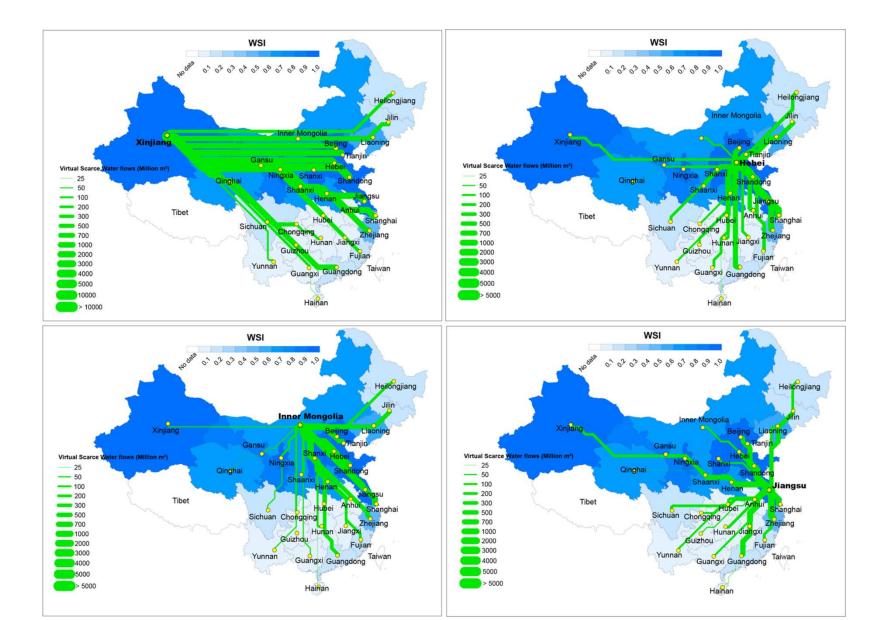
# Spatial mismatch - going subnational



# Accounting for impacts



#### Virtual Scarce Water in China

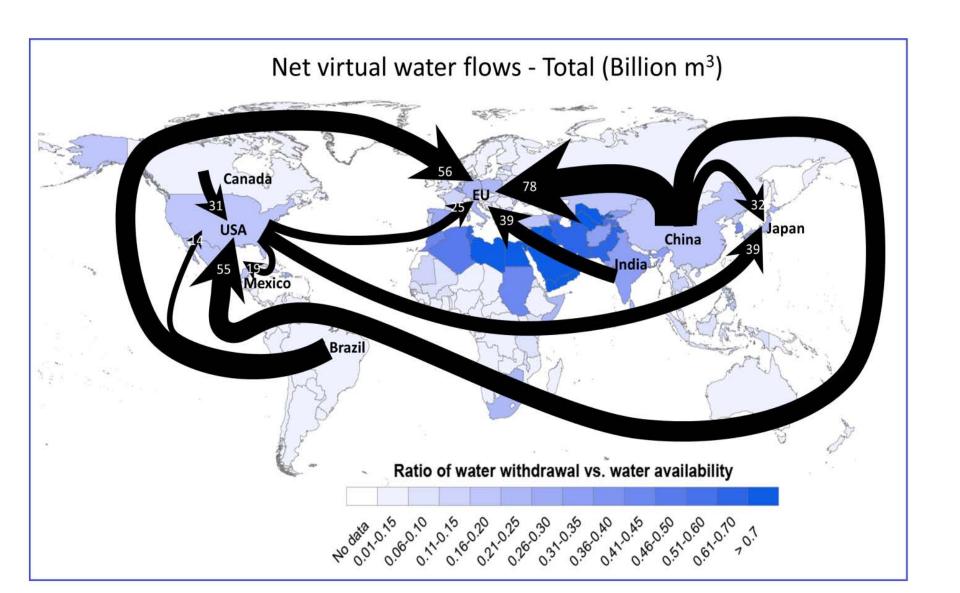


- Line 454: Our approach differs from the mainstream resource nexus literature in that we first quantify the economy-wide use of two resources, and then trace back their individual pathways through supply chains to quantify and categorize them. This contrasts with more traditional case study-based approaches which identify specific (inter)dependencies (e.g. water consumption in an energy-intensive sector) in a given context of resource scarcity, supply risk, etc. The value of our approach is that it helps to better understand the pathways leading to the simultaneous use of two or more resources from any given sector. For instance, whether such pathways relate to the use of resources on-site, through supply-chain dependencies or via reinforcing feedback loops.
- (abstract): Interdependencies or feedbacks are generally thought to be relevant for the WEN, especially between water and energy sectors. Our economy-wide analysis for both countries indicates, however, that feedbacks neither play an important role in the WEN nor substantially take place between water and energy sectors. The most important feedbacks contribute to less than 1% of total resource use, and these take place mostly between manufacturing sectors. Overall, the studied WEN is mostly driven by dependent pathways and, to a lesser degree, direct resource use.

Line 339: We find a generally consistent pattern across industries: pathways leading to the water-energy nexus become longer and more intertwined as supply chains grow in complexity. The water-energy nexus is often more evident in primary industries that require natural resources as factors of production, as resource use occurs on-site or in immediate suppliers. On the other hand, the water-energy nexus is less evident in manufacturing and service sectors, where most of the resource use takes place several steps upstream in their supply chain. This finding supports the conclusion of Li et al. (2012) and Okadera et al. (2015), who find supply chain effects to be important in the study of the water-energy nexus. In these cases, the residual accounts for a large share of the resource use, meaning that an important part of resource use is unknown as it takes place either in paths longer than ten steps and/or in multiple paths with little individual contribution (see section 'Structural Path Analysis').

• Line 362: Moreover, manufacturing, transport and service sectors in China describe longer paths for blue water with respect to the US. This can be explained by the relatively more intensive use of fertilizer in China (Li et al., 2013), which creates relevant water pathways in the manufacturing of a variety of food and clothing products, as well as services.

#### Global virtual water flows



# Coupling MRIO model and GAEZ model

- Inputs from MRIO model to GAEZ
- -- future land requirement for food production and economic development
  - -- future biofuel demand
- -- future water demand fro industrial production and services

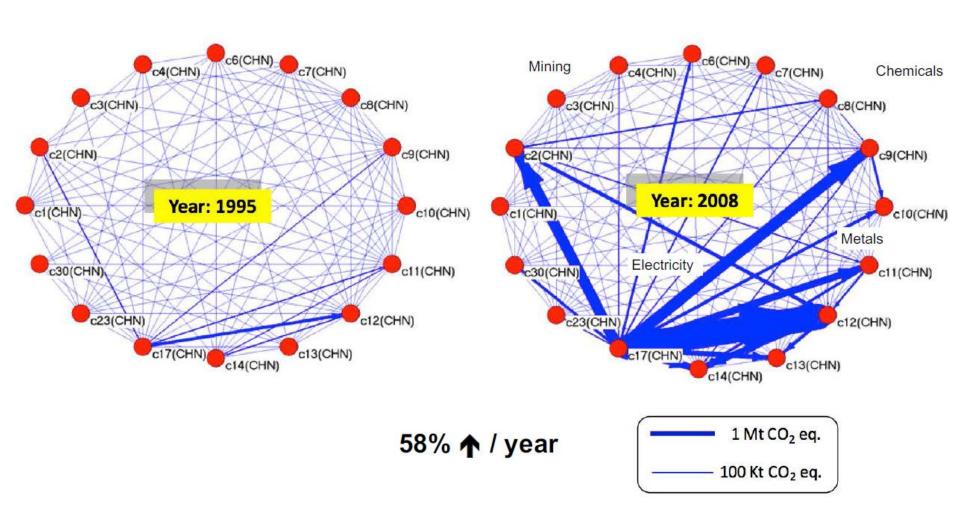
- Inputs from GAEZ to MRIO
  - -- sectoral land use

# Moving from environmental accounts to environmental impacts

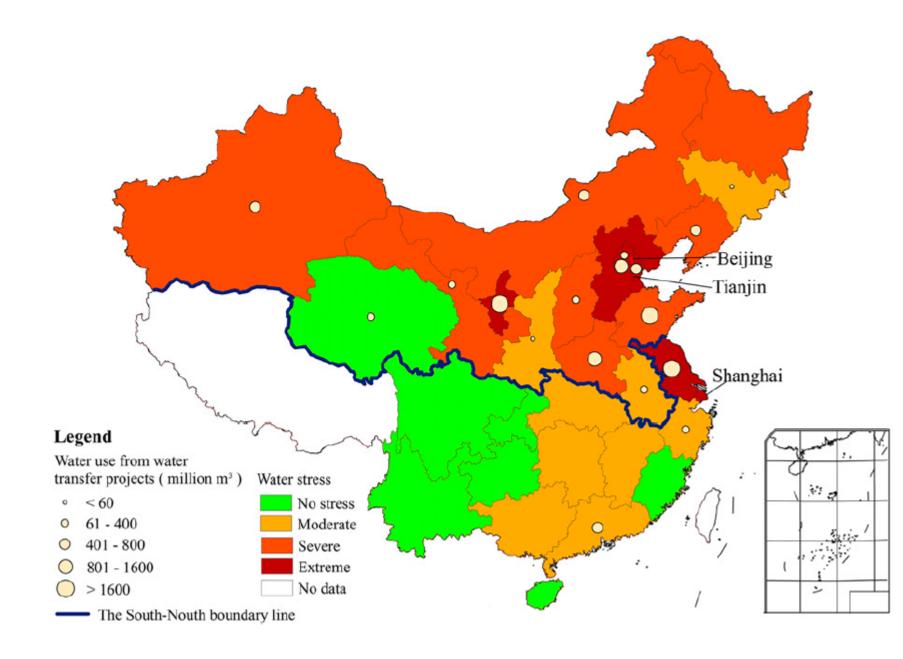
- Environmental footprints for countries, regions, and cities have been calculated for greenhouse gases, land, water, and a growing number of other environmental stressors, but often without quantifying the environmental impacts on local and regional ecosystems.
- Environmental indicators, such as water consumption and land use, can be weighted by a resource scarcity index, as well as emissions that can be characterized concerning their potential environmental or health damage.
- This is standard procedure in life cycle assessment but rarely seen in footprinting studies.

#### Interconnectivity

GHG emissions cluster in China induced by US demand in construction



Kagawa S, Suh S, Hubacek K et al (2015) CO2 emission clusters within global supply chain networks: Implications for climate change mitigation. *Global Environmental Change*, **35**, 486-496





Environment vs. Economy

# Global Agro-Ecological Zones (GAEZ) model

- GAEZ model is an integrated global assessment model for food security and sustainable agricultural resource use and development.
- It provides an integrated agro-ecological methodology.
- As well as a comprehensive global database for the characterization of climate, soil, and terrain conditions relevant to agricultural production
- It can be used to for assessing the regional and global land potential productivity in terms of net primary production (NPP), carbon sequestration bio-capacity, crop water requirements, and supply of food, feed, and fibers.

### Integrated Impact Assessment

#### Food security

- -- future food demand and potential food shortage based on land suitability for land expansion
  - -- Impact of future biofuel production on food security

#### Energy Security

- -- water scarcity impact on electricity production
- -- water scarcity and climate change impact on biofuel production

#### Water security

- -- Water stress from over-withdrawal water for economic development
- -- Impact of future food production on water demand and local water scarcity.
- -- Water consumption for electricity use and associated impact on scarcity

### Webber, ME (17 articles)

- Mechanical Engineering
- The University of Texas at Austin

Chen, B (15)

- School of Environment
- Beijing Normal University

Farid, AM (14)

- Mechanical Engineering
- Dartmouth College

Stillwell, AS (11)

- Civil and Environmental Engineering
- University of Illinois

Ringler, C (9)

- Agricultural Economics
- International Food Policy Research Institute (IFPRI), Washington D.C.

Most productive authors

# Top manuscripts (>90 citations)

Considering the energy, water and food nexus: Towards an integrated modelling approach (2011)

- M Bazilian et al.
- Energy Policy, Volume 39, Issue 12, 2011.

The water-energy nexus in Middle East and North Africa (2011)

- A Siddiqi & L Diaz Anadon
- Energy Policy, Volume 39, Issue 8, 2011.

The water implications of generating electricity: water use across the United States based on different electricity pathways through 2050 (2012)

- J Macknick et al.
- Environmental Research Letters, Volume 7, Number 4, 2012.

Policy and Institutional Dimensions of the Water-Energy Nexus (2011)

- CA Scott et al.
- Energy Policy, Volume 39, Issue 10, 2011.

#### Sources

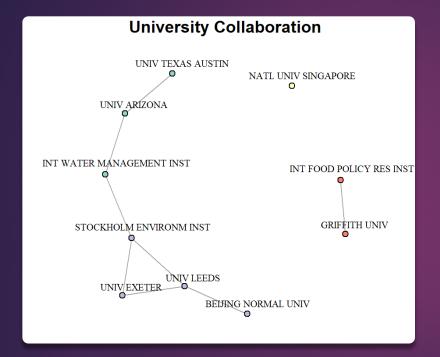
Environmental	Impact factor: 4.404	JCR® Category		Ran	ık ın Category	Quartile in Category
Environmental	III Pact factor. 4.404		AL SCIENCES 2		5 of 229	Q1
Research Letters	5-Year Impact: 5.221	METEOROLOGY & ATMOSPHERIC SCIENCES		ERIC	8 of 85	Q1
Journal of Cleaner	Impact factor: 5.715			JCR® Category ENGINEERING, ENVIRONMENTAL		stegory Quartile in Calegory 49 Q1
Production	C \/     / 007		NTAL SCIENCES 17 of 2 ISTAINABLE SCIENCE & 5 of 3 SY		3.5.10	
Water	Impact factor: 1.832	JCR® Category Rank in		Rank in Cate	Category Quartile in Category	
	5-Year Impact: 2.056	WATER RESOURCES 34		34 of 8	38 Q2	
International Journal of Water Resources  Development	Impact factor: 2.088	JCR® Category Rank		Rank in Cate	n Category Quartile in Category	
	5-Year Impact: 1.944	WATER RESOURCES 27		27 of 8	88	Q2
Applied Energy	Impact factor: 7.182			gory	Rank in Catego	ry Quartile in Category
	5-Year Impact: 7.500			RING, CHEMICAL 4 of		Q1

#### Universities (top 10)

- 1. University of Texas at Austin, US (26)
- 2. Beijing Normal University, China (19)
- 3. Griffith University, Australia (12)
- 4. University of Arizona, US (12)
- 5. National University of Singapore (11)
- 6. University of Illinois, US (11)
- 7. University of Queensland, Australia (10)
- 8. Masdar Institute of Science and Technology, UAE (10)
- 9. University of Oxford, UK (10)
- 10. International Water Management Institute, Sri Lanka (10)

#### Summary-bibliometrics

- Annual Percentage Growth rate up to 2016: 42%
- ▶ Authors per article: 2.6
- ► Top cited manuscript:
  - Considering the energy, water, and food nexus: Towards an integrated modelling approach by Bazilian, M. et al. (2011) *Energy Policy*. (>150 citations)
- While some nexus issues are mostly location-dependent (e.g. water use from constrained reservoirs), there is an explicitly global dimension as local constraints can be mediated by trade, as illustrated by virtual water trade and land use displacement. Moreover, most of the nexus literature focuses on particular industries, such as food and energy, where large quantities of natural resources are directly used. In consequence, those industries with no immediate resource implications or in which resource interdependencies reside across complex and global supply chains are overlooked.



## University Collaboration

#### Summary-definitions

- Previously these systems have been dealt with in separation.
- The Nexus framework enables integrated approaches focusing on the linkages between socio-ecological systems and seeks comprehensive solutions (Liu et al., 2015).
- This framework allows to anticipate unforeseen consequences, identify trade-offs and co-benefits and find optimal solutions between competing interests.
- The water-energy nexus is often more evident in primary industries that require natural resources as inputs, such as agriculture, fuel extraction, and power generation, as resource use occurs on-site. On the other hand, the water-energy nexus is less evident in manufacturing and service sectors, where most of the resource use takes place several steps upstream in their supply chain.