

WORLD ENERGY OUTLOOK 2012

World Energy Outlook 2012

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■ Foundations of global energy system shifting

- *Resurgence in oil & gas production in some countries*
- *Retreat from nuclear in some others*
- *Signs of increasing policy focus on energy efficiency*

■ All-time high oil prices acting as brake on global economy

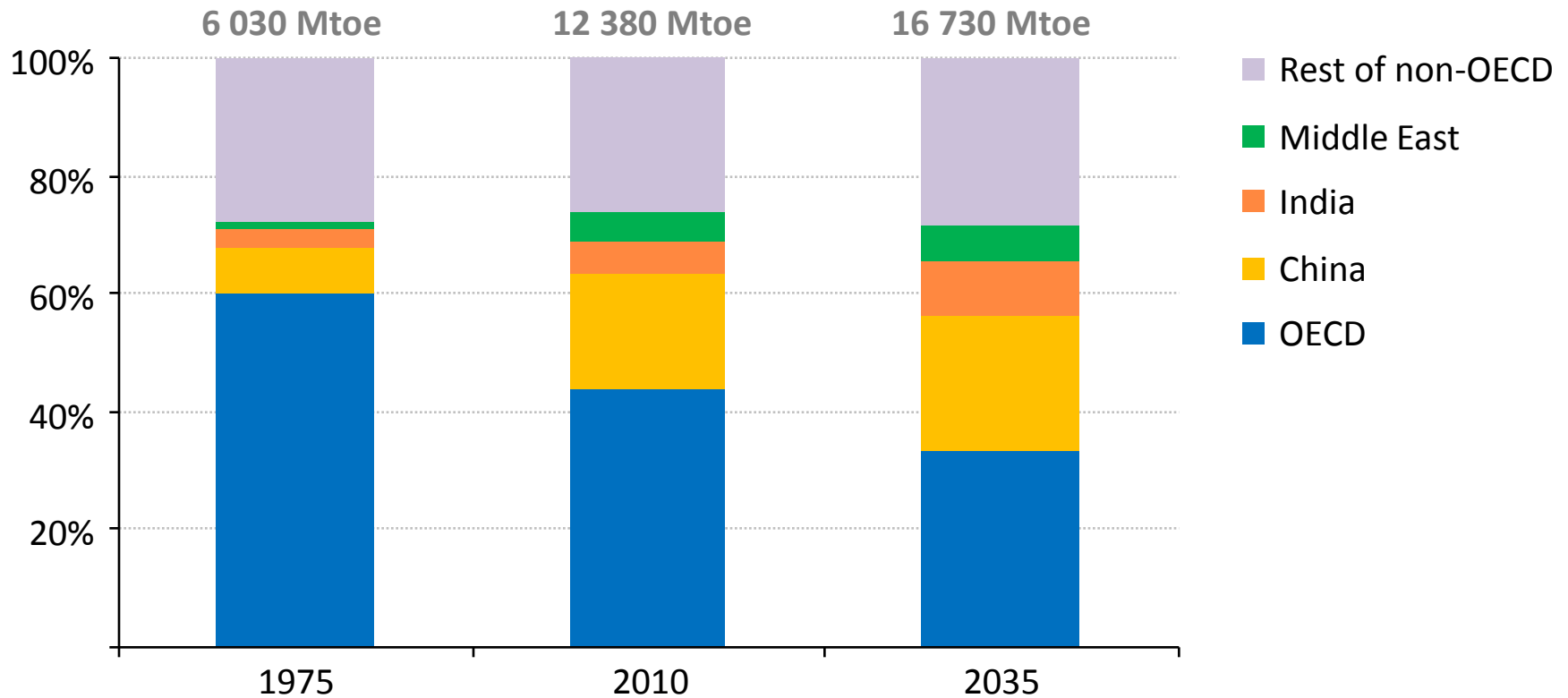
- *Divergence in natural gas prices affecting Europe (with prices 5-times US levels) and Asia (8-times)*

■ Symptoms of an unsustainable energy system persist

- *Fossil fuel subsidies up almost 30% to \$523 billion in 2011, led by MENA*
- *CO₂ emissions at record high, while renewables industry under strain*
- *Despite new international efforts, 1.3 billion people still lack electricity*
- *Water increasingly crucial for assessing the viability of energy projects*

Emerging economies steer energy markets

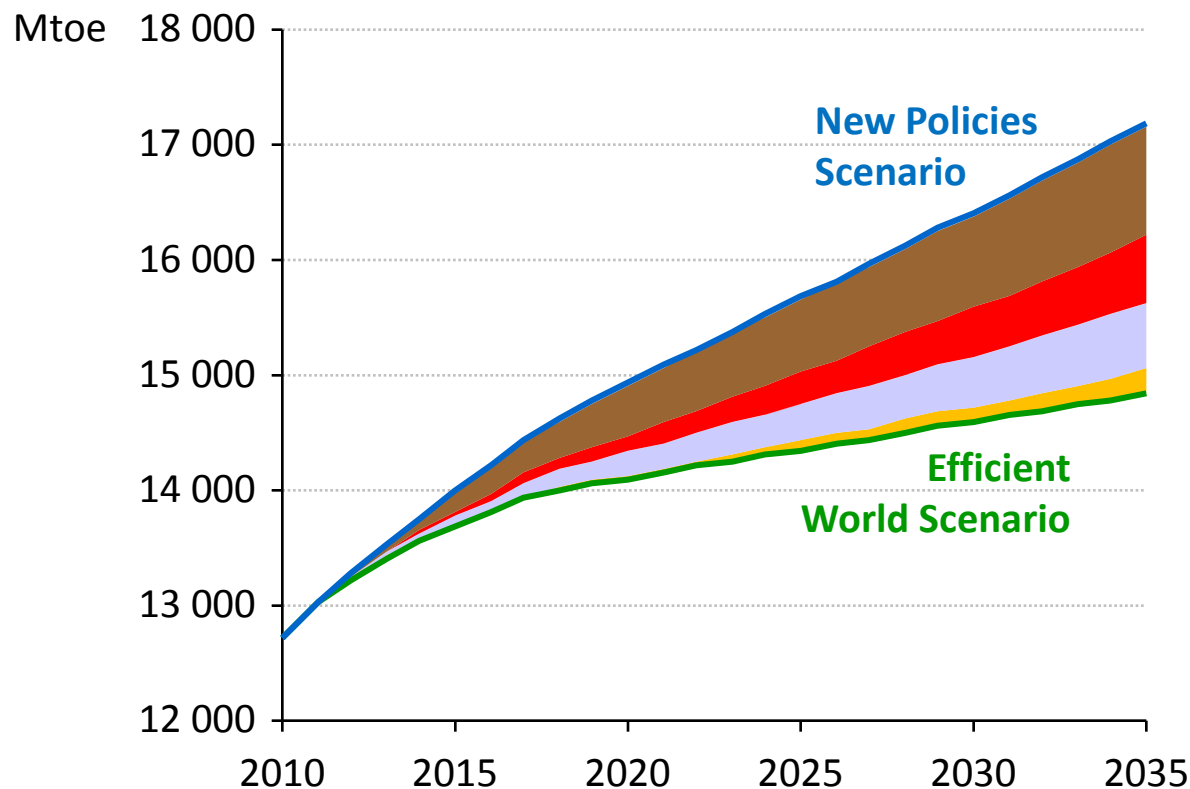
Share of global energy demand



Global energy demand rises by over one-third in the period to 2035, underpinned by rising living standards in China, India & the Middle East

The Efficient World Scenario: a blueprint for an efficient world

Total primary energy demand



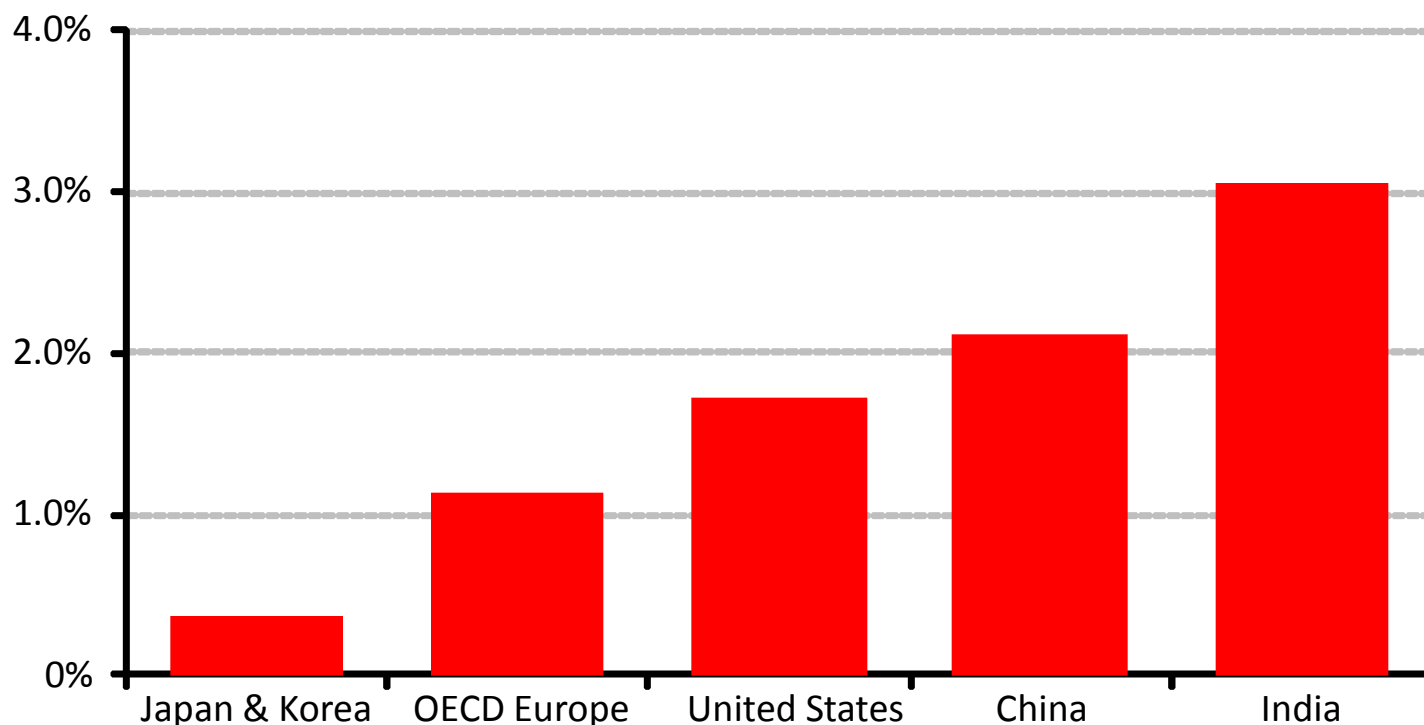
Reduction in 2035

Coal	1 350 Mtce
Oil	12.7 mb/d
Gas	680 bcm
Others	250 Mtoe

***Economically viable efficiency measures can halve energy demand growth to 2035;
oil prices are \$15 per barrel lower by 2035 due to oil demand savings***

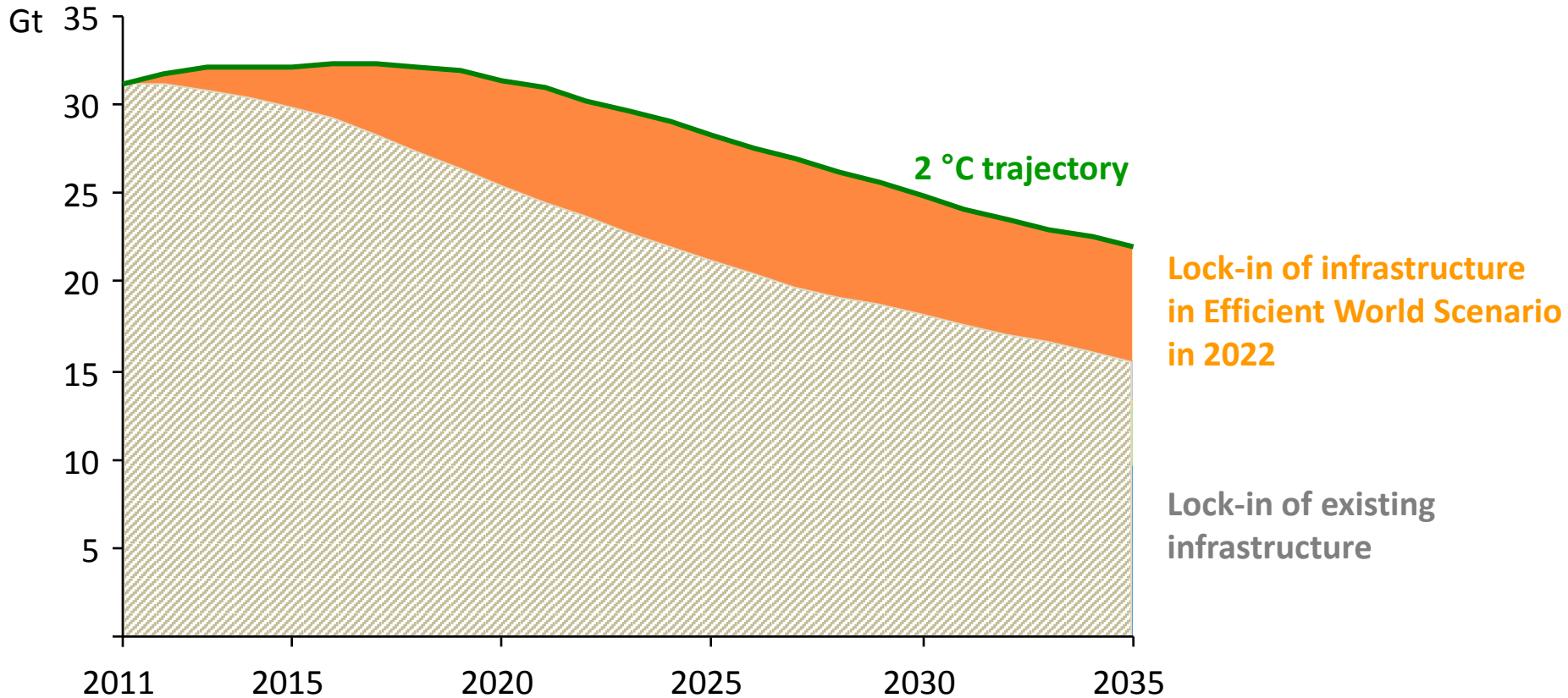
Energy efficiency can help drive economic prosperity

GDP in Efficient World Scenario versus New Policies Scenario, 2035



Cumulative investments in energy efficiency of \$12 trillion are more than offset by fuel savings & trigger economic growth of a cumulative \$18 trillion

The Efficient World Scenario delays carbon lock-in



Energy efficiency can delay “lock-in” of CO₂ emissions permitted under a 2 °C trajectory – which is set to happen in 2017 – until 2022, buying five extra years

Making energy efficiency a reality

■ Good governance

- *Government leadership, effective co-ordination & administrative capacity*

■ Consumer priority

- *Increase visibility of efficiency and its economic gains*

■ Affordability

- *Availability of financing instruments & subsidies removal*

■ Make it the norm

- *Introduce, monitor and enforce standards that will embed efficiency*