



The 6th OPEC International Seminar

Vienna, Austria, 3rd June 2015



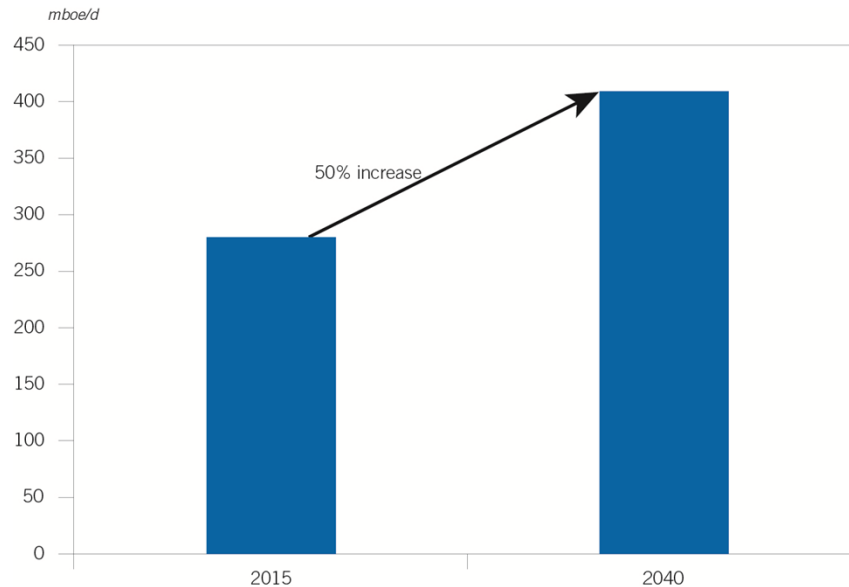
Session I: 'Global Energy Outlooks'

Abdalla Salem El-Badri
OPEC Secretary General



The global energy outlook

Global energy demand by 2040

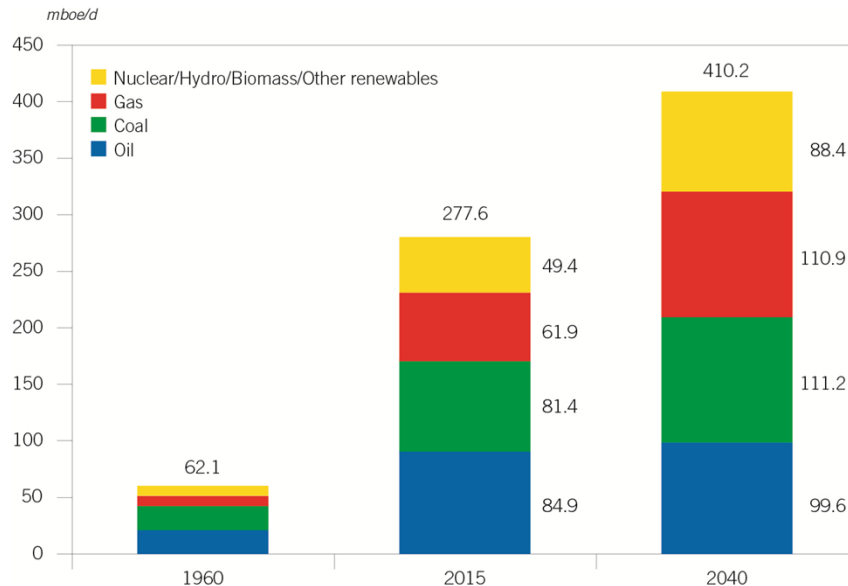


- The world will need more energy in the decades ahead
- There are enough resources to meet the expected future energy needs
- Future energy requirements must balance the needs of people in relation to their social welfare, the economy and the environment



What is expected from energy sources by 2040?

Total energy supply, 1960, 2015 and 2040



- Renewables grow fast, but from a low base
- Shares of biomass, nuclear and large hydro remain steady
- Fossil fuels will continue to satisfy the major share of the world's energy needs
- By the 2030s, the share of oil, gas and coal are anticipated to be at similar levels, at around 25-27%



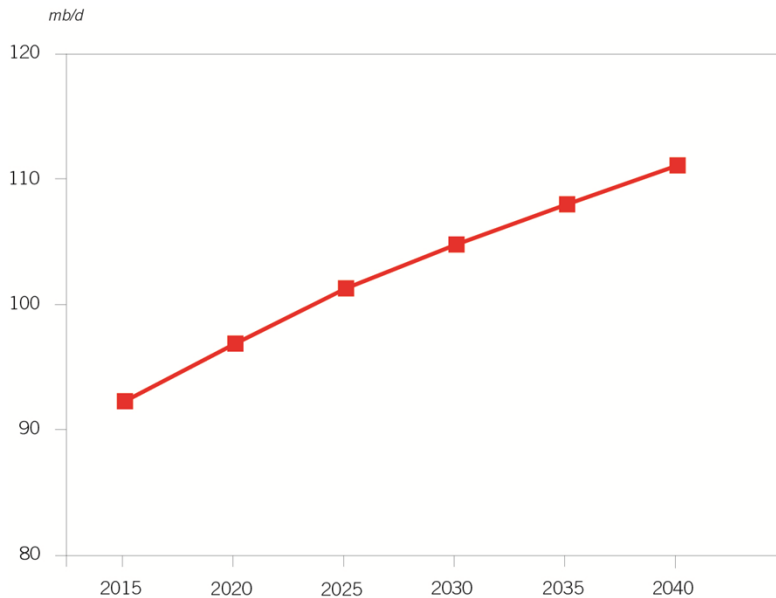
Practical, realistic, logical and equitable future

- **Over the past two centuries, much of our economic growth has been fuelled by fossil fuels. There have been real benefits:**
 - improved living standards
 - helped create jobs and industries
 - increased life expectancies
- **However, this has not been the story for everyone:**
 - 2.7 billion still rely on biomass for their basic needs
 - 1.3 billion have no access to electricity
- **These people need access to reliable, safe and secure modern energy services**
- **The environment and climate change is a concern for us all, but we also need to keep in mind all three pillars of sustainable development. The ‘economic, environmental and social’ pillars mean different things to different people**



Better understanding the energy future

Global oil demand outlook



- For oil, demand increases to 111 mb/d by 2040, an increase of around 18 mb/d. This will require huge investments
- It is vital to have a clear understanding of our energy future, in terms of demand and supply
- Certainty is required for these investments; no-one wants to waste huge amounts of capital on unused plants and equipment
- Oil producers cannot standstill. Diversity is essential – develop other sources of income, utilize other sources of energy



Challenges, concerns and cooperation

- **Need to evolve to ever-changing circumstances – for example, the current market situation**
- **Other uncertainties**
 - Global economic prospects
 - Geopolitics
 - Technology
 - Role of financial markets and speculation
 - Manpower bottlenecks
- **Some of these challenges and uncertainties can be faced together**
 - Importance of advancing the producer-consumer dialogue, as well as cooperation with other stakeholders



A sustainable energy future for all

- None of us can plot the exact path of our energy future
- But our shared objective must be a stable and sustainable energy future for all
- Need to appreciate issues related to:
 - Social welfare, economics and the environment
 - Views of developed and developing countries
 - Those that have access to modern energy services, and those that have no access at all
 - And the need to be PRACTICAL, REALISTIC, LOGICAL and EQUITABLE when thinking and planning ahead



3rd June 2015

Thank you



www.opec.org