16th International Energy Forum

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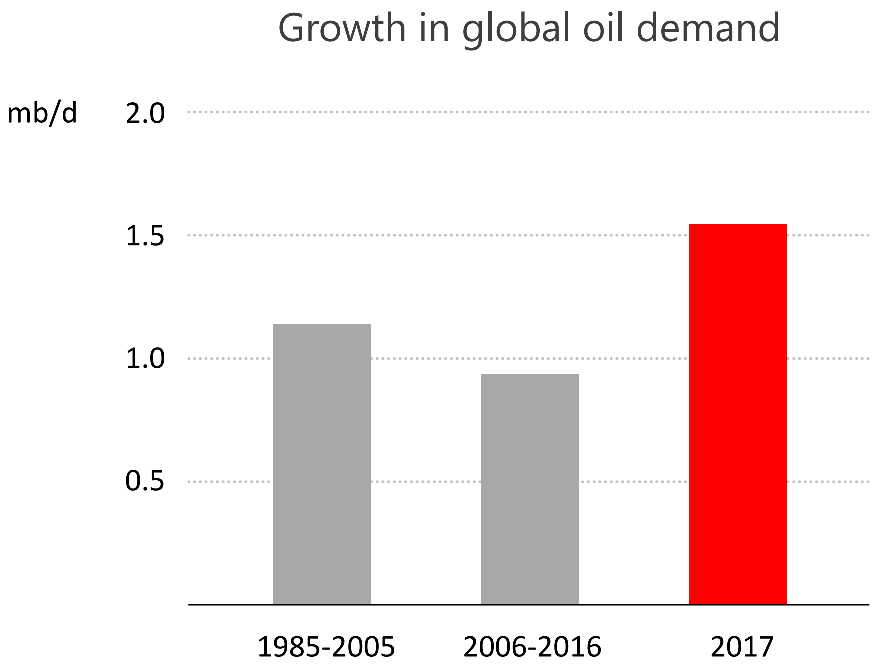
New Delhi, India, 11-12 April 2018

IEA

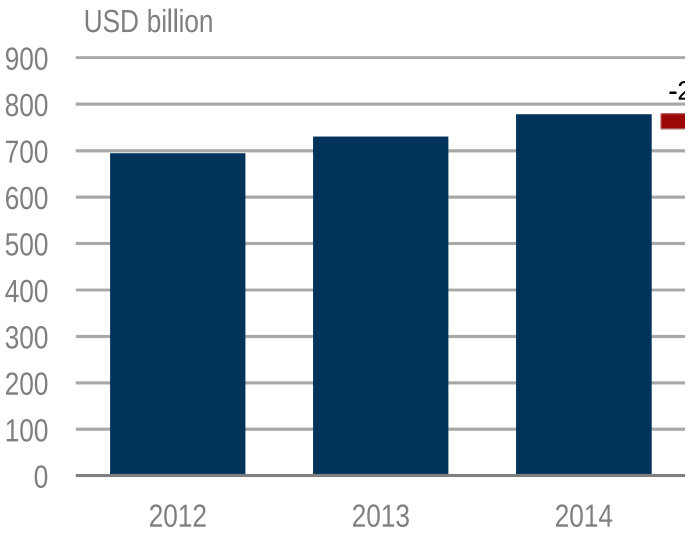
Global oil demand is on the rise



Global oil demand rose by 1.6% in 2017, twice the rate seen over the last decade, underpinned by more SUVs, trucks and growth in petrochemicals

Lower upstream spending could lead to tighter markets

Global oil and gas upstream capital spending 2012-2018

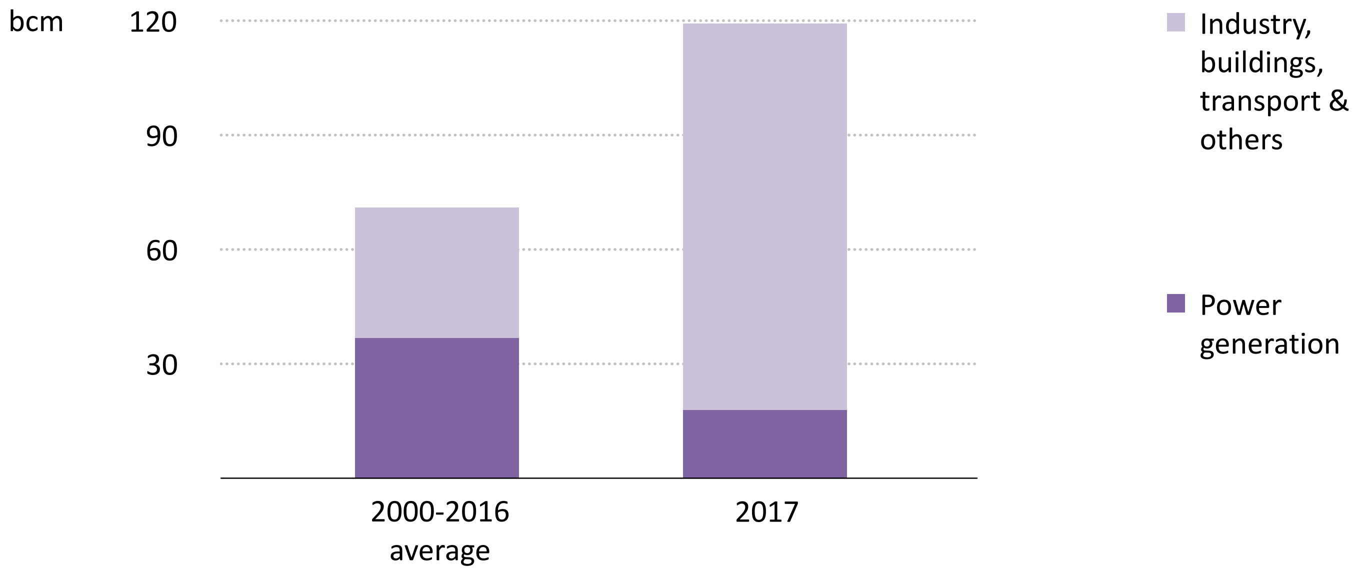


*Preliminary based on selection of investment updates

Investment in US shale has been remarkably resilient, but lower spending elsewhere could spell trouble for oil markets in the 2020s given field declines and robust demand

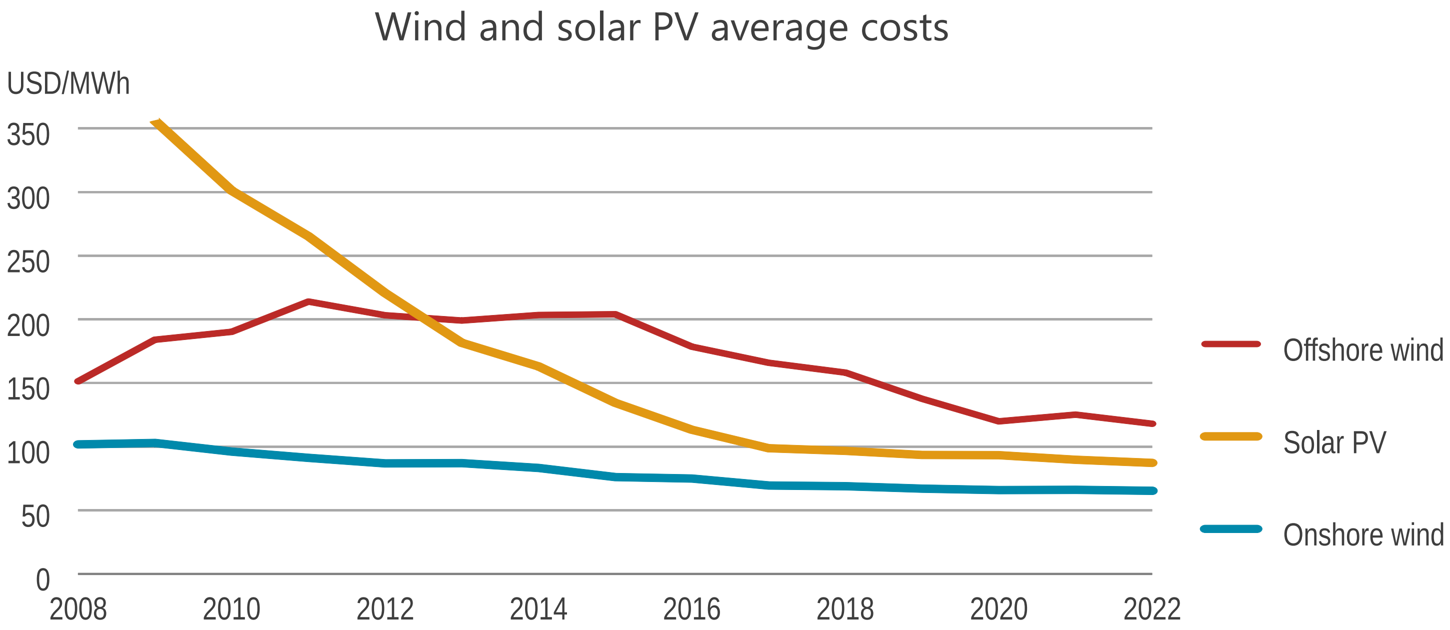
Natural gas consumers are responding to lower prices

Growth in global gas demand



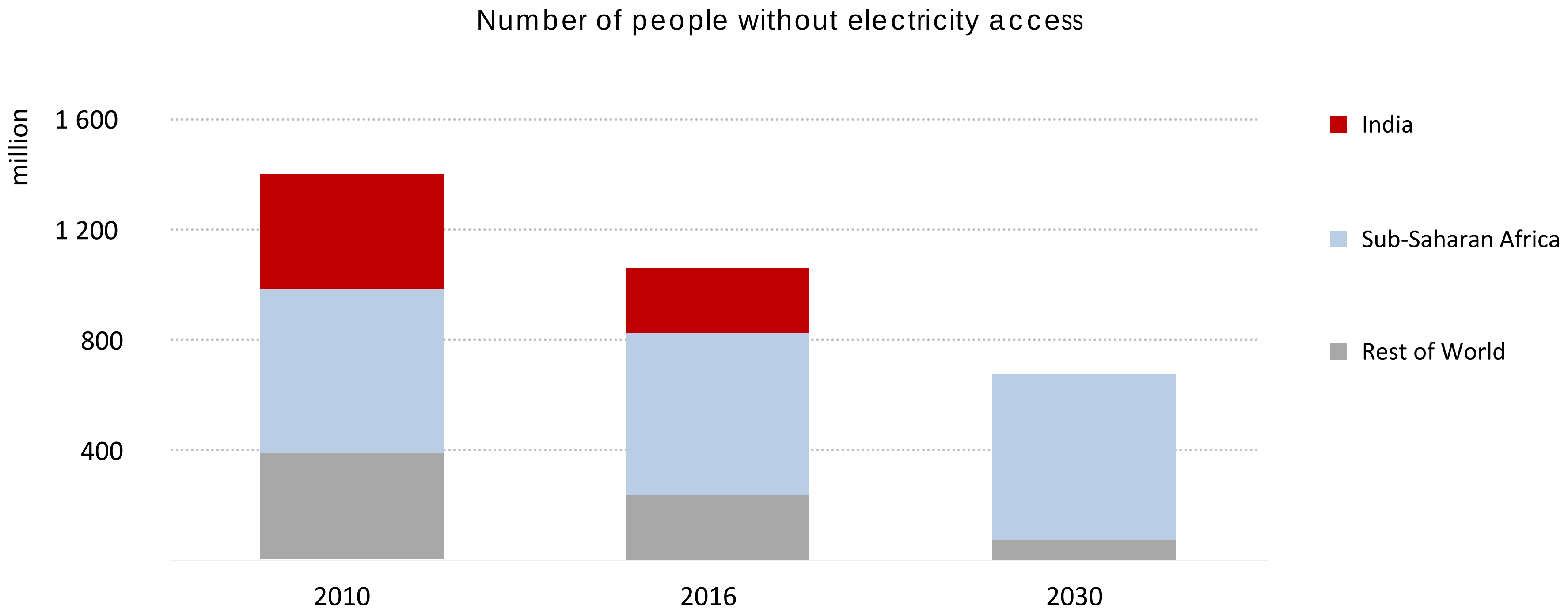
The strong growth in gas demand in 2017 was not driven by the power sector, but by greater use in industry & buildings; China accounted for 30% of the increase in global gas demand

Wind and solar PV costs continue to fall



Large-scale deployment of wind and solar PV – led by China, Europe, the United States and India – is pushing technology costs lower; more investments & new policy approaches are needed for effective grid integration

Universal electricity access: a key strategic challenge for all of us



Strong policy support in India in recent years has brought the goal of universal access within reach, although more effort will be required to reach the worldwide target of 'energy for all' by 2030

Conclusions

- The need for investment in oil has not diminished, given continued growth in demand & 3 mb/d of declines from mature fields each year
- The versatility of natural gas means that it is well placed to grow, but competitive prices and continued attention to gas security are vital
- Electrification & digitalisation creates new opportunities in the global energy system, but also risks that policy makers have to address
- After 3 years of remaining flat, global energy-related CO_2 emissions grew in 2017 – in part due to less emphasis being placed on energy efficiency
- The IEA is committed to close cooperation & dialogue to ensure a future of reliable, affordable and clean energy

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