

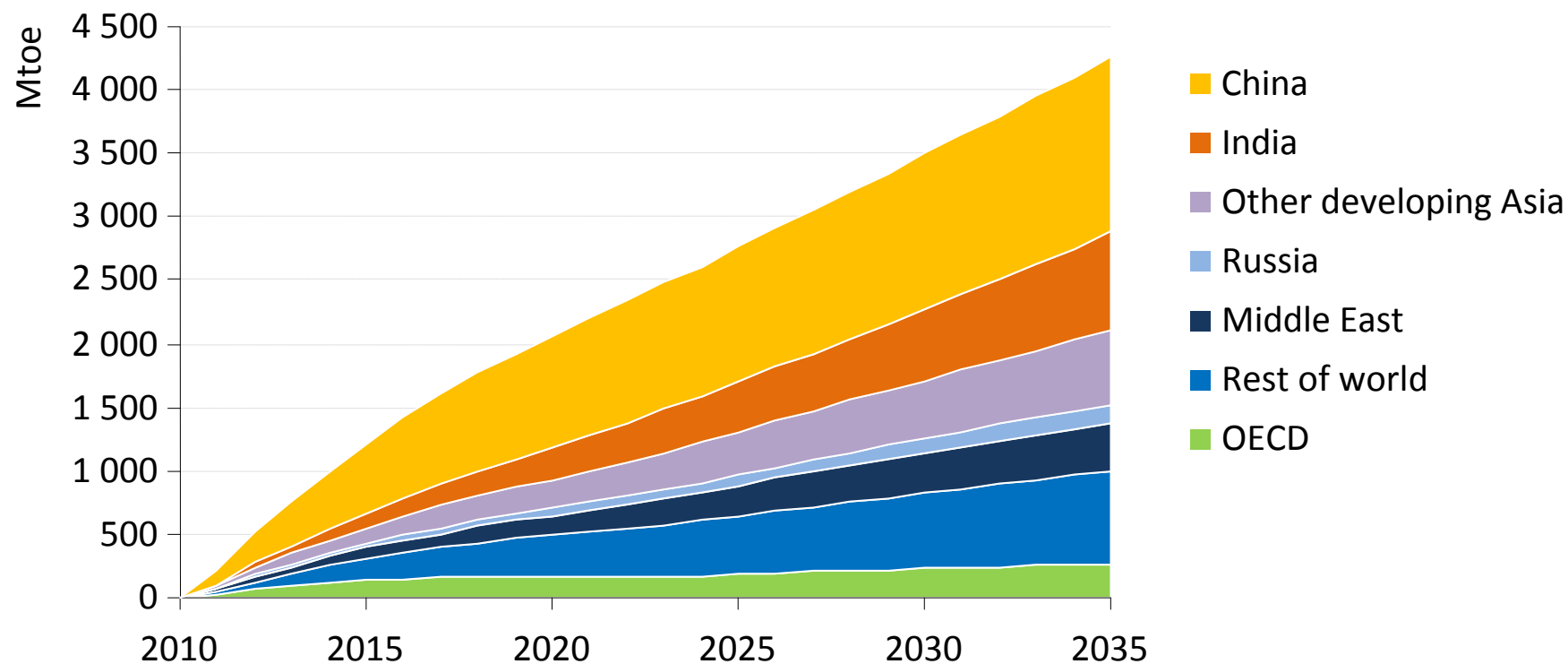
Energy trends and low emissions strategies for Asia-Pacific

Laura Cozzi
Deputy Head, Office of the Chief Economist
4 June 2012, Brussels

Emerging economies continue to drive global energy demand

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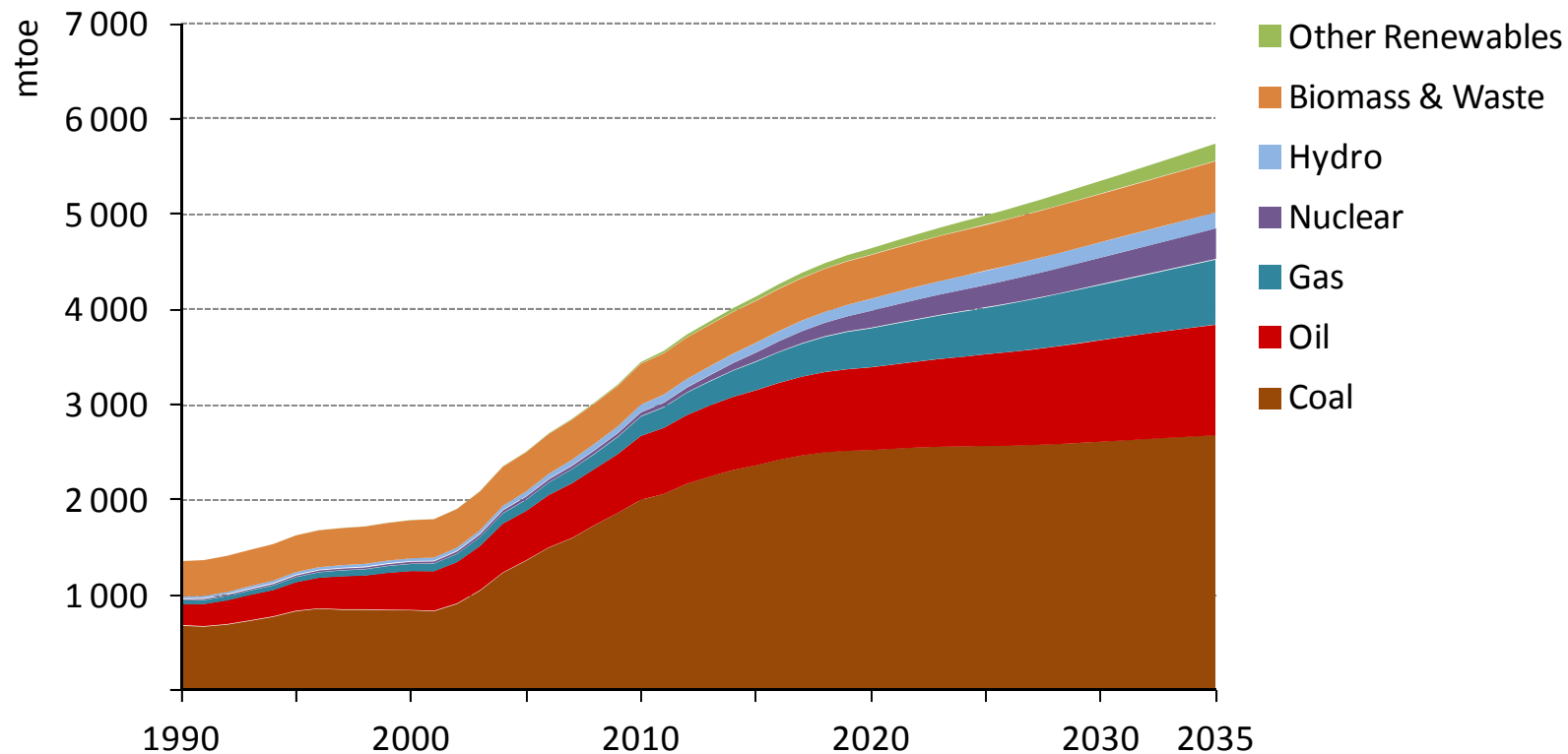
Growth in primary energy demand in the New Policies Scenario



Global energy demand increases by one-third from 2010 to 2035, with China, India and other developing Asia accounting for over 60%

Primary energy demand in APEC economies in the New Policies Scenario

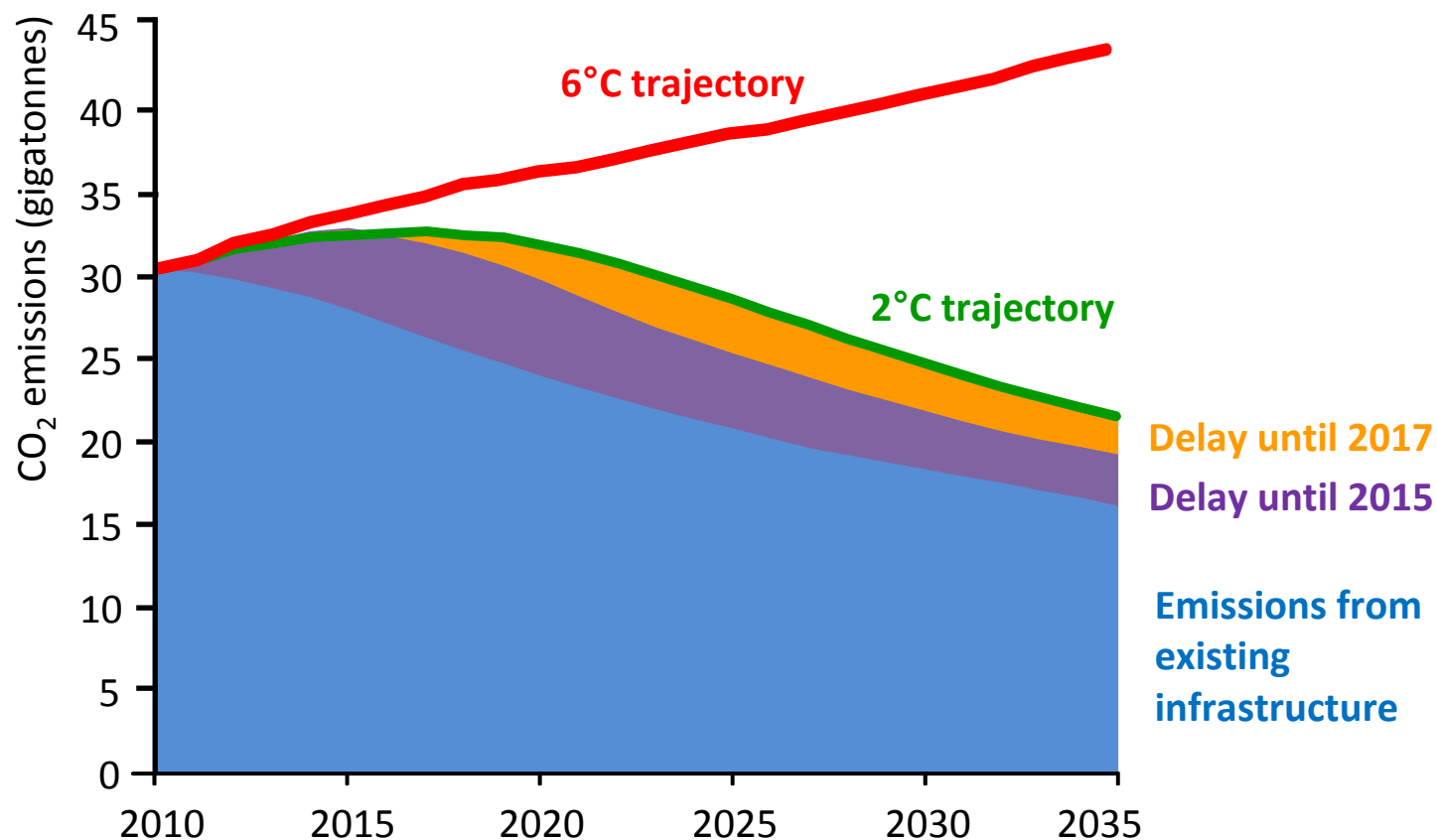
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Energy demand expands by 67% between now and 2035 – an average rate of increase of 2.1% per year – with fossil fuels remaining dominant in the energy mix

*The door to 2°C is closing,
but will we be “locked-in” ?*

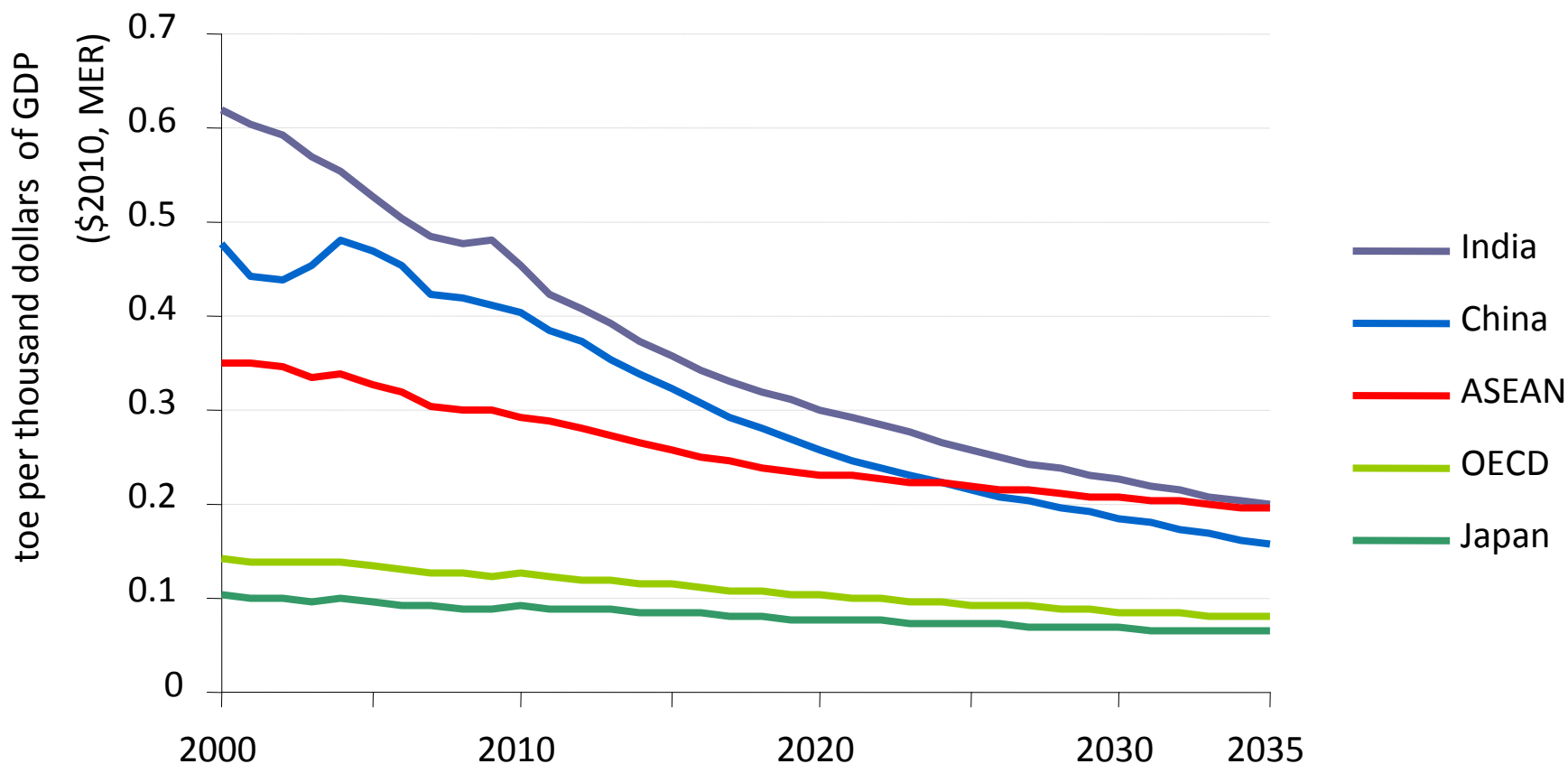
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Without further action, by 2017 all CO₂ emissions permitted in the 450 Scenario will be “locked-in” by existing power plants, factories, buildings, etc

Significant potential remains to improve energy efficiency in Asia

Projected energy intensity in the New Policies Scenario

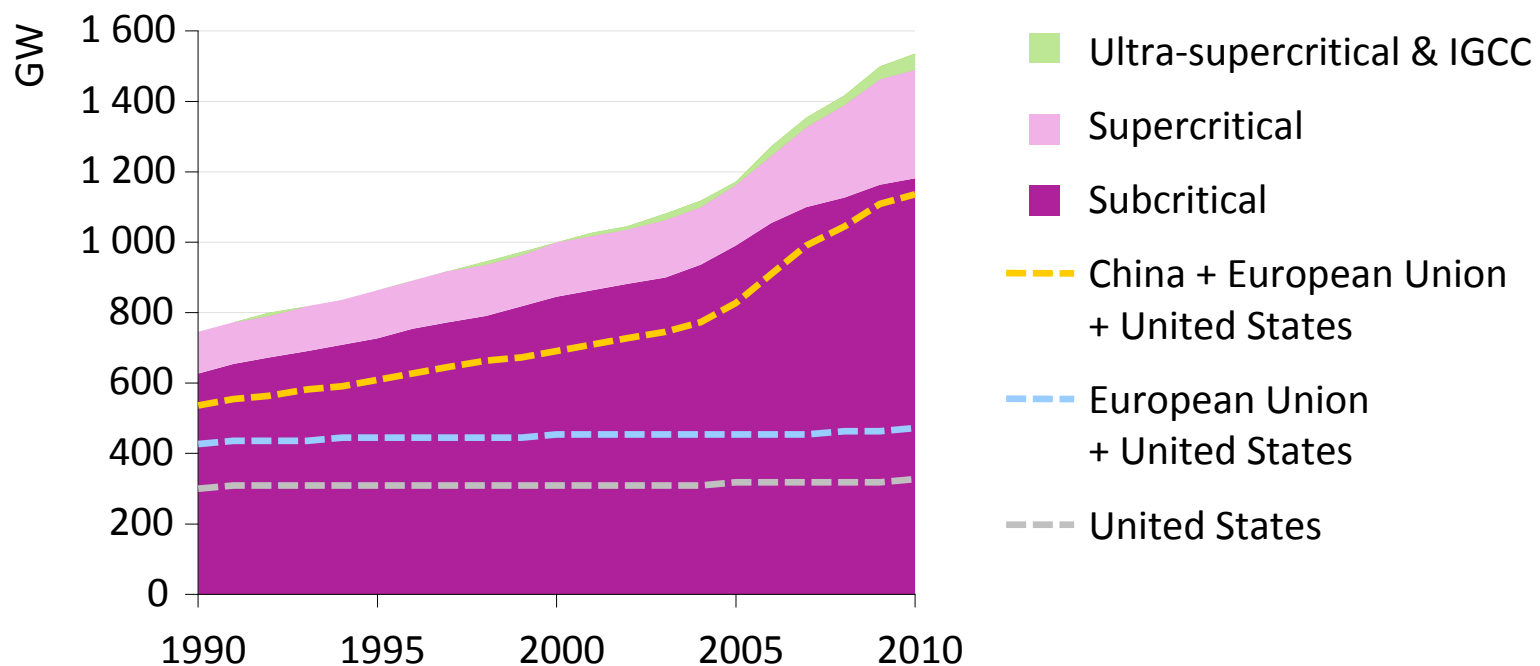


The policies that are assumed to be introduced in the New Policies have a significant impact on the rate of decline in energy intensity throughout Asia

***Most new coal-fired power stations
are still low-efficiency...***

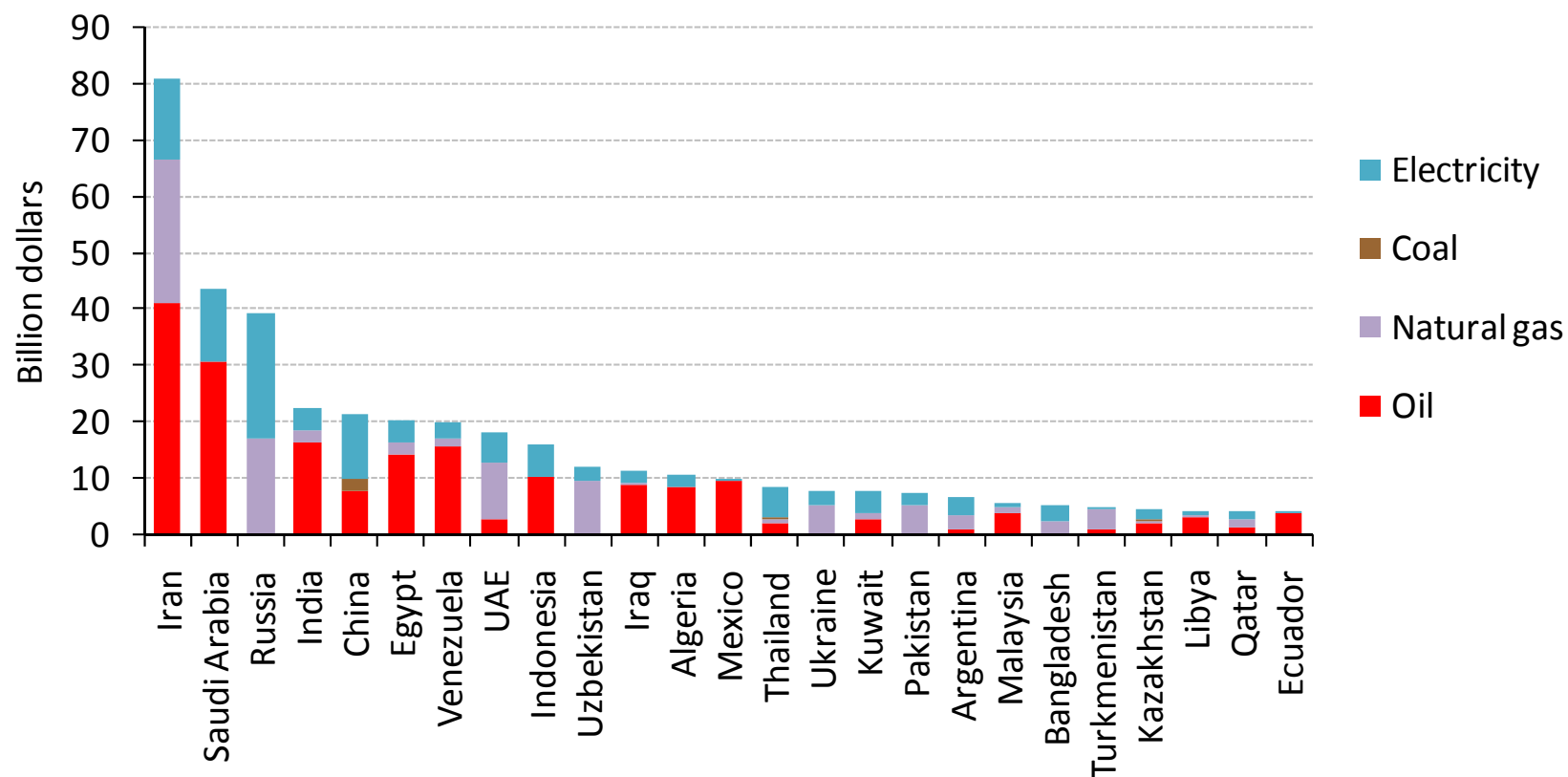
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World coal-fired generating capacity by type and major region



Coal-fired capacity accounted for 33% of all the generating capacity additions worldwide over 1990-2010, the bulk of it low-efficiency subcritical plant in China & India

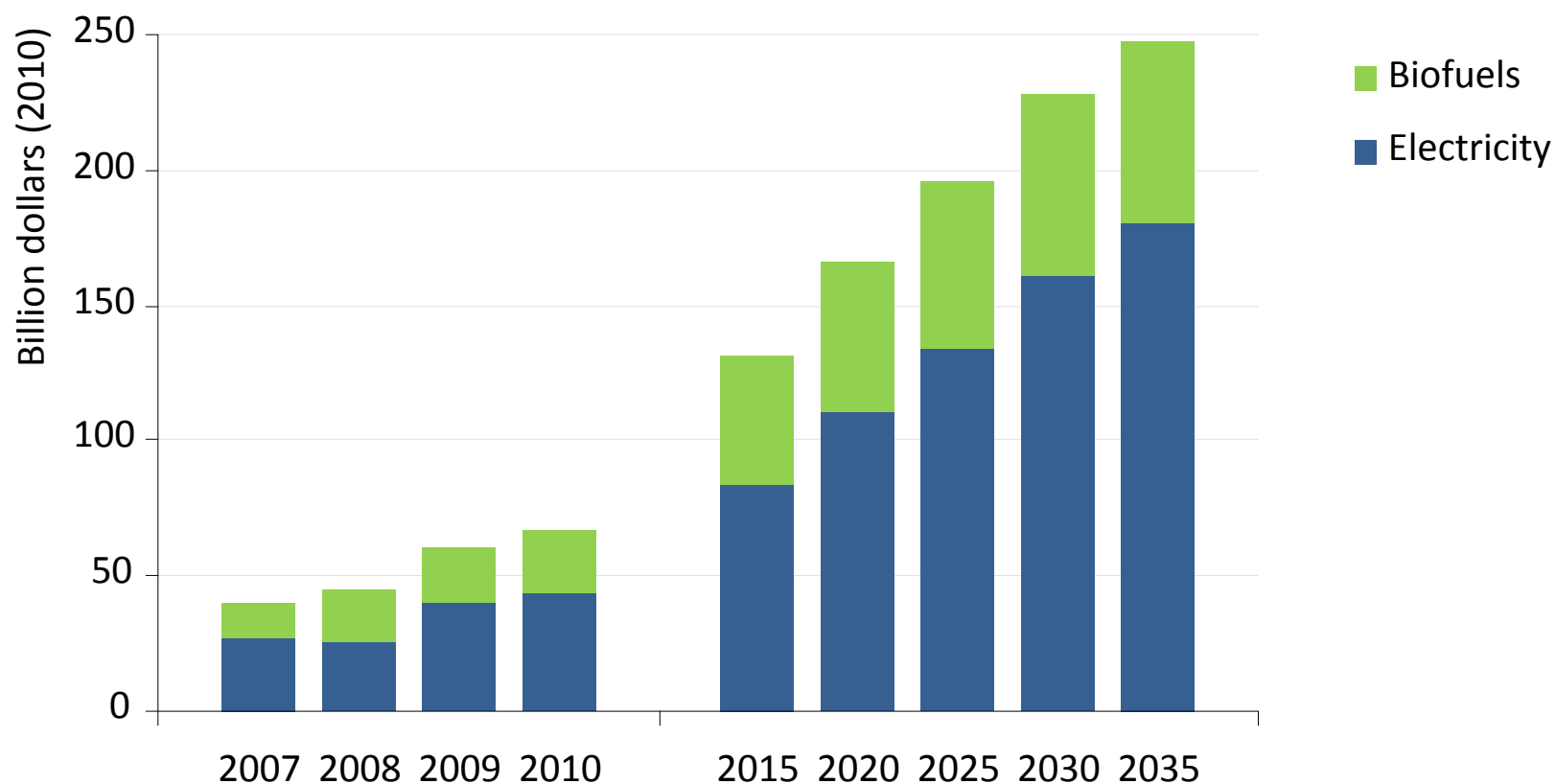
Fossil-fuel consumption subsidies for top twenty-five countries, 2010



**Fossil-fuels subsidies amounted to \$409 billion in 2010 .
Subsidies removal would save 0.6 Gt in APEC by 2020.**

The overall value of subsidies to renewables is set to rise

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Renewable subsidies of \$66 billion in 2010 (compared with \$409 billion for fossil fuels), need to climb to \$250 billion in 2035 as rising deployment outweighs improved competitiveness

*If we don't change direction soon,
we'll end up where we're heading*

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- In a world full of uncertainty, one thing is sure: rising incomes & population will push energy needs higher, especially in Asia Pac
- Persistent fossil fuel subsidies encourage wasteful energy consumption, hindering energy efficiency and growth
- Short term priorities to “buy time” towards transition - e.g., efficiency and fuel switching (renewables, gas)
- Steadfast international co-operation and action is needed to transform the energy sector
- Despite steps in the right direction, the door to 2°C is closing. Quick action from all parties is needed.