

The 55th Meeting of APEC Energy Working Group (EWG)
Hong Kong, China, 16-17 May 2018

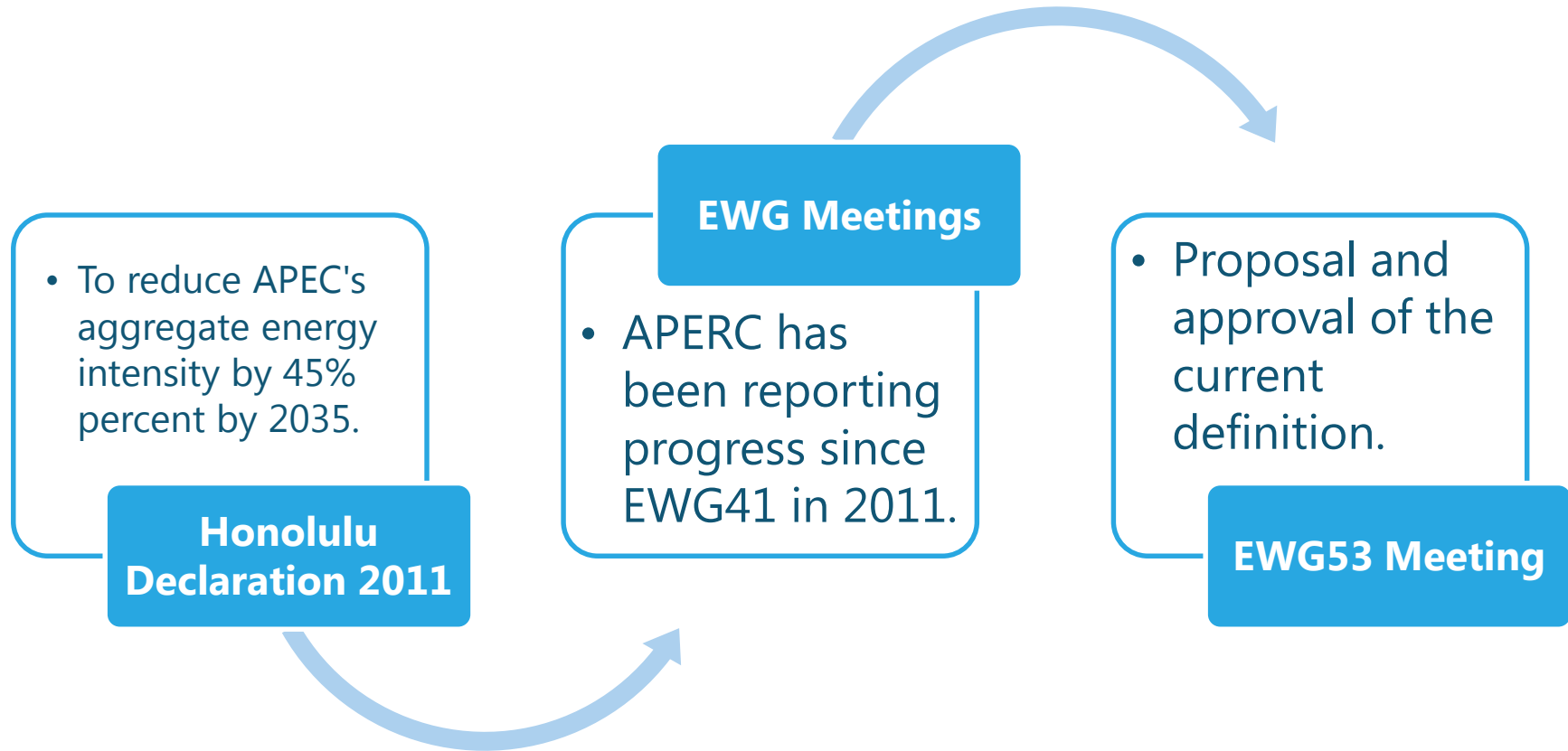
10.d.i. Progress towards energy intensity reduction goal

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Milestones



After reporting three different energy intensity measures using IEA data, agreement was reached at EWG 53 to analyse final energy (excluding non-energy) intensity, using APEC data.

What has happened to intensity since EWG54?

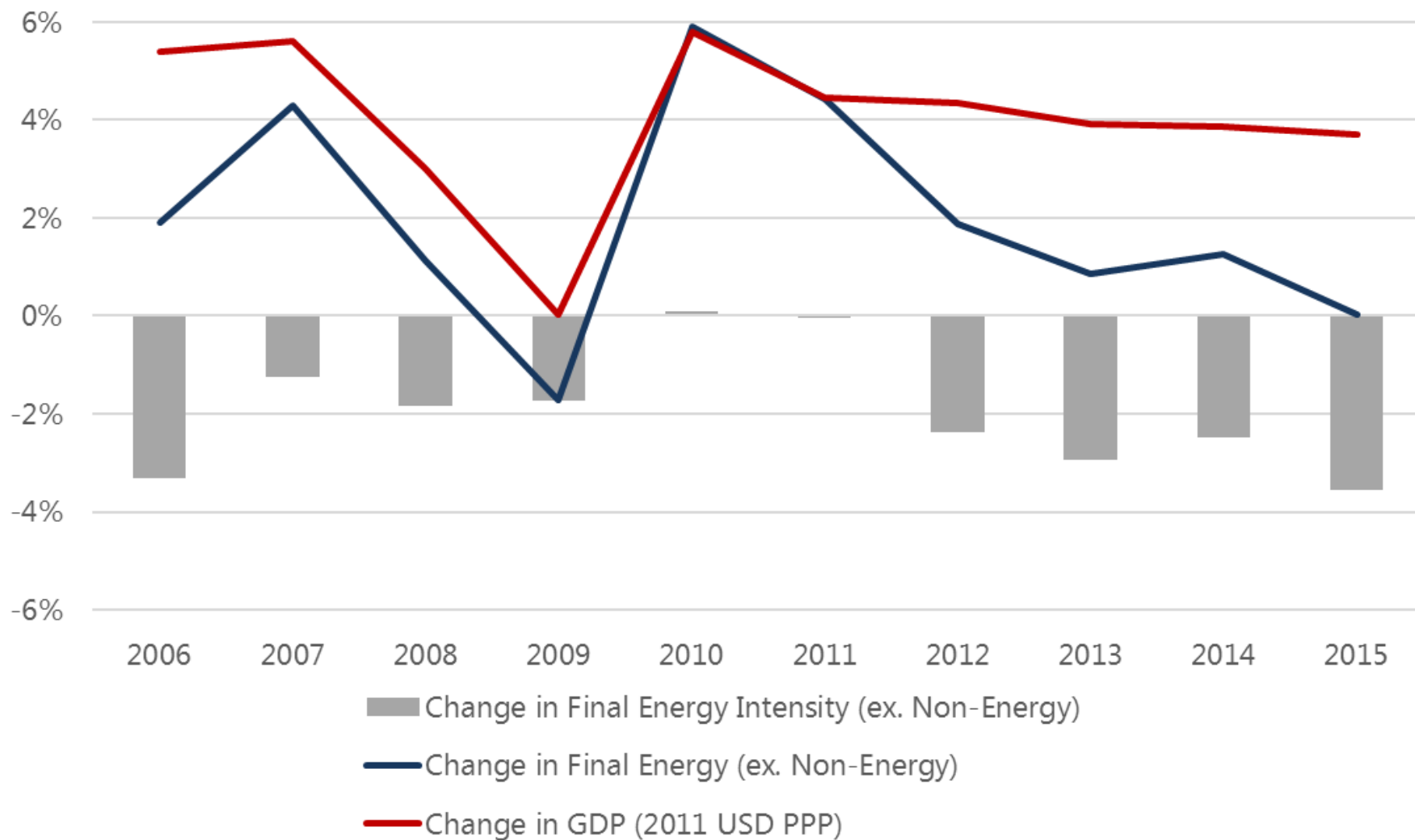
APEC Final energy (excluding non-energy) consumption intensity

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2005-2015	Trend to 2035
Change in Final Energy (ex. non-energy)	1.9%	4.3%	1.1%	-1.7%	5.9%	4.4%	1.9%	0.9%	1.3%	0.0%	21.5%	
Change in GDP (2011 US \$PPP)	5.4%	5.6%	3.0%	0.0%	5.8%	4.4%	4.3%	3.9%	3.8%	3.7%	47.9%	
Change in Final Energy Intensity (ex. non-energy)	-3.3%	-1.3%	-1.8%	-1.7%	0.1%	0.0%	-2.4%	-2.9%	-2.5%	-3.5%	-17.9%	-44.6%

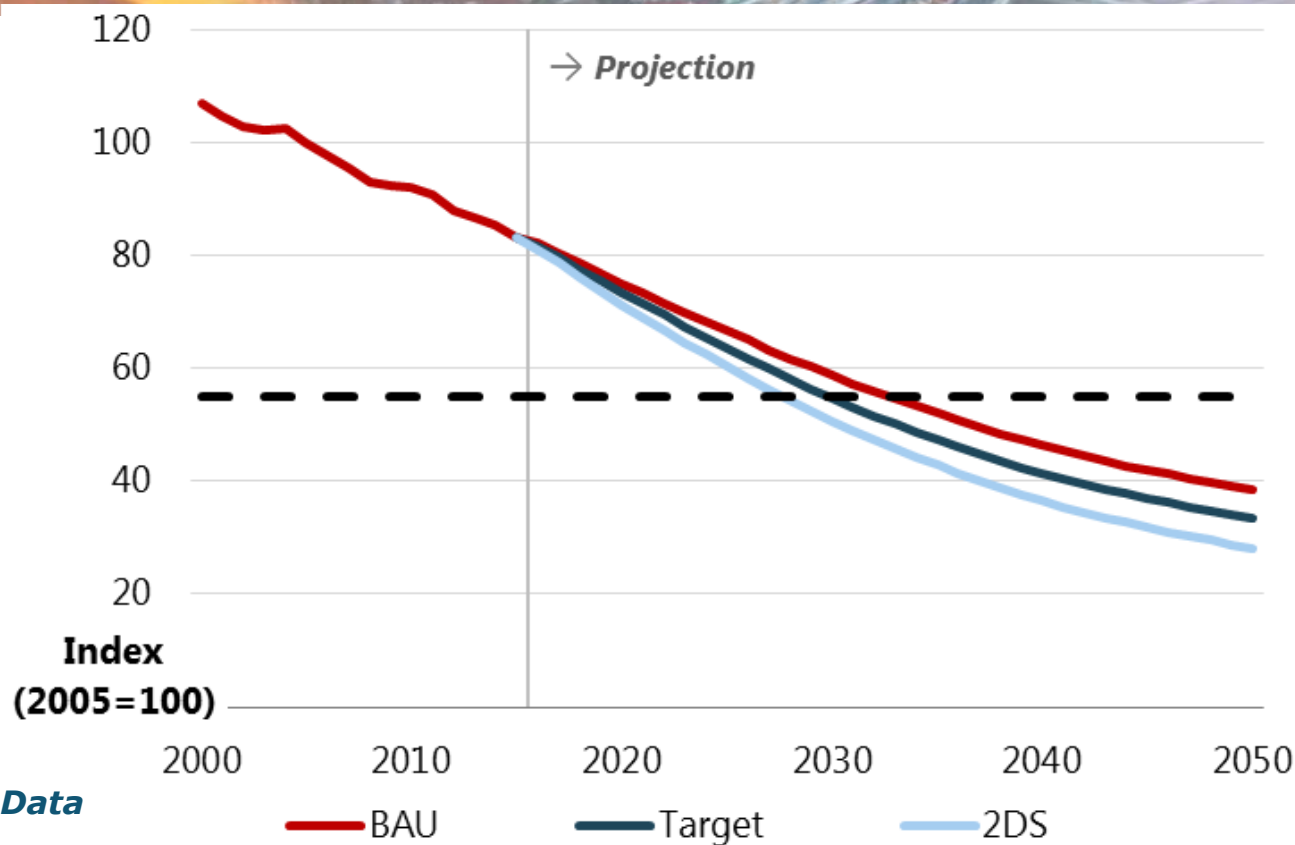
Source: APERC analysis of ESTO data.

- Final energy consumption intensity (ex. non-energy) has been improving reasonably consistently with the largest reduction from 2014 to 2015.
- Final energy consumption intensity (ex. non-energy) fell 17.9% between 2005 and 2015.
- If the current trend continues, final energy consumption intensity (ex. non-energy) reduction would fall just short of the APEC goal, reaching 44.6% in 2035 (the APEC goal would be reached the following year).

YoY changes to intensity, energy demand and GDP



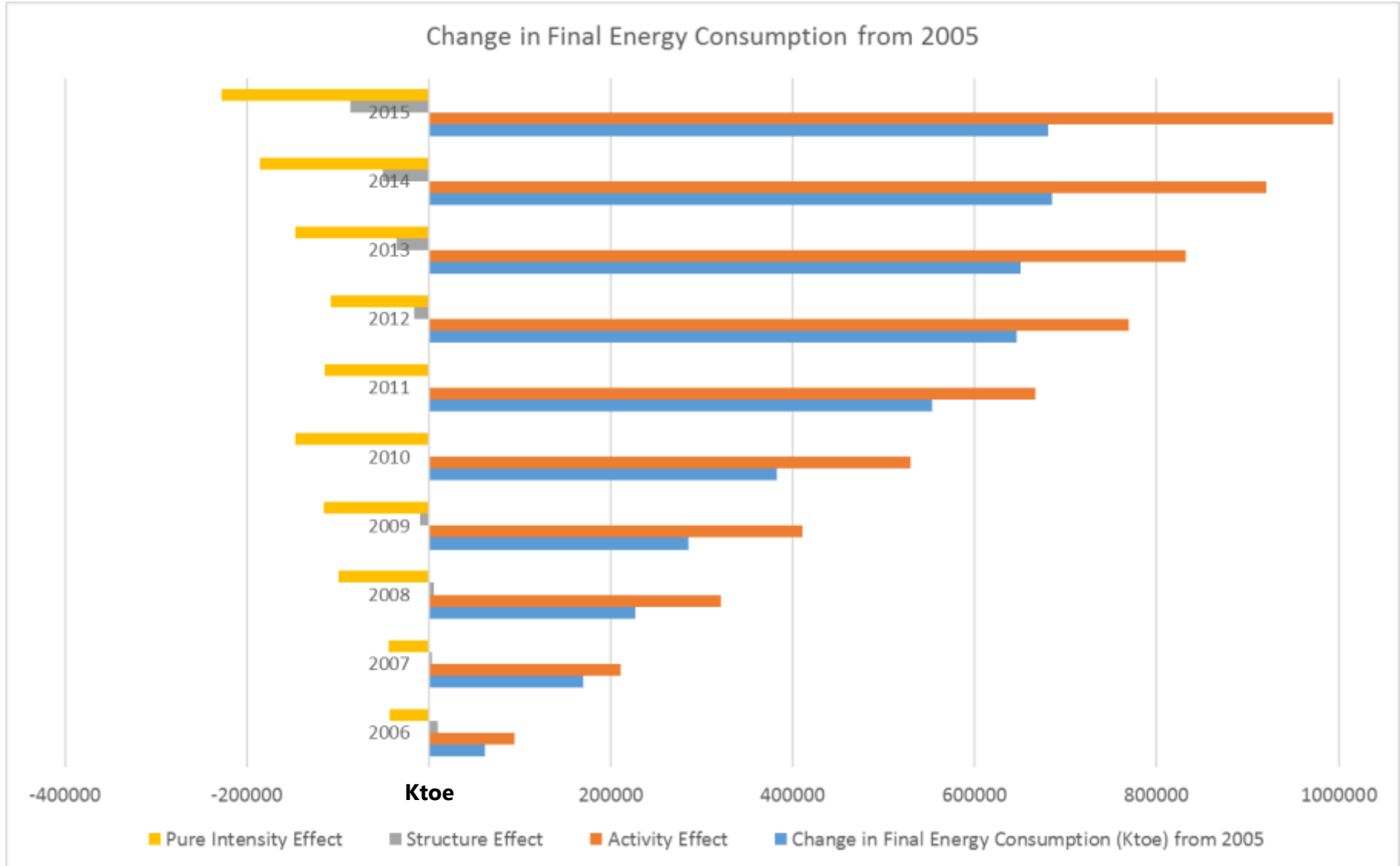
7th edition preliminary APEC results



Source: APERC
Analysis and IEA Data

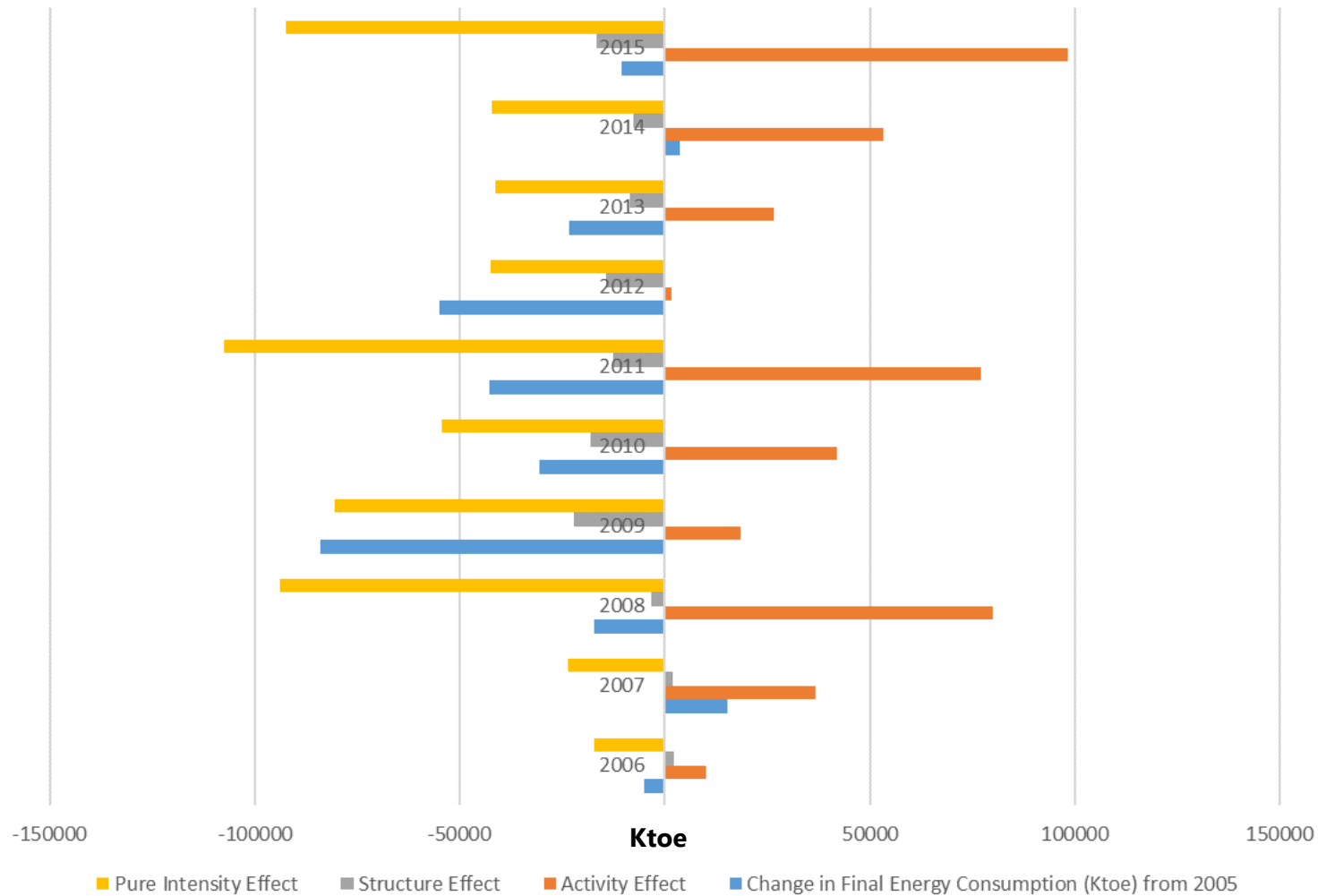
- Currently finalising modelling for the 7th edition of the APERC Energy Demand and Supply Outlook.
- BAU achieves the 45% reduction goal in 2033, Target in 2030 and 2°C Scenario in 2028.

Decomposition analysis – China



Decomposition analysis – U.S.

U.S. - Change in Final Energy Consumption from 2005



Closing Thoughts

- Similarly to last time, recent history looks good...
- And the 7th edition results are encouraging...
- But it raises the question: if the BAU scenario achieves the intensity goal two years ahead of schedule, do we need to think about making it more ambitious?
- This has already been done once. The original goal, set in 2007, was a 25% improvement by 2030 (with a 2005 base year).



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