

APERC Gas Report 2022

APERC Gas Report 2022 is the 5th edition of an annual gas report published each year by the Asia Pacific Energy Research Centre (APERC) since 2018. The report includes:

- An update on gas developments in each APEC member economy
- Gas demand, supply and trade trends from 2011 to 2021
- The near-term outlook for gas demand, supply and trade for 2026
- Changes in gas spot prices from January 2015 to September 2022
- The impact of high global gas prices on consumption and electricity prices in Southeast Asia

The report highlights the recovery of gas demand, supply, and trade in 2021 in the Asia Pacific region and the rest of the world, a year after the outbreak of the COVID-19 pandemic. APEC gas consumption rebounded in 2021, with a year over year increase of 5%. Gas volumes surpassed the pre-COVID-19-pandemic level as economic activity resumed.

In 2021, gas production in APEC member economies grew by 4% relative to the 2020 level, mainly contributed by the two leading gas producers in APEC and the world: Russia and the United States. Southeast Asia economies increased gas production slightly in 2021, about 1% higher than the previous year but have yet to meet the pre-COVID-19 pandemic level as the region is facing depletion in currently producing fields.

The gas trade volumes of APEC member economies rose by almost 4% in 2021, recovering from lower global gas demand in 2020. APEC remained a net natural gas exporter in 2021 as export volumes were 108 billion cubic meters higher than imports. A similar trade structure continued in 2021 as APEC member economies exported more gas via pipeline and consumed less LNG imports. China replaced Japan as the world's largest LNG importer in 2021, contributed by strong demand in the power and industry sectors despite implementation of COVID-19 lockdowns.

Gas spot prices recovered in 2021 from their low level in mid-2020. However, the increasing trend and the volatility of gas spot prices continue towards the end of 2022, with several new record-high prices.

The reaction of Southeast Asia member economies to the high gas prices is an interesting case study as energy affordability is the main priority of most economies in the region. The government efforts in Southeast Asia member economies translated to the increasing trend of gas consumption in 2022 in four economies, while two economies reduced their gas consumption.