



Australian Government
Department of Industry,
Innovation and Science

Office of the
Chief Economist

Overcoming APEC's Energy Challenges: Perspective from Oceania

Ross Lambie, General Manager

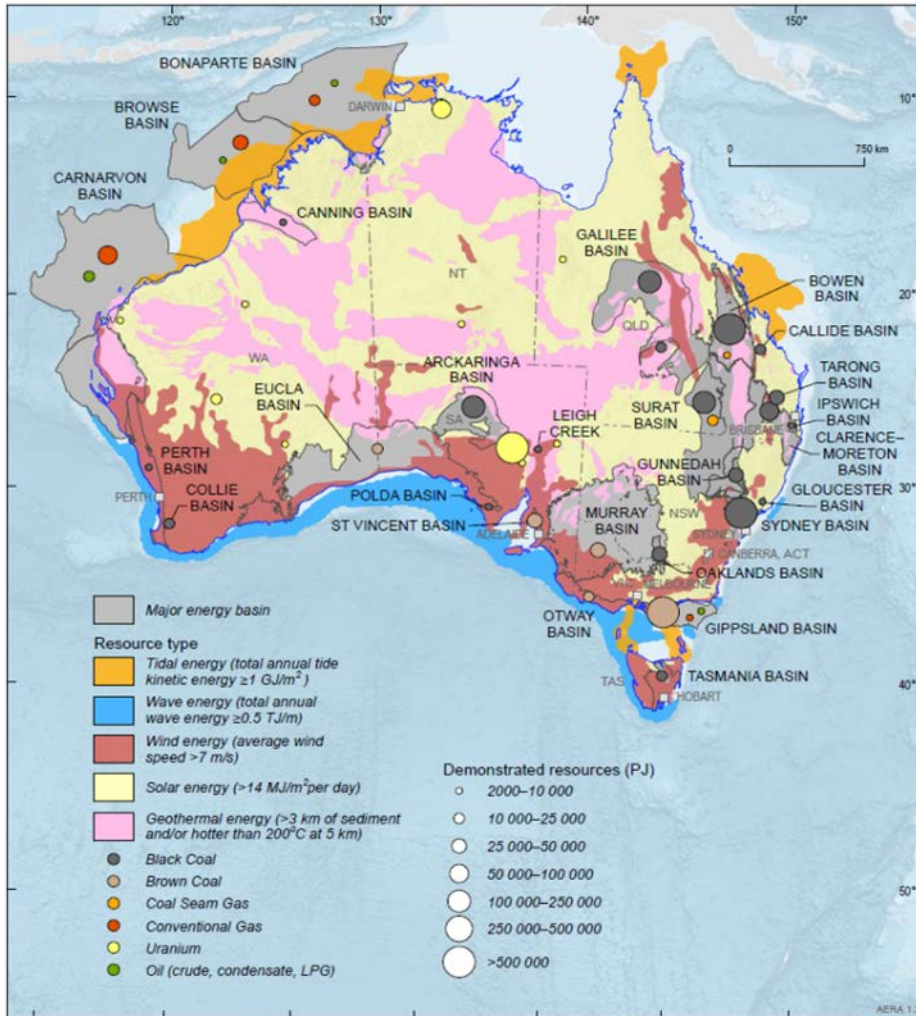
Resources and Energy Economics

Office of the Chief Economist

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Australia's abundance of energy resources and reserves



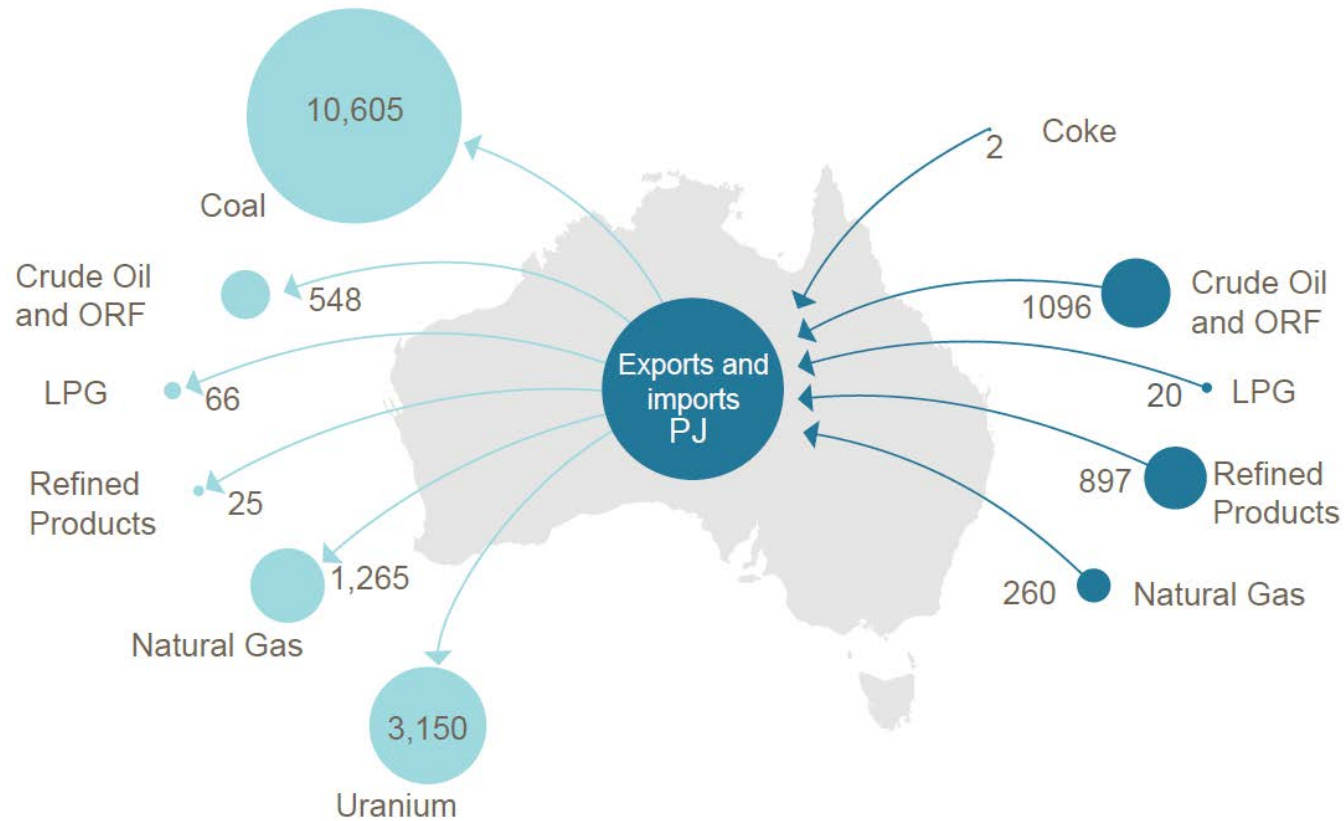
- World's largest uranium reserves
- 4th largest coal reserves
- 11th largest gas reserves
- 2013-14 energy production - 18,715 PJ
 - Coal 66%
 - Uranium 14%
 - Natural gas 13%
 - Crude oil, condensate, LPG 5%
 - Renewables 2%

Source: Geoscience Australia and BREE (2014) Australian Energy Resource Assessment

A rich resource base supports Australia's position as a net energy exporter

Australia's energy trade, 2013–14
PJ

Export Volume Import Volume



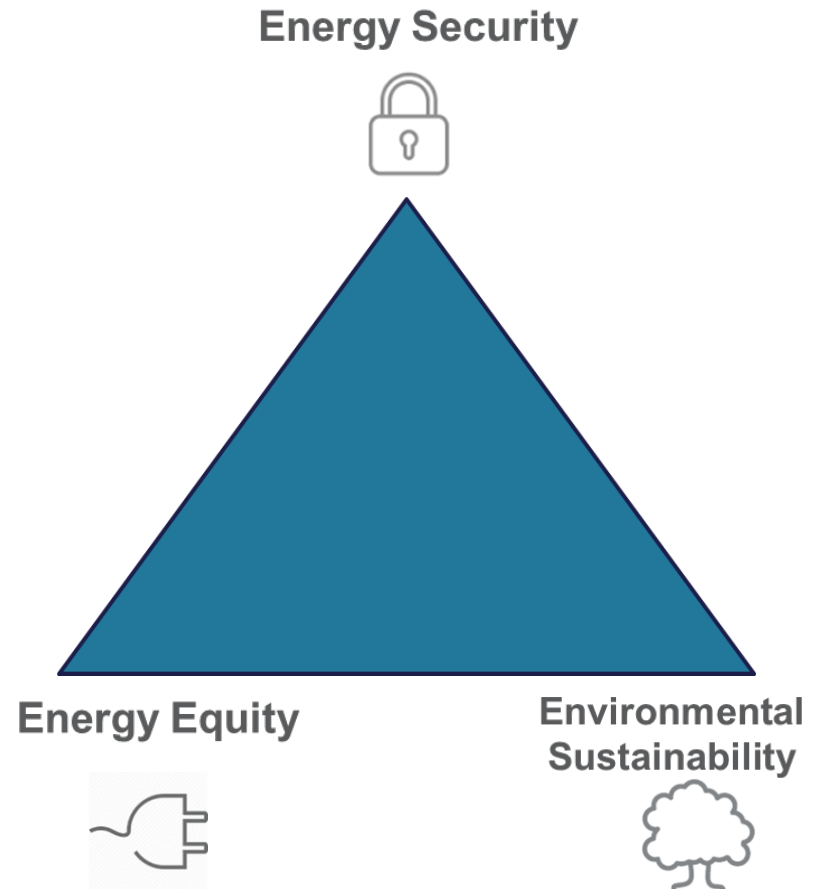
Source: Department of Industry, Innovation and Science (2016), Energy in Australia 2015.

The Energy Trilemma

‘We reviewed all energy sources and we found that no energy source is superior in every aspect’

— Mr Koji Inoue, Director-General, Natural Resources and Energy Policy, Ministry of Economy, Trade and Industry, Japan.

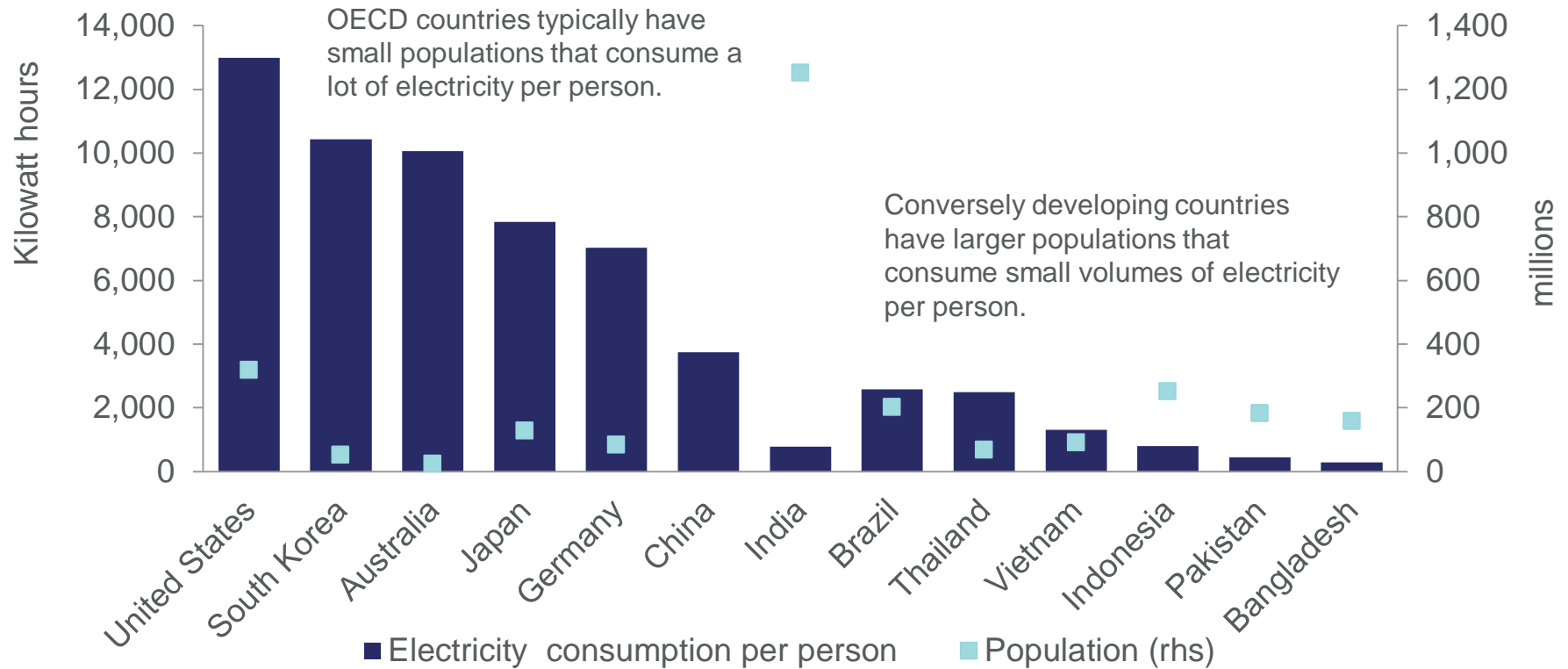
Opening remarks commenting on Japan’s New Strategic Energy Plan, 35th Australia-Japan High Level Group Consultation on Energy and Mineral Resources, Sofitel, Brisbane, 23 June 2014



Emerging economies to drive growth in energy use

Energy equity

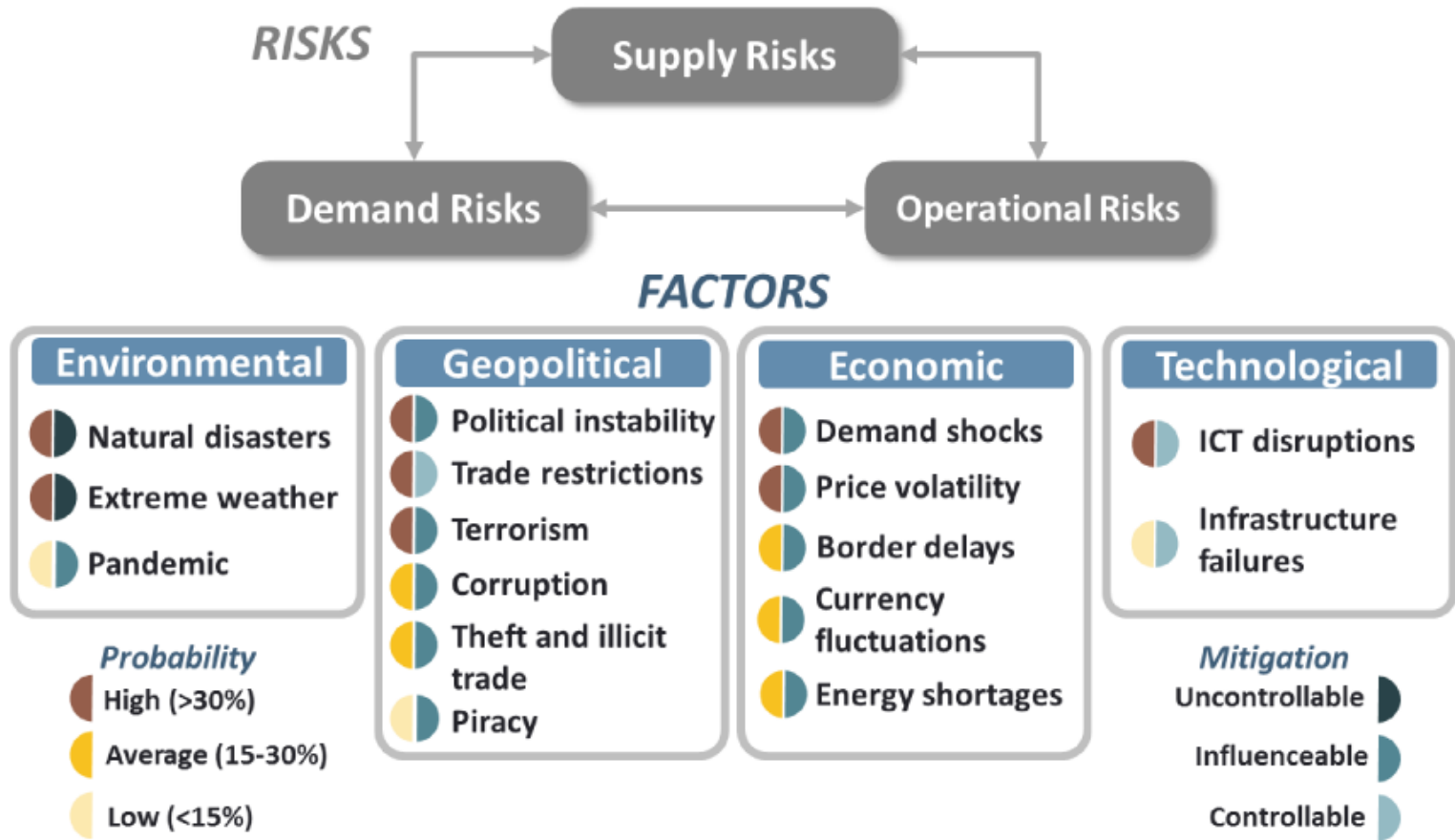
Electricity intensity and population



Source: IEA (2015) World Energy Balances, indicators table

Energy security has become complex

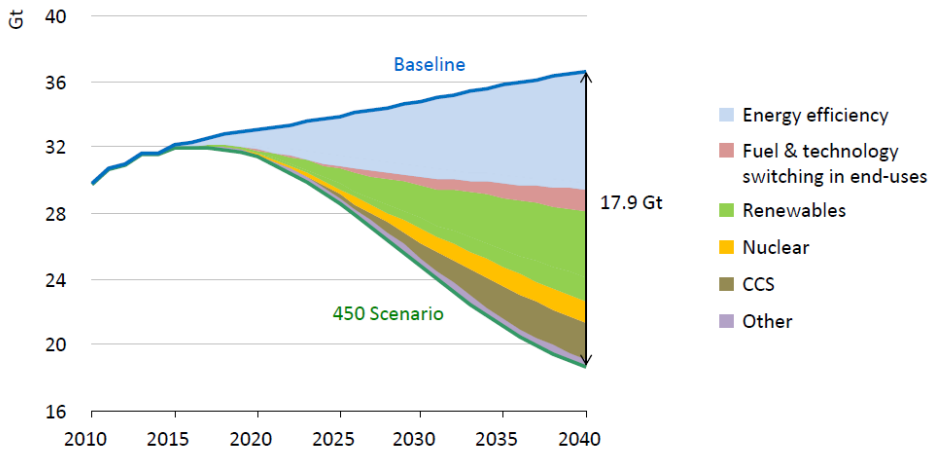
Energy security



The environmental challenge

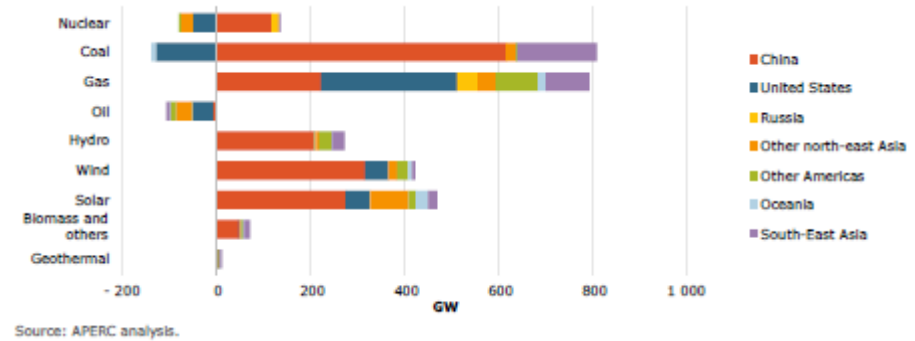
Environment

Source of emission reductions between IEA baseline and 450 Scenarios



Source: IEA (2015) World Energy Outlook presentation to the Institute of Energy Economics, Japan

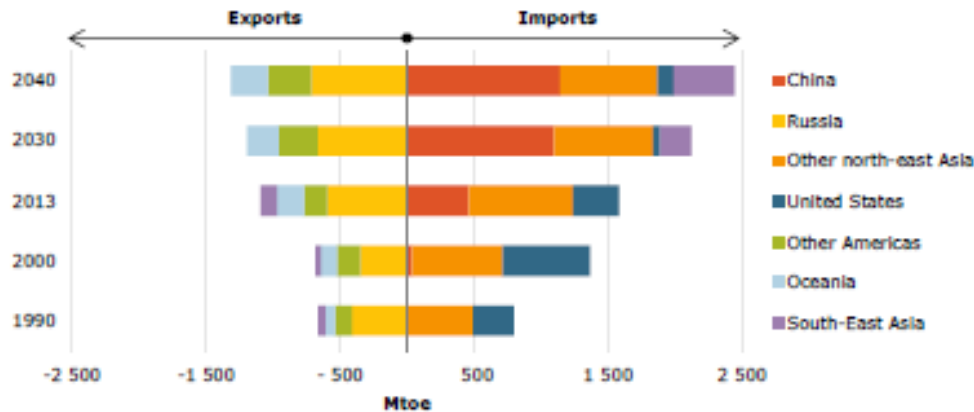
Electricity generation capacity changes by regional grouping and by fuel, 2013-2040



Source: APERC (2016) APEC Energy Demand and Supply Outlook 6th Edition

The importance of energy trade

Energy supply gap by regional grouping, 1990-2040



Source: APERC (2016) APEC Energy Demand and Supply Outlook 6th Edition

- Challenging times for new supply, but Australia will remain an important supplier
- Growth in energy demand driven by emerging APEC economies
- Major energy markets are becoming more dynamic and interconnected – Asia-Pacific is the focus for trade
- Although it is ‘energy poor’, Japan will play a key role in:
 - Facilitating closer relationships between energy exporting and importing economies
 - The transfer of clean coal technologies to other economies

Thank you

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