
IEA warns of upward trend in global energy use

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It is reported that International Energy Agency sounded caution for countries dependent on imported oil with fragile energy security to be prepared to “make the hard choices needed to combat climate change and enhance global energy security”.

In its latest flagship publication on World Energy Outlook, the Paris based inter governmental think tank of rich industrial countries said that even as one of the welcome results of the world financial crisis the global energy use is set to fall this year, it will not be long before it resumes its upward trend if government policies do not change in the interregnum.

Stating that in its reference scenario demand increases by 40% between now and 2030 reaching 16.8 billion tonnes of oil equivalent, IEA warns that fossil fuels continue to dominate the energy mix, accounting for more than three-quarters of the incremental demand.

What is worrisome is that non OECD nations account for over 90% of this increase. Within this China and India alone account for over half of this increase.

Besides their known and increasing susceptibility to energy price spikes, the reference scenario projects a persistently high level of spending on oil and gas imports, which would exert a substantial financial burden on import-dependent consumers. China overtakes the US around 2025 to become the world’s biggest spender on oil and gas imports, while India surpasses Japan soon after 2020 to take third spot.

As the countdown for the Copenhagen Conference on world climate approaches, the IEA report also cautions on the continuation of current trends in energy use the world-over, the world is on an unsustainable path for a rise in global temperature of up to 6 degree C, with catastrophic consequences for our climate. To avert the most severe weather and sea-level aberrations and limit the temperature increase to about 2 degree C, the greenhouse gas concentration needs to be stabilized at around 450 parts per million CO2 equivalents.

In the 450 scenario, global energy related CO2 emissions need to peak just before 2020 at 30.9 giga tonnes and decline thereafter to 26.4 giga tonnes in 2030, which is 34% less than in the reference scenario. To realize the 450 scenario, additional investment of USD 10.5 trillion is needed globally in the energy sector between 2010 and 2030.

Interestingly, the IEA states that non-OECD countries account for all the projected increase in energy-related CO2 emissions. In the reference scenario, OECD emission in 2030 is 3% lower than in 2007. By contrast, all major non OECD economies see their emissions rise.

Of the 11 giga tonnes growth in global emissions between 2007 and 2030, China accounts for 6 giga tonnes, India for 2 giga tonnes and the West Asian countries for 1 giga tonnes.

But IEA puts a caveat contending that while non-OECD countries account for 52% of the world’s annual emissions of energy related CO2, they are responsible for only 42% of the world’s cumulative emissions since 1890.

(Sourced from Business Line)

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