



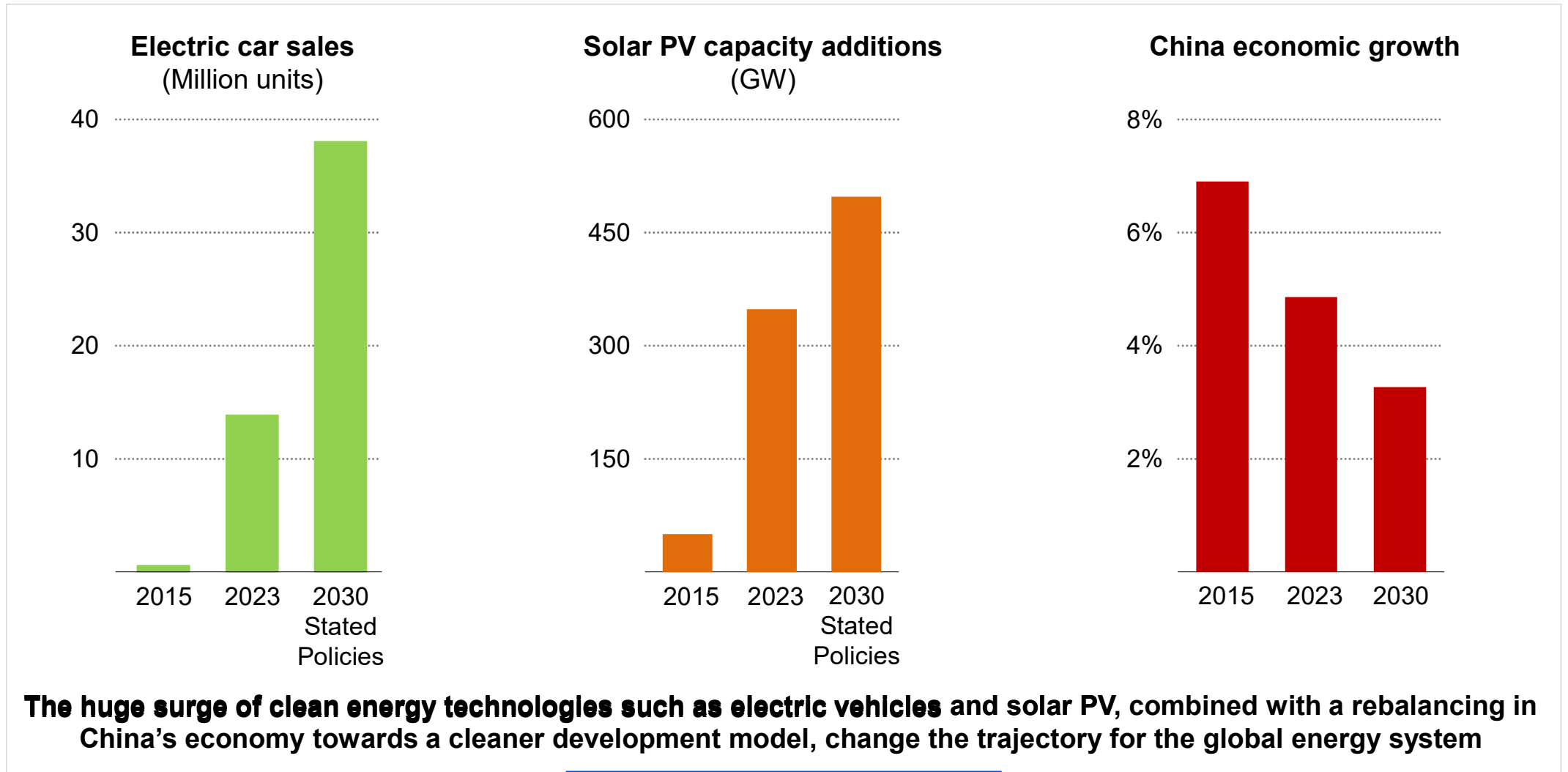
Long-term gas market developments in Asia

Presentation for the IEA Workshop on Gas Supply Security

20 November 2023

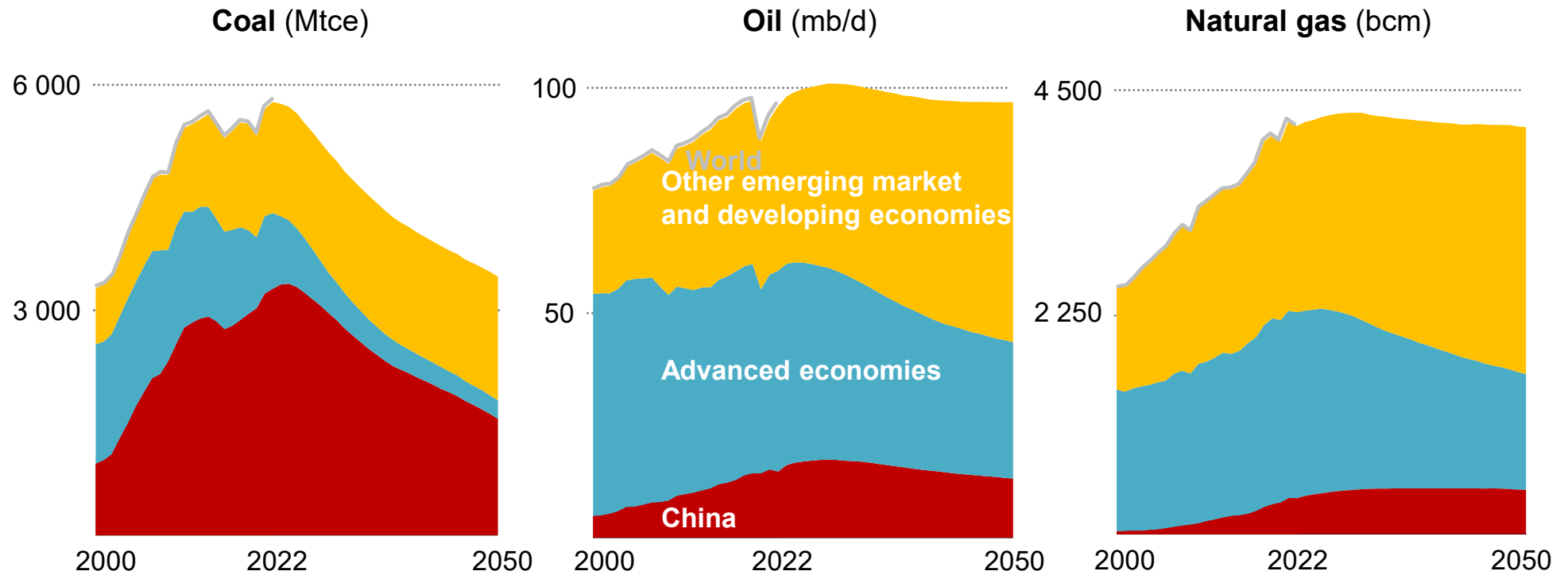
Jun TAKASHIRO, Senior Energy Analyst

Major structural shifts reshape the new *Outlook*



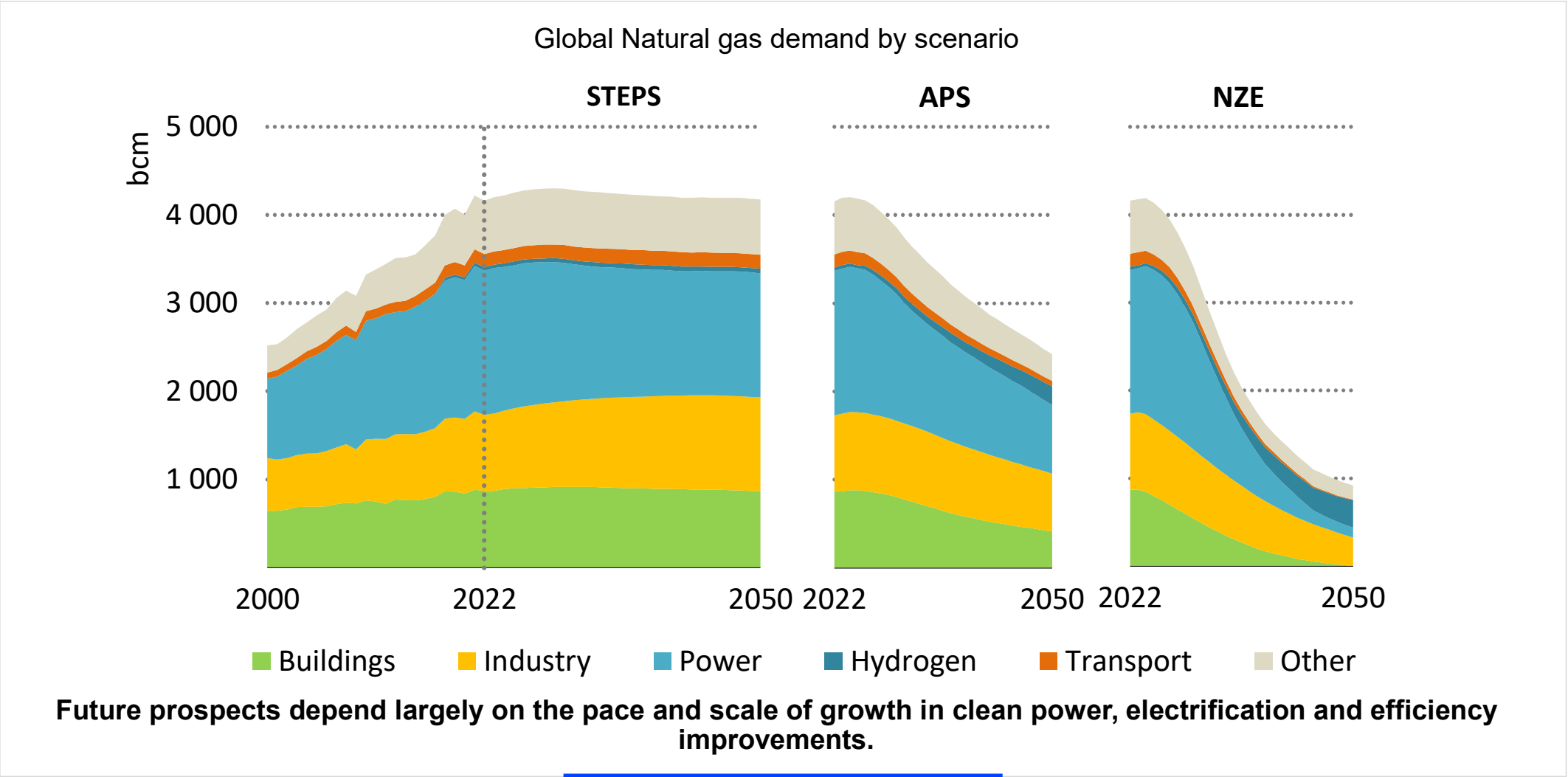
On track for a peak in all fossil fuels before 2030

Fossil fuel demand in the Stated Policies Scenario (STEPS)



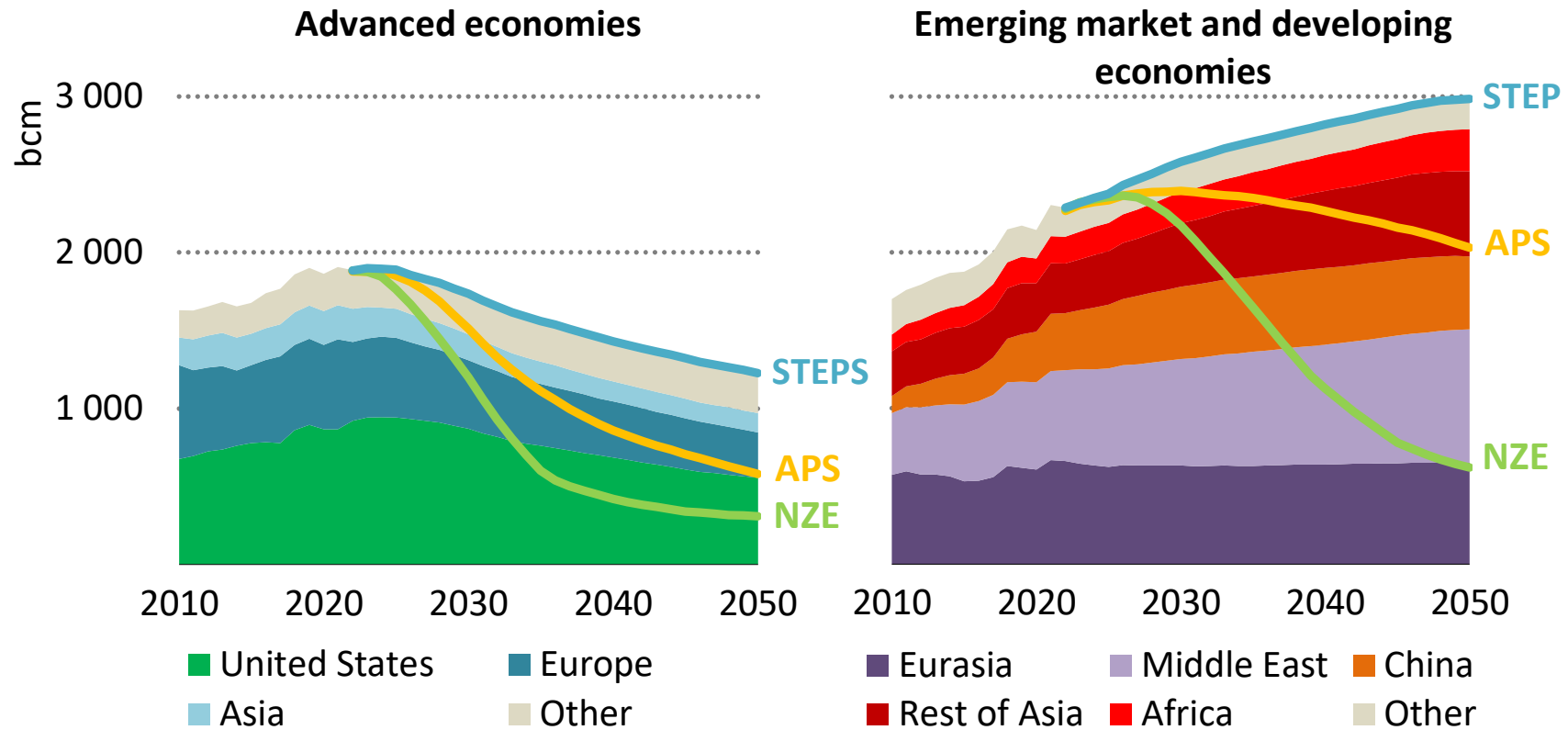
For the first time, today's policy settings are strong enough to generate peaks for coal, oil and natural gas this decade; the share of fossil fuels starts to edge downwards from 80% today to 73% in 2030

Each scenario projects an end to growth for gas, but...



Different starting points, different pathways - Global

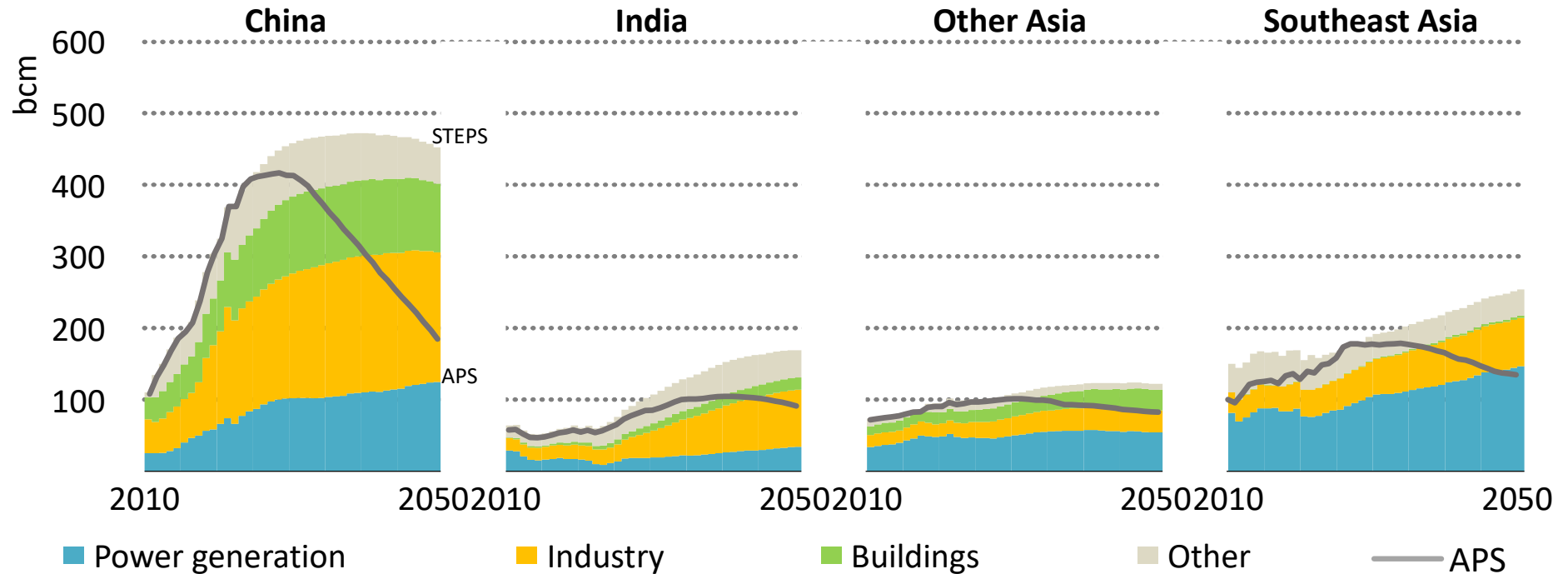
Natural gas demand by region and scenario, 2010-2050



Natural gas demand declines in advanced economies in each scenario; in emerging market and developing economies the difference between scenario outcomes is larger

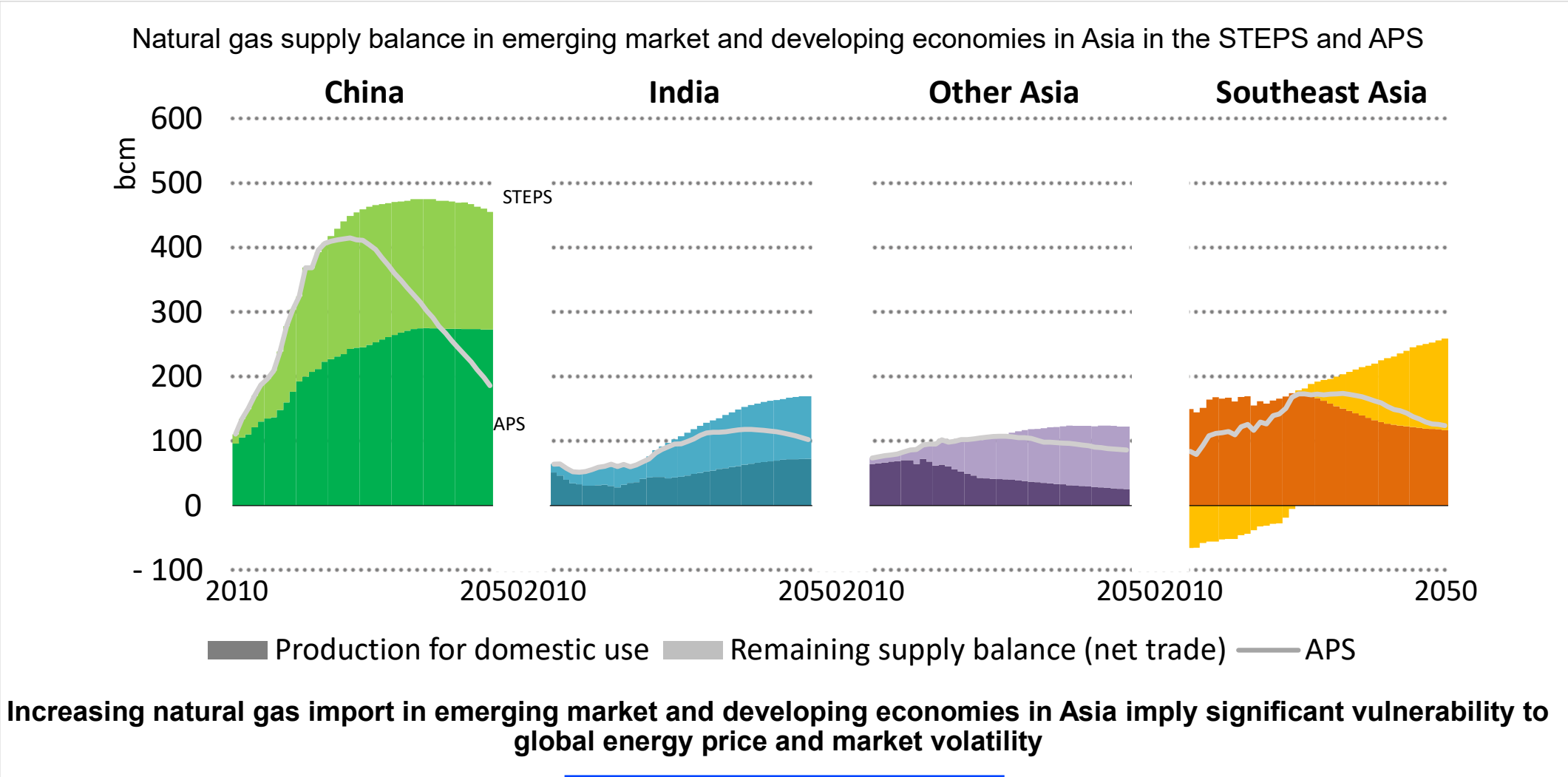
Different starting points, different pathways - Asia

Natural gas demand in emerging market and developing economies in Asia in the STEPS and APS

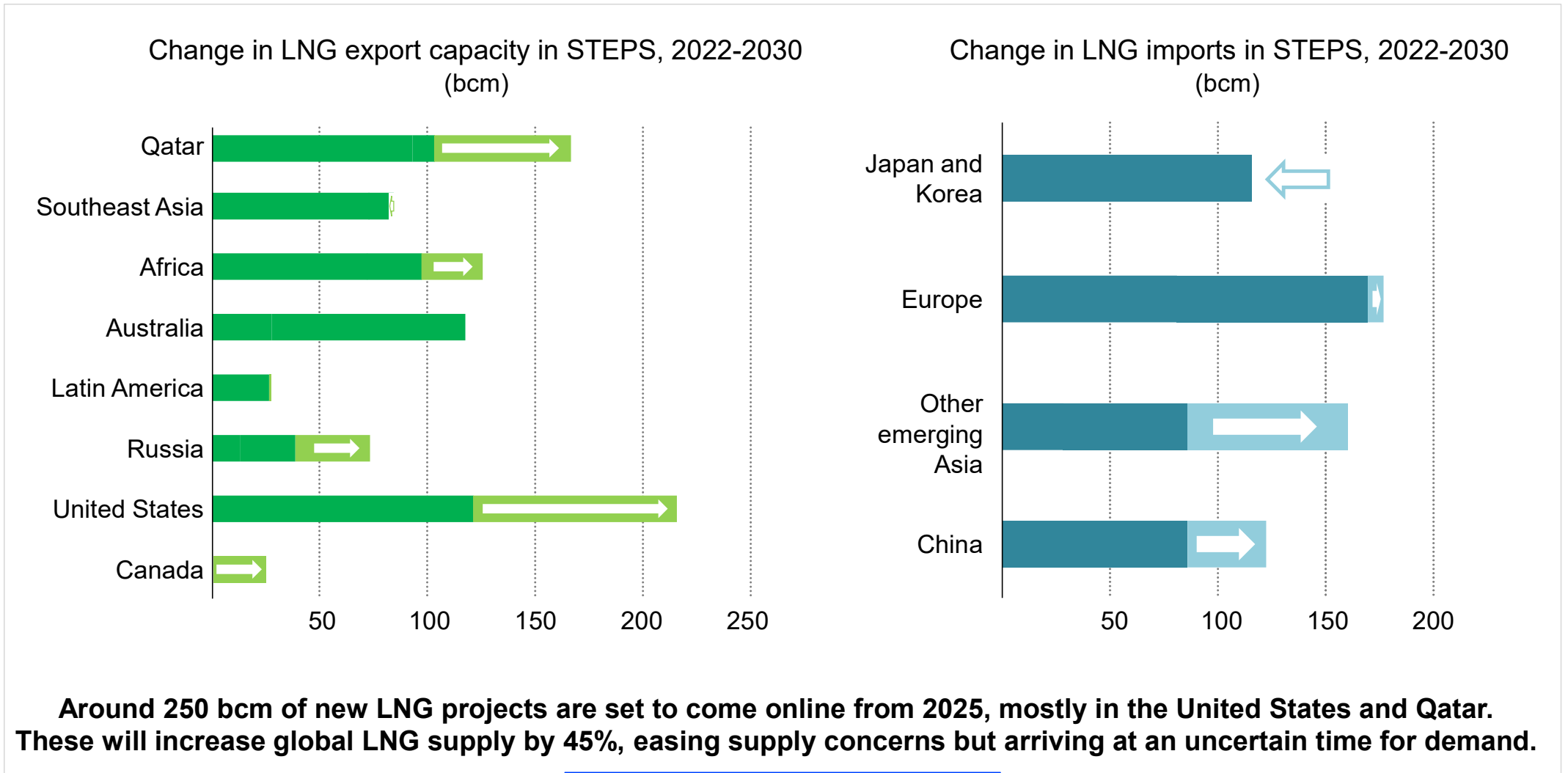


Although the trajectory varies, natural gas demand peaks in all emerging markets in Asia before 2030 in the APS

More import gas, more vulnerability to energy price



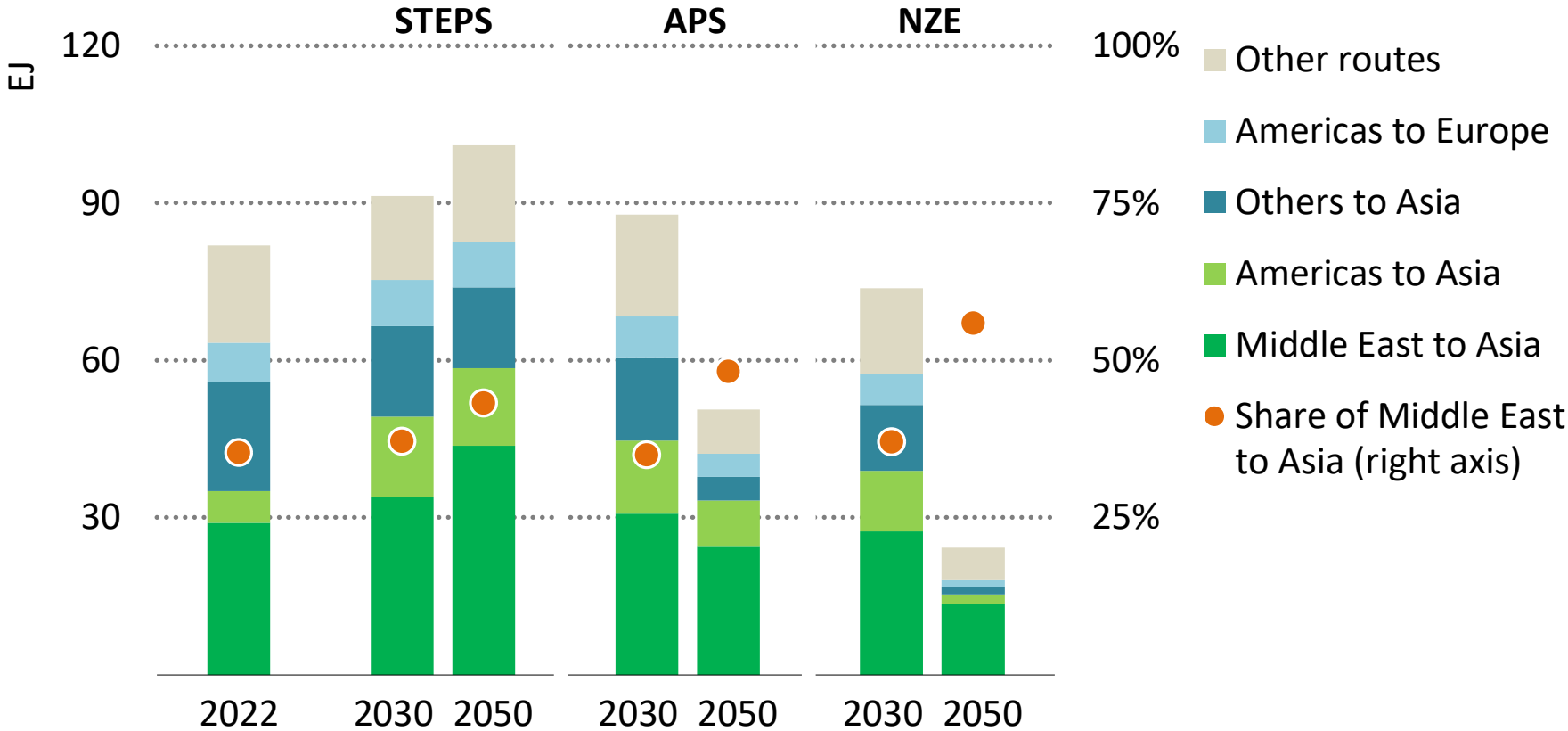
A wave of LNG export projects is set to overturn gas markets



But market concentration also increases



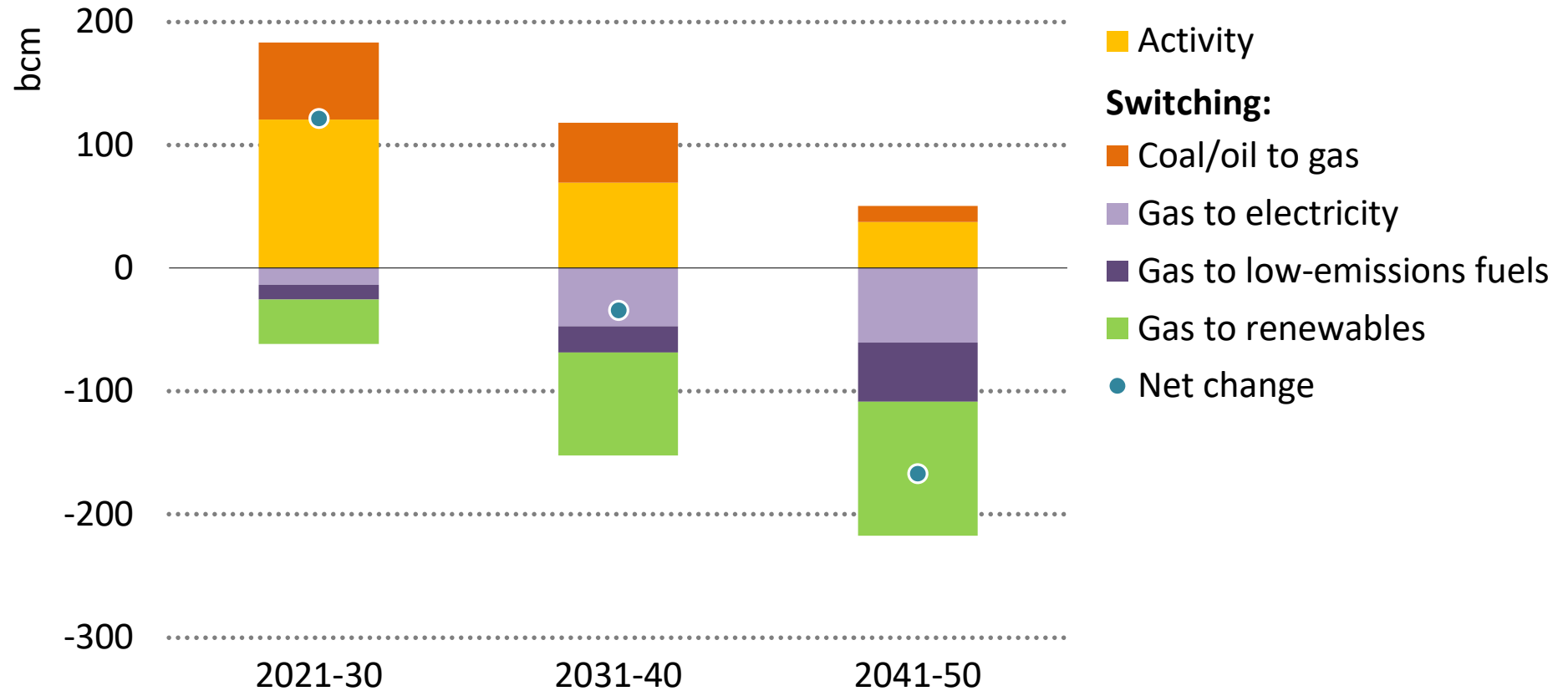
Seaborne crude oil and LNG trade by route and scenario



Global crude oil and LNG trade flows are increasingly concentrated on the routes between the Middle East and Asia in all scenarios

Key drivers to secure clean transition

Drivers of change in natural gas demand in emerging market and developing economies in Asia in the APS



To avoid any mismatch in the pace of demand and supply reductions, clear long-term plans on the part of major consuming sectors would help producers to make informed infrastructure and capital investment decisions.