On global oil demand in different scenarios

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COVID-19: A shock with profound impact

Energy use is on the way up again, with potential for further increase

Global GDP, oil and gas demand

Indexed, 2019 = 100

Community movement

% difference from pre-crisis. Average of retail, workspace and transit related movement of people

Source: Equinor

Source: Our world in data
In which direction is the energy world moving the next decades?

Recent signposts show diverging paths, in terms of:

- Economic growth
- Energy efficiency
- Technology development
- Climate ambitions
- Market regulations
- Geopolitics

- Vaccine nationalism, populist policies
- Weakening of global institutions, geopolitical uncertainty
- Uneven recovery between rich and poor

⇒ Rivalry

- Traditional economic stimulus taking priority in policy
- Solar capacity growth slowing
- Volatility in commodity prices

⇒ Reform

- Net zero ambitions by governments and companies
- Growing support for CCS and Hydrogen
- USA taking leadership on climate issues

⇒ Rebalance
Several pathways for energy-related CO₂ emissions

Reaching net zero in 30-50 years is a massive challenge. 1.5°C is even more difficult, as it requires massive changes today.

Source: IEA, Equinor
Where is oil demand today?

Transport is the key sector for oil demand today, with road demand making up 76%.

**Oil demand in 2018**
Oil demand was 97mbd, with 55mbd going to transport

**Oil demand in transport sector**
Light duty vehicles make up almost half of transport demand

Source: IEA
Wide outcome space for oil demand

Transport is the key sector for long-term oil demand – any peak in demand will be followed by a gradual reduction.

Oil demand by scenario, 2018-2050

Change in global oil demand by sector in Rebalance, 2018-2050

Source: IEA, Equinor
Transport sector has been hardest hit by COVID pandemic

Road demand can bounce back quickly, while aviation will see long term effects lasting many years.

Road demand
Billion toe

Aviation demand
Billion toe

Shipping demand
Billion toe

Source: IEA, Equinor