The IEA in brief

- Founded in the wake of the 1974 oil crisis to promote energy security, cooperation and stable markets
- World-class data, research and policy analysis to help governments and industry make good energy choices
- Numerous industry and scientific working groups, led by CEO-level Energy Business Council
- Key goals are
  - Energy security
  - Environmental protection
  - Economic growth
  - Engagement worldwide
IEA members and partners

- IEA member countries
- Accession countries
- Key Partner countries
- Countries co-operating through IEA programmes
- WEO’s global reach
The World Energy Outlook (WEO) is the IEA’s annual flagship publication, widely used by policy makers, investors and others.

- Peer reviewed by 200+ experts

WEO uses latest available energy and emissions data for its analysis of medium- and long-term energy and climate trends.

WEO analysis is conducted using three core scenarios:

- Where do existing policies take us (“Current Policies Scenario”)?
- What is the impact of announced policies (“New Policies Scenario”)?
- What is required for the energy sector to achieve sustainability goals (“Sustainable Development Scenario”)?
Content of scenarios

- **Time horizon to 2040 with annual data**
  - Complete update every year (e.g. WEO 2017 uses 2016 data)
  - Data inputs and outputs: capacities installed & under construction, vehicle stocks & sales, household floor space, steel production...
  - Model is calibrated to reflect market trends for the next 5 years

- **Regional resolution: 25 demand models; 120 supply models**
  - 12 country demand models (including e.g. US, China, India, Russia...).
  - Regional models are further broken up for specific projects (e.g. Africa Outlook in 2014)
Why do we produce scenarios?

- Energy and climate scenarios enable decision makers to consider multiple futures, the key drivers and implications
  - Scenarios are used extensively by policy makers and an increasing number of companies
  - Independent, transparent scenarios enable comparison & evaluation

- Embed the achievement of climate and other environmental goals into policy and investment strategies
  - Help undertake an audit of climate risks to existing business models
  - Use scenarios as a tool to help integrate climate considerations into future business decisions
Investments needed to mitigate climate change

Cumulative world energy sector investment by sector & scenario, 2015-2040

Overall investment costs are similar across scenarios, but policies change the direction of flows across fuels and sectors, and across supply and demand.