



Global natural gas markets – developments

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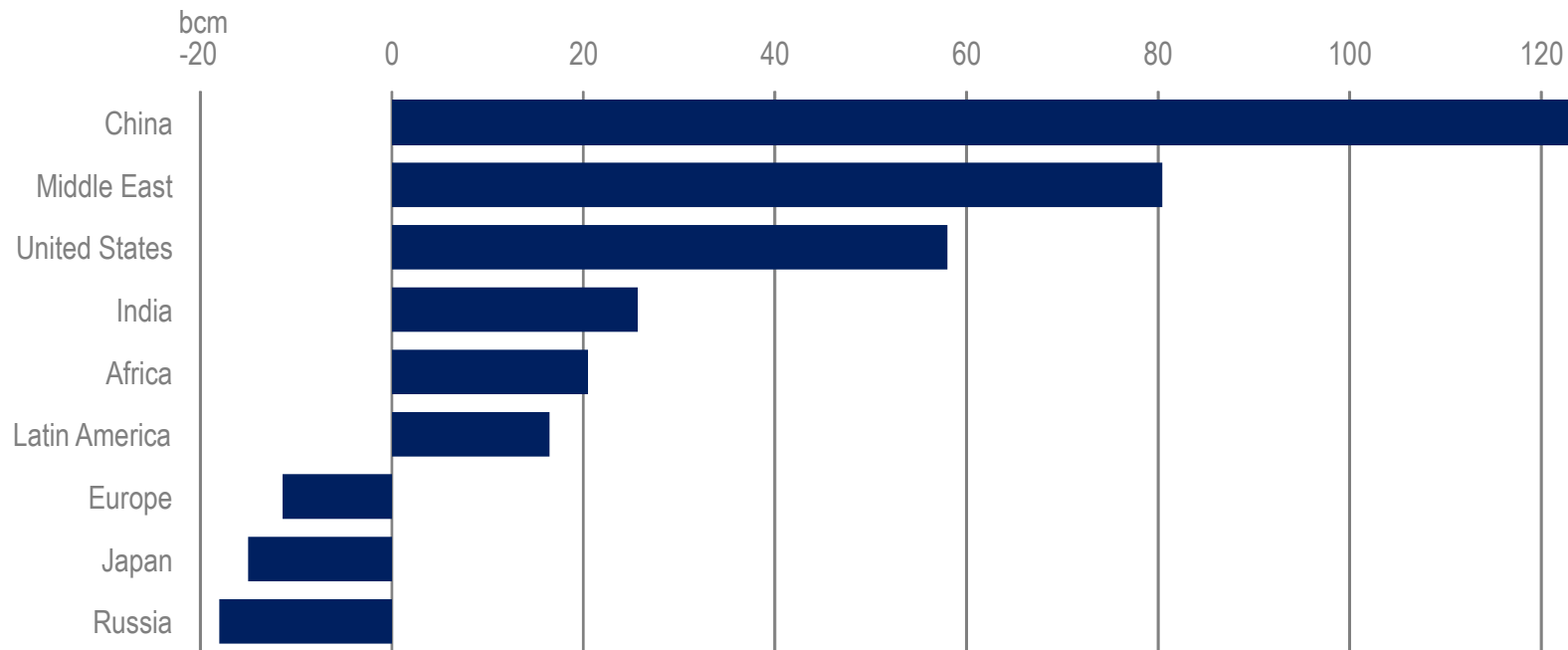


- Natural gas is a versatile fuel whose demand is growing in part because of its air quality and greenhouse gas emissions benefits relative to other fossil fuels
 - *A strong contributor to “Blue Skies” policy in China*
 - *Abundant & cost competitive gas led to 5% coal-fired US power generation decline in 2018*
 - *Reducing oil burn for power generation in North Africa and the Middle East*

- Natural gas will remain the fastest growing fossil fuel in the future, overtaking coal by 2030 to become the second-largest source of energy

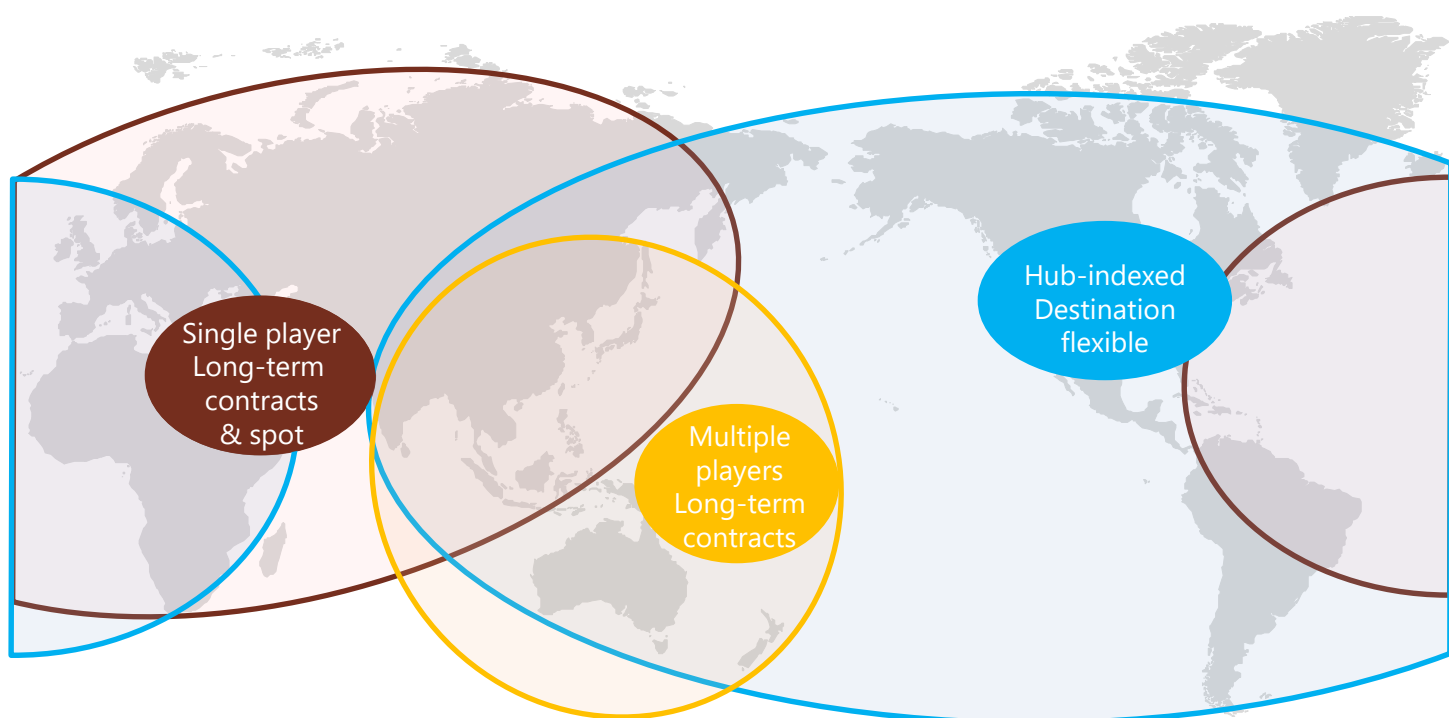
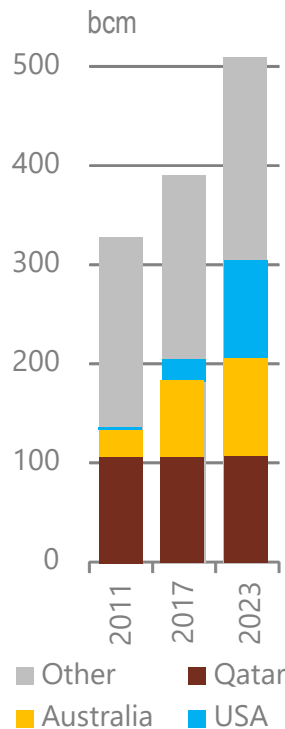
- Liquefied natural gas (LNG) is the driving force behind natural gas trade growth

World natural gas consumption growth for selected countries and regions, 2017-23



Global consumption passes the 4 tcm mark by 2022
China to account for almost 40% of growth driven by clean air policy target

Qatar, Australia and the United States reshape global LNG markets



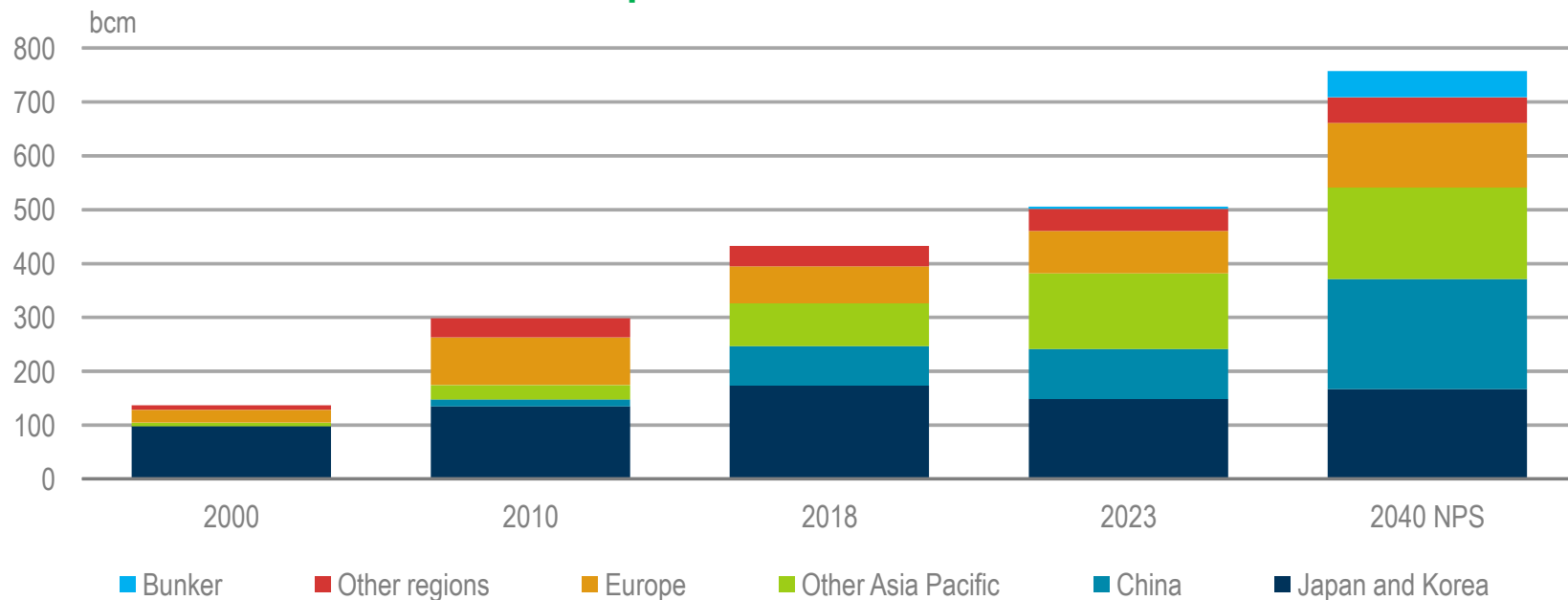
This map is without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries, and to the name of any territory, city or area.

LNG trade passes 500 bcm by 2023, growing by a third in five years
Qatar, Australia and the US will supply 60% of the world's LNG by 2023

LNG is the driving force behind global natural gas trade growth

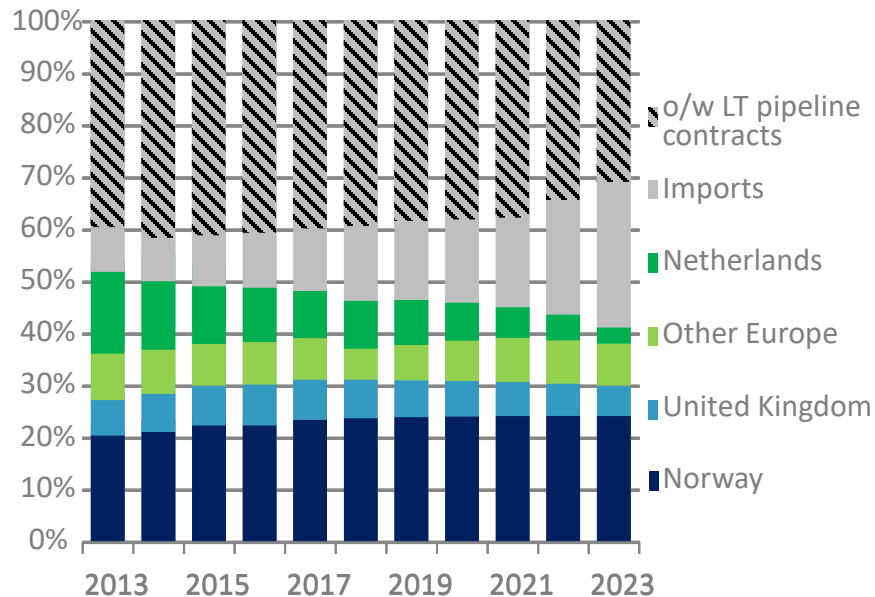


World LNG imports for main destinations, 2000-40

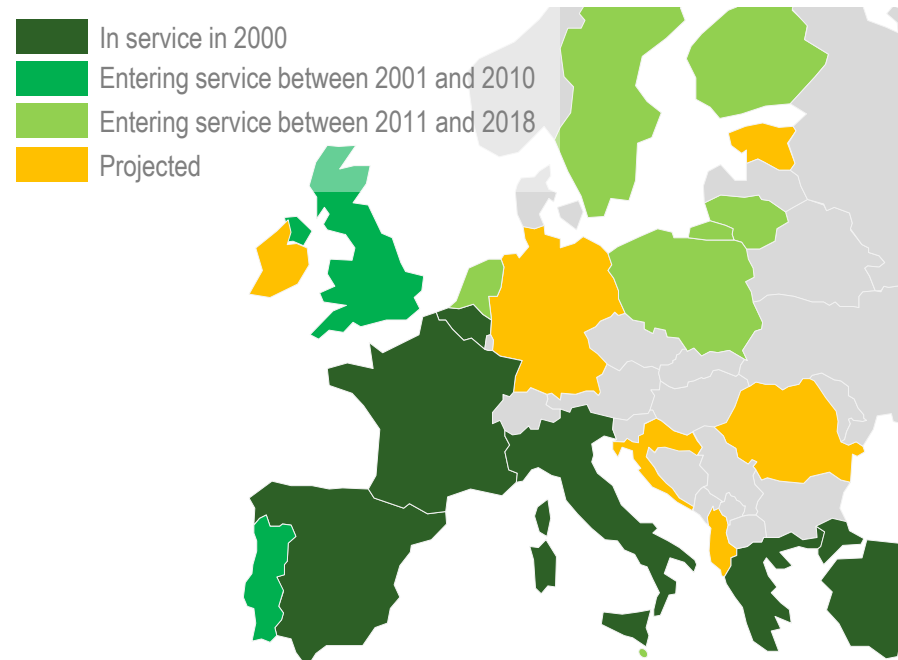


Global LNG trade more almost doubles by 2040, accounts for 60% of total natural gas trade

Europe's natural gas supply, 2013-23



LNG import terminals in Europe



LNG increases competition among suppliers to Europe and provides an additional source of supply flexibility to compensate for the depletion of domestic sources

- Global natural gas consumption is rising rapidly, led by Asia where economic expansion, industrial demand and air quality concerns are key drivers of growth.
- Europe will need to seek imports to cover 30% of its demand in the next five years, because of declining domestic production & the expiry of long-term contracts.
- The growth of destination-flexible, hub-priced LNG exports from the United States is providing a catalyst for a new, more liquid global gas market.
- For Europe, LNG is a viable way to increase competition, improve diversity & reduce costs, while reinforcing flexibility & security of supply.



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