



Towards a more competitive and secure global gas market

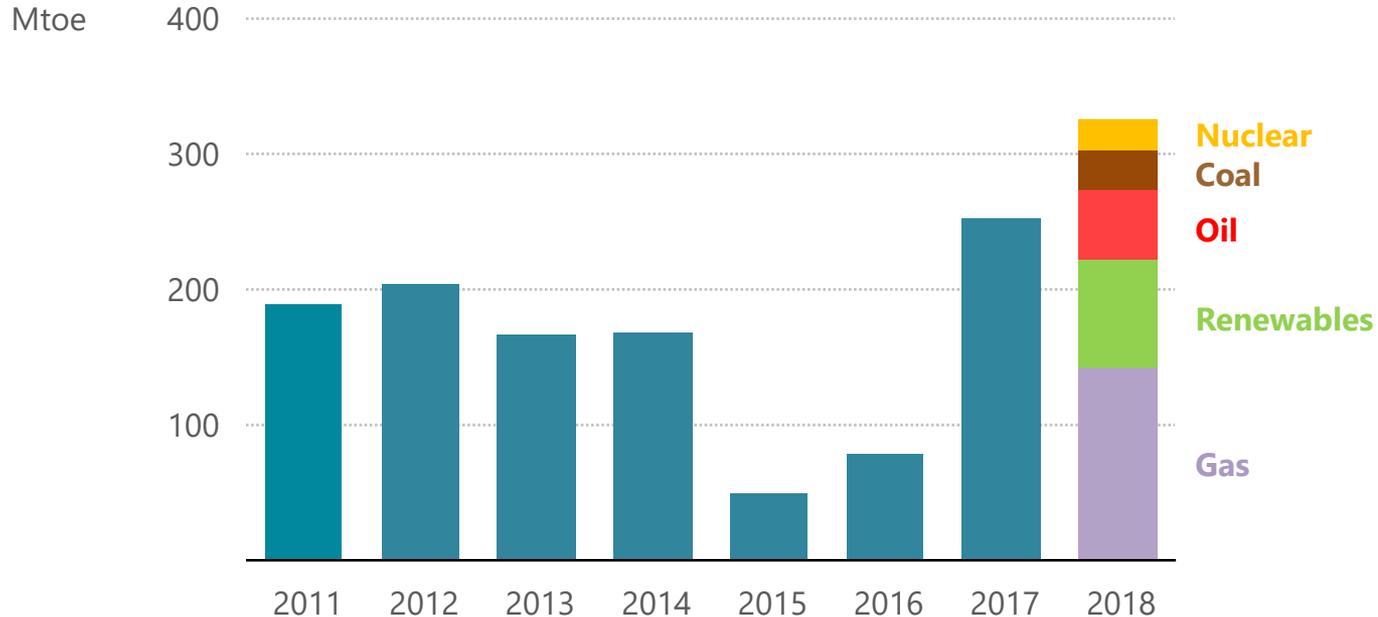
Dr. Fatih Birol, Executive Director, International Energy Agency

LNG Producer-Consumer Conference

Tokyo, 26 September 2019

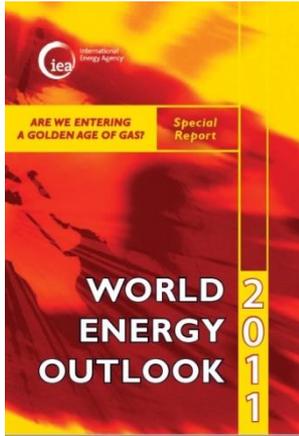
2018 – a remarkable year for energy

Annual change in global primary energy demand, 2011-18



Global energy consumption grew by 2.3% last year, the fastest this decade, with natural gas accounting for almost half of incremental energy demand.

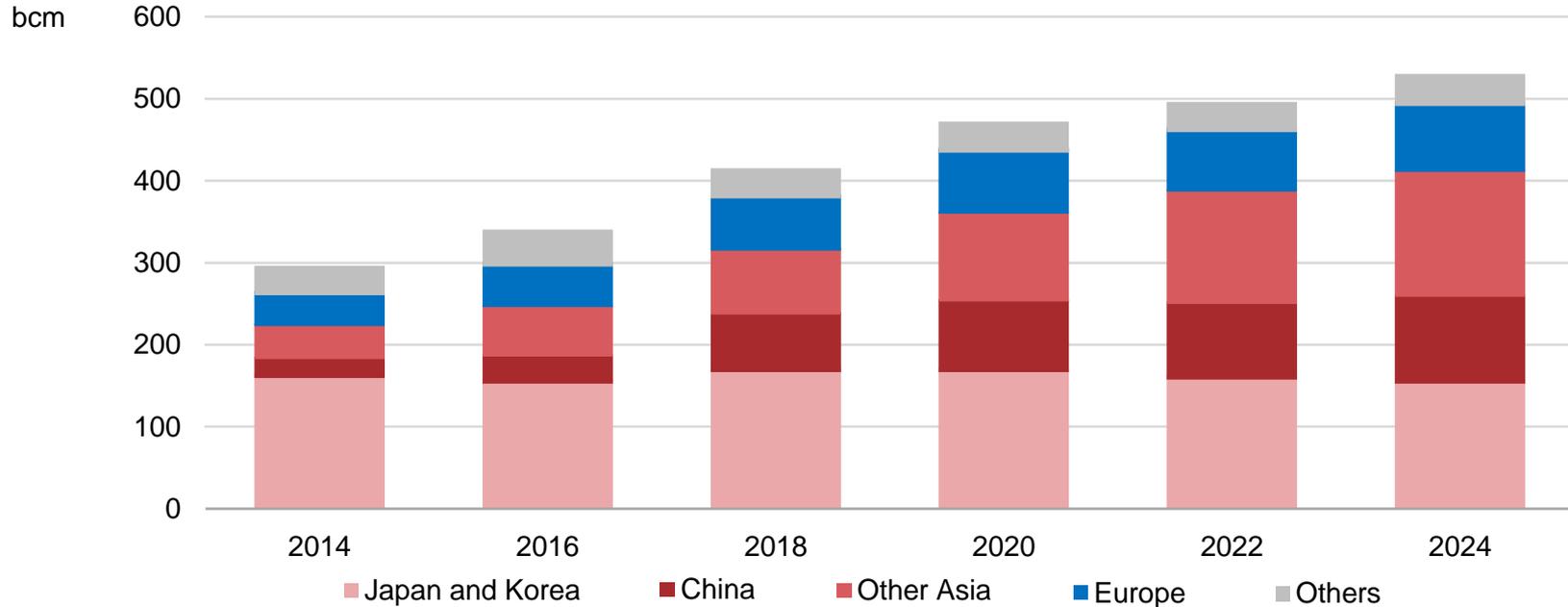
A look back at WEO-2011 Special Report on Golden Age of Gas



The IEA's view that natural gas might be poised to enter a 'Golden Age' was met with scepticism in some places, but many of the trends identified in 2011 have come to fruition

LNG demand will be driven by Asia followed by Europe

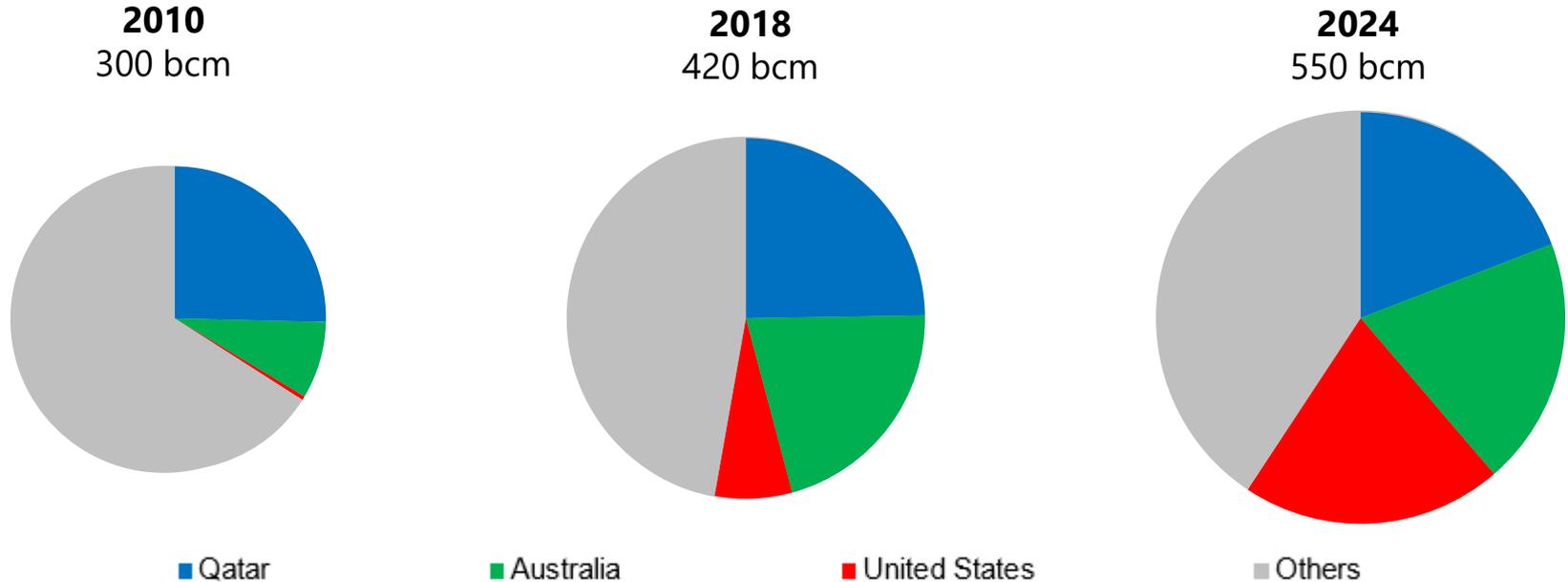
World LNG imports, 2014-24



Fast growing Asian markets economies – led by China – and Europe account for almost all of the increase in LNG imports to 2024.

Three major exporters diversifying LNG supply

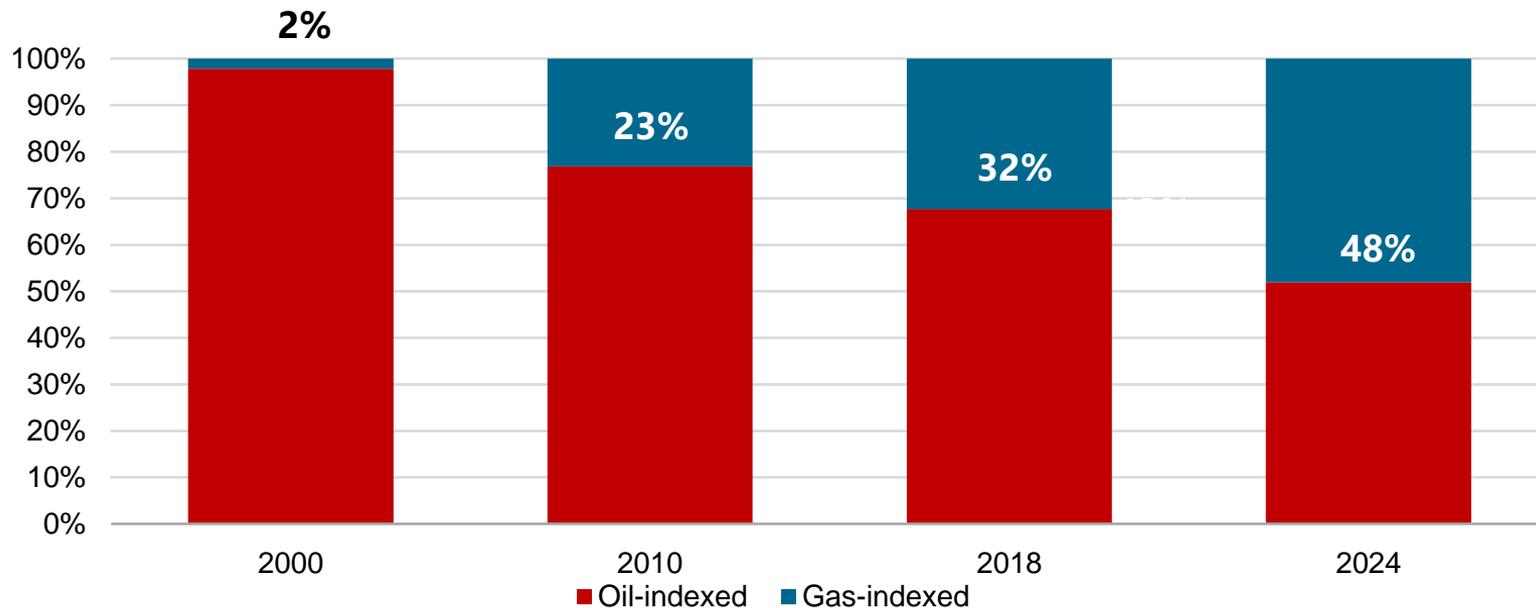
Evolution of LNG exports, 2010-24



Australia, Qatar and the United States will account for 60% of total LNG supply by 2024, with the United States contributing two-thirds of LNG export growth through the forecast.

The share of gas-indexation in LNG export contracts is increasing

Already contracted LNG export volumes by type, 2000–24



The growing share of gas-indexed LNG contracts makes LNG prices increasingly reflective of market conditions, including supply-demand fundamentals.

Conclusions

- Global energy consumption grew by 2.3% last year, the fastest this decade, with natural gas accounting for almost half of incremental energy demand
- Natural gas is playing a key role in energy transitions and curbing air pollution
- 2019 is already a record year for new LNG investment, as the United States is leading a wave of new projects
- Asian spot LNG prices halved since 2012 supported by increasing global supply and contributing to demand growth
- The IEA is committed to close cooperation & dialogue with gas producers & consumers to improve transparency, encourage flexibility & boost resilience

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