



World Energy Outlook 2006

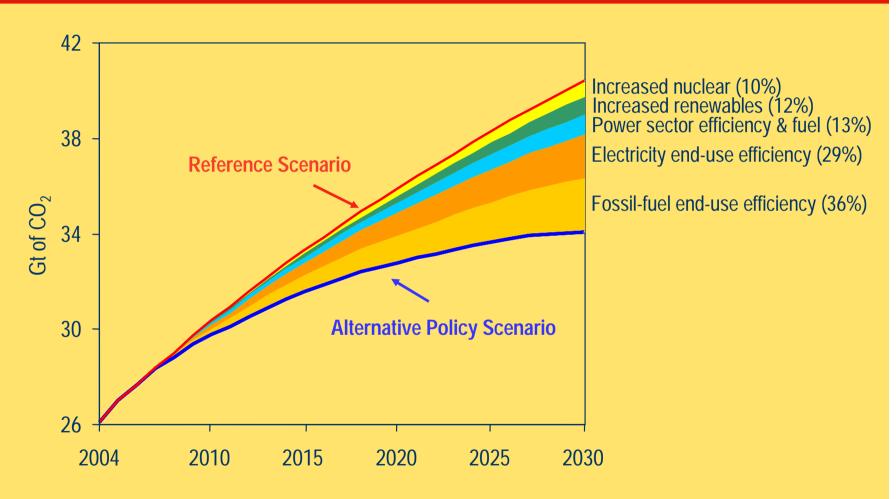
Maria Argiri Economic Analysis Division



Alternative Policy Scenario:

Global Savings in Energy-Related CO₂ Emissions





Improved end-use efficiency of electricity & fossil fuels accounts for twothirds of avoided emissions in 2030



Summing Up



- On current trends, we are on course for an unstable, dirty & expensive energy future
- In response, urgent government policy action is required in two key areas:
 - Promoting energy investment
 - Promoting energy efficiency
- In addition to improving energy security and the environment, these policies also make economic sense
- The WEO sets out the essential first steps on a path towards a clean, clever and competitive energy future
- For a truly sustainable energy system, technological breakthroughs will also be needed



Making the Alternative Policy Scenario a Reality



- Formidable hurdles exist to the adoption & implementation of the Alternative Policy Scenario
- It will require considerable political will to push through those policies
- Private-sector support & international cooperation will be essential
- It is cheaper than the Reference Scenario energy and investment savings more than offset costs
- Action is needed urgently
 - ☐ Emissions are rising faster than anticipated
 - □ Delaying implementation by a decade would reduce cut in cumulative emissions to 2030 from 8% to 2%
 - □ Delays in stepping up R&D particularly carbon capture & storage would reduce cut in emissions after 2030