



## IEAGHG Information Paper; 2013-IP11: BP Statistical Review of World Energy June 2013

**Background:** The latest edition of BP's statistical Review of World Energy Use can be found at <http://www.bp.com/en/global/corporate/about-bp/statistical-review-of-world-energy-2013.html>

The main perspectives on energy use drawn from the review of the last year are as follows:

- In 2012 there was a slowdown in the growth of energy consumption globally, partly as a result of the economic slowdown but also because individuals and businesses have responded to high prices by becoming more efficient in their use of energy.
- The review shows that the supply of energy is coming from an increasing diversity of sources as the world's energy market continues to adapt, innovate and evolve.
- Brazil, China, the EU, India, Japan, Russia and the US all saw below-average growth in energy consumption. Indeed, consumption growth of all forms of fossil energy was below average.
- On the supply side, the most noticeable phenomenon remains the American shale revolution. In 2012, the US recorded the largest oil and natural gas production increases in the world, and saw the largest gain in oil production in its history.
- Elsewhere, for a second year, disruptions to oil supply in Africa and parts of the Middle East were offset by growth among OPEC producers. Libyan production recovered strongly after the sharp drop in output in 2011, and Saudi Arabia, the UAE, and Qatar all produced at record levels. However, despite these supply increases, oil prices reached another record high.
- Coal remained the fastest-growing fossil fuel, with China consuming half of the world's coal for the first time – but it was also the fossil fuel that saw the weakest growth relative to its historical average.
- Natural gas grew at a below-average rate; it was the only fossil fuel to see consumption growth accelerate in 2012. Cheaper natural gas competed strongly with coal in North America, displacing it as a power feedstock.
- Hydroelectric and renewable energy also competed strongly against coal globally; renewables in power generation grew by 15%.
- In Europe, where gas was more expensive, coal was often the fuel of choice for power generation, while the LNG tankers that used to supply Europe turned towards Asia.
- Global nuclear power output had the largest decline ever, with Japanese output falling by nearly 90% as the response to the tragedy at Fukushima continued to unfold. Fossil fuel imports rose to compensate.

The review concludes that, in these and many other ways, 2012 highlighted the flexibility of the world's energy market and the innovative approaches that consumers and producers take in response to change.

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