



BP RELEASED ITS “ENERGY OUTLOOK” AT A JOINT EVENT HELD WITH WEC TURKEY

In the year 2040, more than half of the world’s energy will come from petrol and natural gas

“BP Energy Outlook 2018” report and future energy trends were discussed in the 3rd WEC Talks organized jointly by the World Energy Council and BP at Ankara Sheraton Hotel. Participants shared astonishing information about the global energy consumption by 2040.

At September 18, **3rd WEC (World Energy Council) Talks** took place at Sheraton Hotel in Ankara with the participation of **Alparslan BAYRAKTAR**, Deputy Minister of Energy and Natural Resources and President of World Energy Council Turkey, **Abdullah TANCAN**, Deputy Minister of Energy and Natural Resources, **Mustafa YILMAZ**, EPDK (Energy Market Regulatory Authority) President, **Mick STUMP**, President of BP Turkey and **William ZIMMERN**, BP Group Head Economist. Participants discussed the increase and diversity of the energy demand, the energy types that will dominate the market by 2040, and the **BP Energy Outlook 2018** report on the forces which will shape the global energy outlook until 2040 and the uncertainty surrounding this transformation.

Even the fast growth of electric automobiles doesn’t eliminate the demand for petrol

According to the BP Energy Outlook 2018 report presented by **William ZIMMERN**, BP Group Head Economist, electricity constitutes 70% of the energy demand increase. The report measures the penetration of electricity into the transportation sector by taking into consideration both the number of electric vehicles and the utilization rate of each vehicle. As claimed by the Evolving Transition Scenario*, EV's share in the global automobile market will reach 15% by 2040. This means nearly more than 300 million automobiles in a pool of 2 billion. But the mileage share of EV’s reaches 30% when the utilization rate of electrical private cars is factored in.

Renewable energy, which is expected to grow over 400% and to amount to more than 50% of the total energy production increase, is another conspicuous subject in the scenario. The idea that the fast growth of electric automobiles will cause the collapse of petrol demand is not supported by the basic numbers. Even though electricity is one of the energy types that will show a substantial increase, the experts expect that petrol and natural gas will continue to constitute more than half of the world energy. Even in a

** Evolving Transition Scenario: A combination of projections assuming the necessities concerning the energy needs will rapidly increase in the near future just as it did in the near past, in view of the state policies, technology, and social preferences.*



scenario where internal combustion engines are prohibited, and high levels of productivity are observed, the demand for petrol in 2040 will remain above today's levels.

According to the transformation scenario in progress, carbon emission levels will show a 10% increase until 2040 due to the increased demand and consumption of energy.

BP Energy Outlook 2018 report also investigates another scenario of "Faster Transformation" where the carbon emission levels decrease 50% by the year 2040.

Mick STUMP, President of BP Turkey; "The demand will continue to grow, and until 2040 the global energy demand will increase by one-third."

Mick STUMP, President of BP Turkey, emphasized that the BP Energy Outlook 2018 report addresses a number of scenarios. He said "Global energy demand continues to grow. By 2040, one-fourth of the world's energy demand will be supplied by the renewable sources, and petrol and natural gas will continue to constitute more than half of the world energy. We, both as BP and as the sector, prepare ourselves for the transformations in the energy industry by releasing reports every year. We are aware of Turkey's strategic importance with regard to the transformations in energy. Turkey, as one of the fastest growing 20 economies of the world, is at the focal point of the world's attention with its natural gas projects, one of the most important energy sources of the future. Today, Turkey remains an energy country, with its Fuel Oil, Mineral Oil and Aviation operations on a global scale and big energy projects such as TANAP (Trans Anatolian Natural Gas Pipeline) and BTC (Baku-Tbilisi-Ceyhan Pipeline). BP will continue to participate in such projects, and *with new investments*, we will carry forward our over-one-hundred-year-old presence in the Turkish market."

Alparslan BAYRAKTAR, President of WEC Turkey; "An integrated and comprehensive approach is essential in the energy sector."

Alparslan BAYRAKTAR emphasized the importance of medium- and long-term planning, as well as of an integrated and comprehensive approach in the energy sector. He said, "Essential elements of success in energy policies are continuity, definitiveness, and predictability in political aims. I would like to state that the vision we have created under the National Energy and Mineral Policy of the last term will continue as powerfully in the new term. We will prioritize, security of supply, naturalization, and market-oriented policies, in harmony with each other and with the changing market conditions. Fifteen years ago, Turkey took a critical decision to liberalize its energy markets and successfully completed the transformation. The new term presents challenges, but also opportunities. While planning and an integrated approach are paramount for our private sector stakeholders, the government must provide the flexibility required by the changes needed by the market."

** Evolving Transition Scenario: A combination of projections assuming the necessities concerning the energy needs will rapidly increase in the near future just as it did in the near past, in view of the state policies, technology, and social preferences.*