



# LNG reshaping the global gas market

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LNG Producer-Consumer Conference

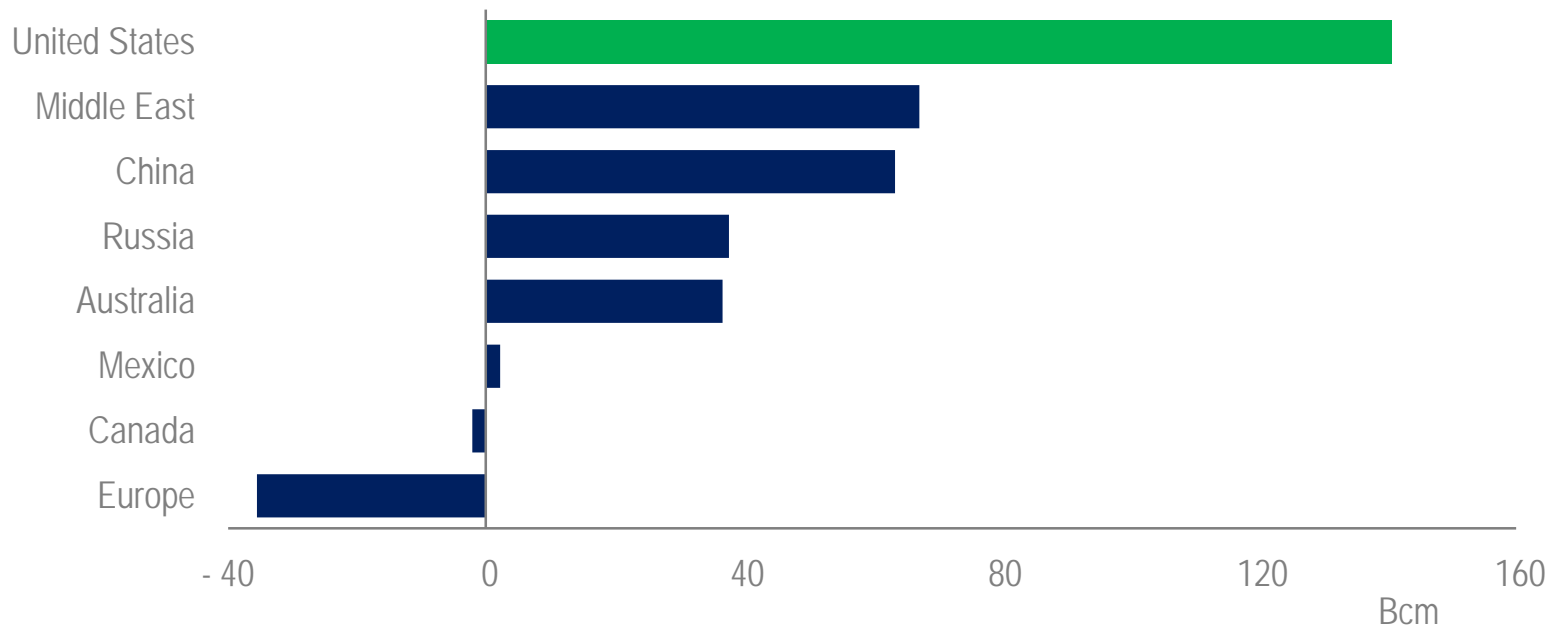
Tokyo – 18 October 2017



# US unconventional gas revolution has far-reaching consequences

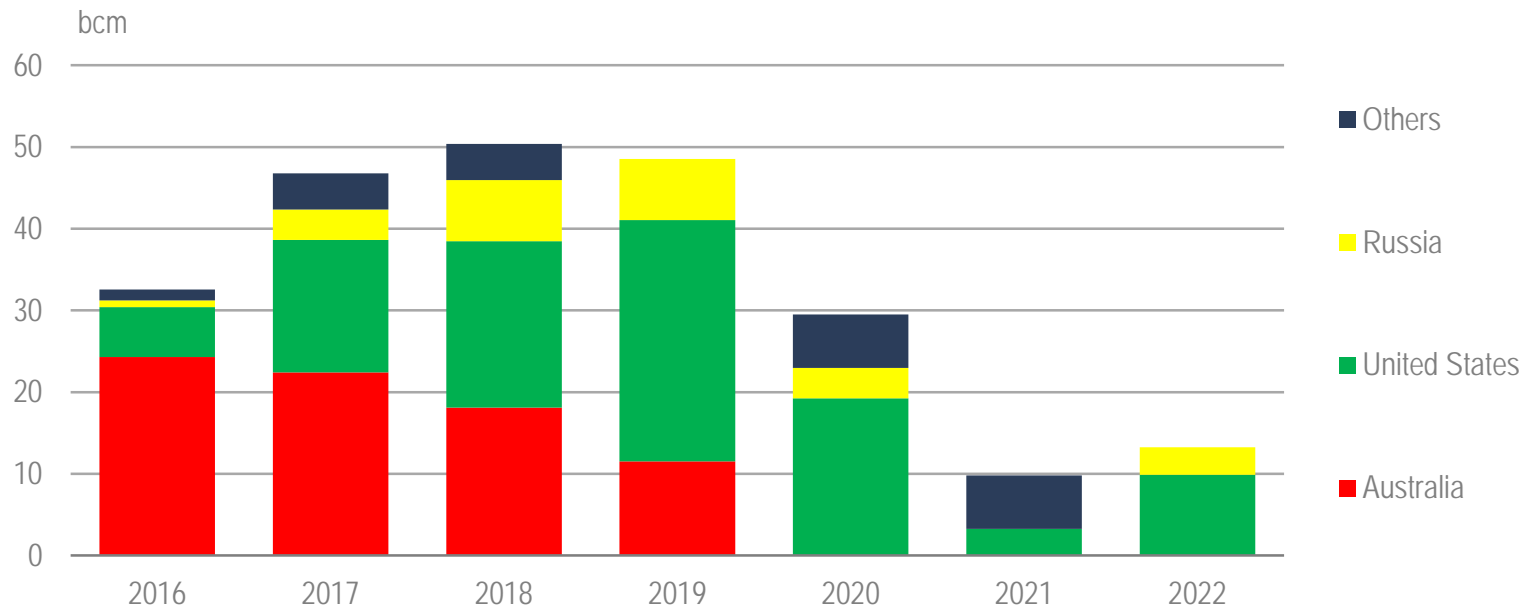


## Changes in gas production, 2016-2022



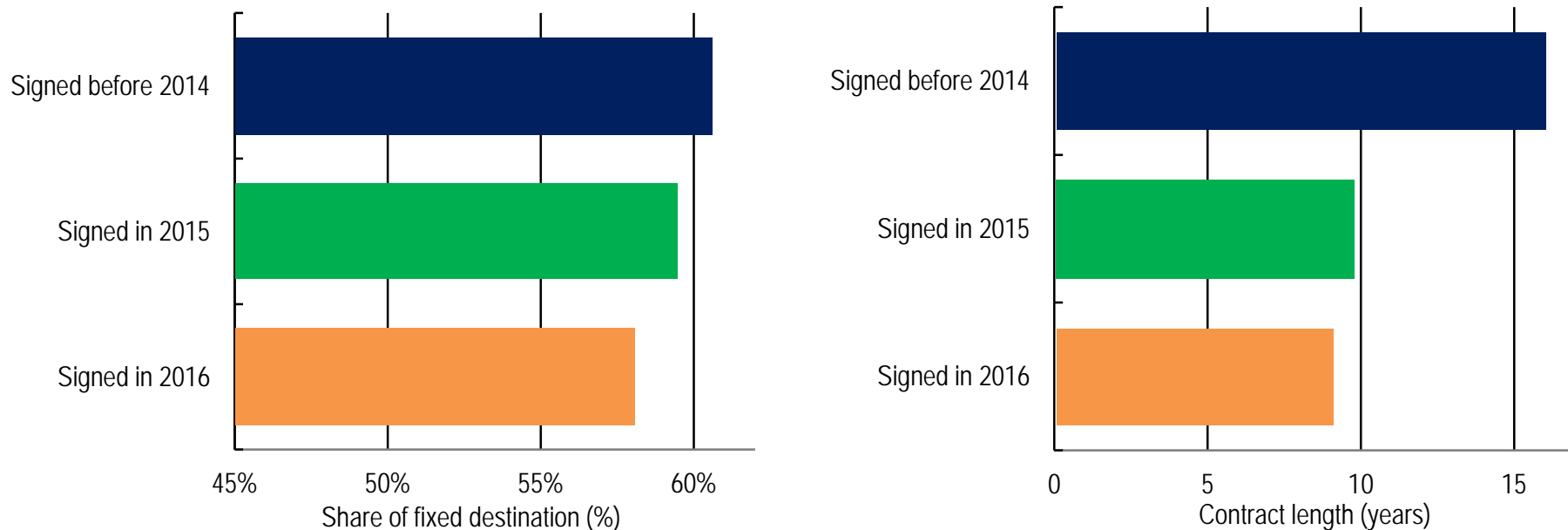
**Since 2009, US shale has added some 180 Bcm, which is greater than Russia's exports to Europe in 2016; The US is forecast to account for 40% of the increase in global production to 2022**

## Annual LNG capacity additions, 2016 – 2022



**Around 140 bcm of LNG export capacity is under construction, with 75% of the total in Australia and the United States**

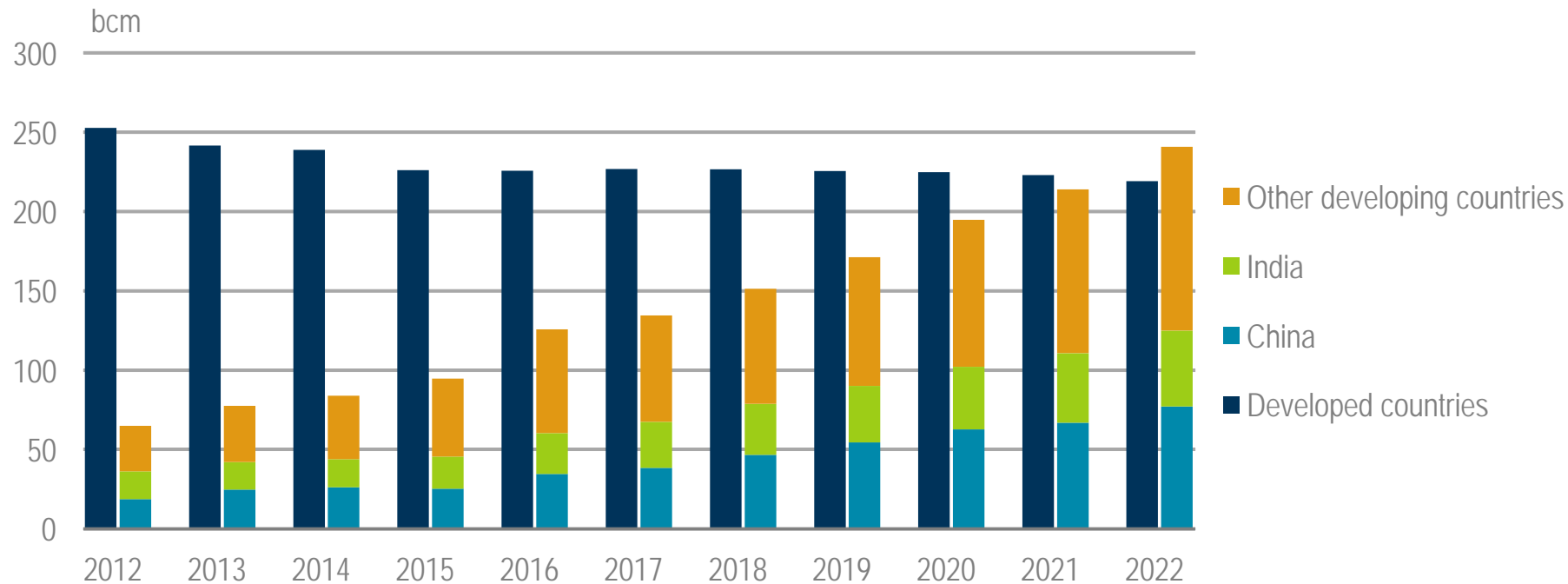
## Recent evolution in LNG contracts



**Trends from new signed contracts – more destination flexible and shorter – show proof of increasing LNG trade flexibility**

# Demand in developing countries reshaping the LNG market

LNG import volumes , 2012 - 2022 (bcm)



**China, India and other developing countries will import more than 50% of all LNG by 2022;  
The number of LNG importing countries has risen from 5 in 2005 to 39 in 2016 and is set to reach 48 by 2022**



- A second gas revolution is underway, driven by LNG
- In spite of overall well supplied markets, events show that global natural gas security remains a live issue and cannot be taken for granted
- LNG contract flexibility keeps improving towards more liquid markets
- LNG demand is diversifying, yet growing dependence from a growing number of importing countries implies an evolving landscape for security of supply
- The IEA has a mandate to contribute to enhancing global gas security by improving transparency, encouraging flexibility, and supporting greater resilience



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