



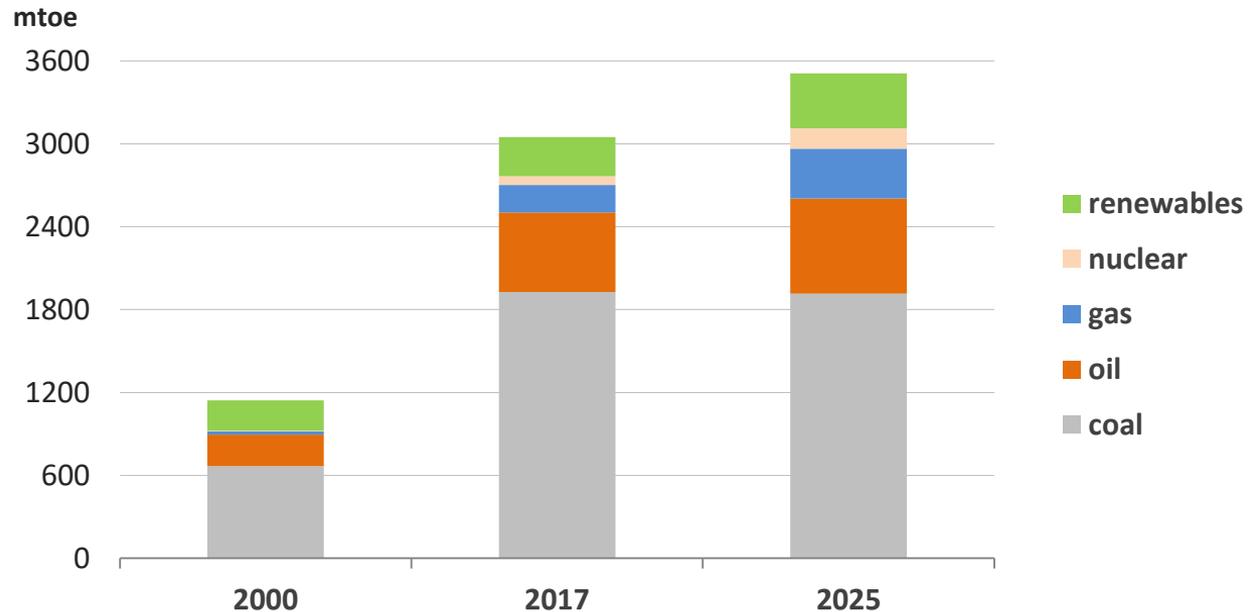
Energy context of China-US relations

Keisuke Sadamori, Director

3 June 2019

Coal is still king in China, but prospects are limited

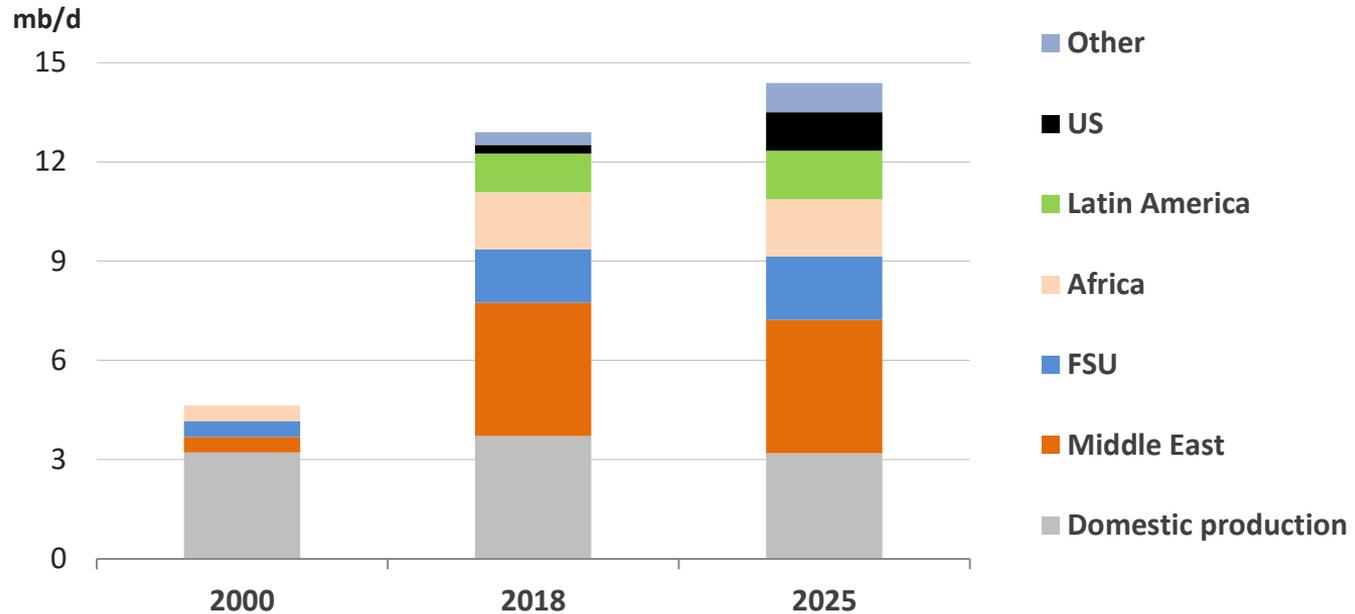
China's energy mix



**Domestic coal fuelled industrialisation,
but shift to service-based growth now favours oil, gas and renewables.**

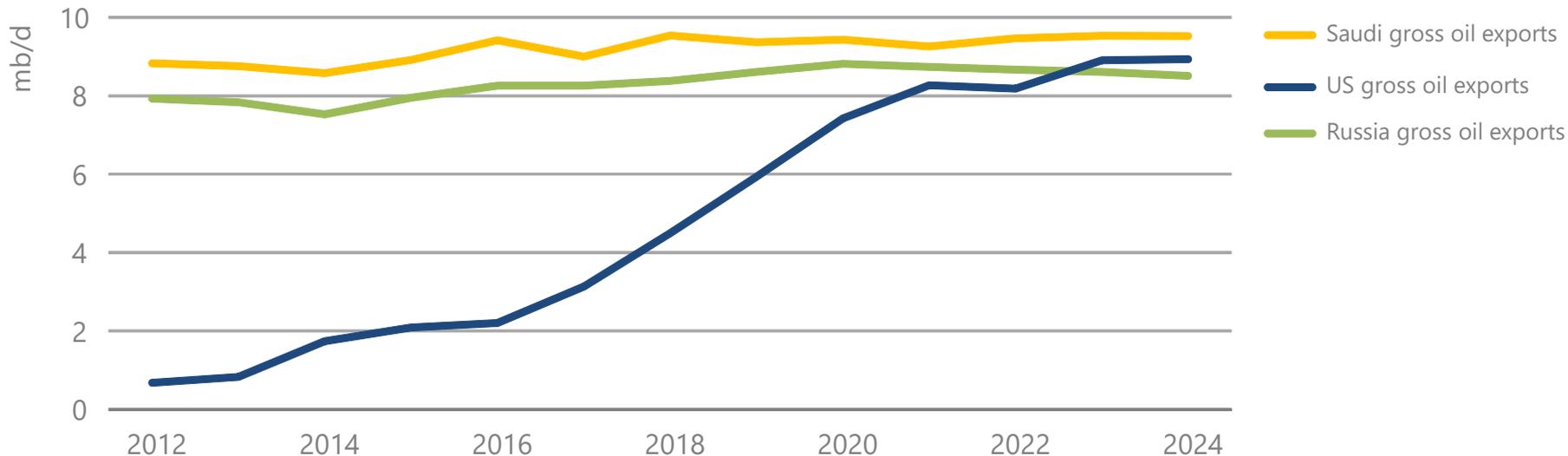
Where does China get its oil?

China's oil supply



Since 2000, almost all incremental oil demand has been met through imports.

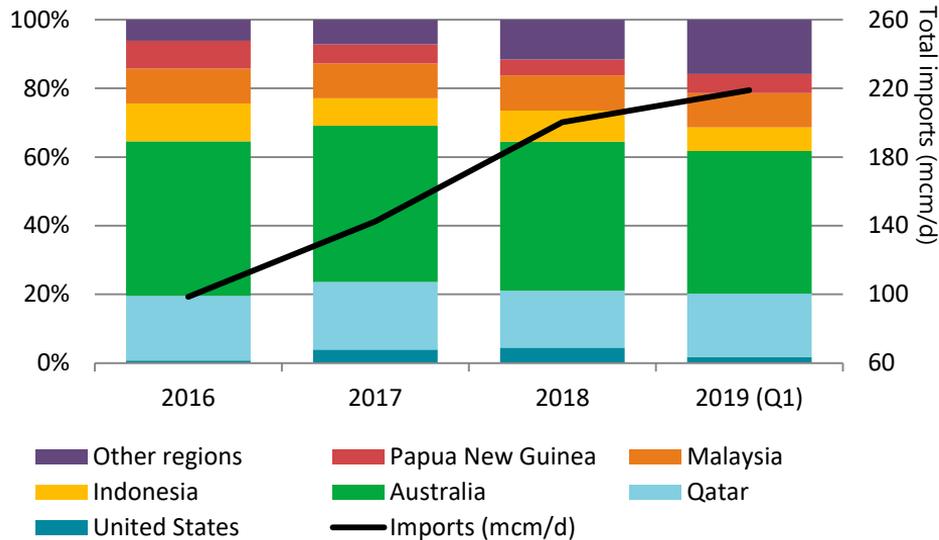
US gross exports overtake Russia, catch up with Saudi Arabia



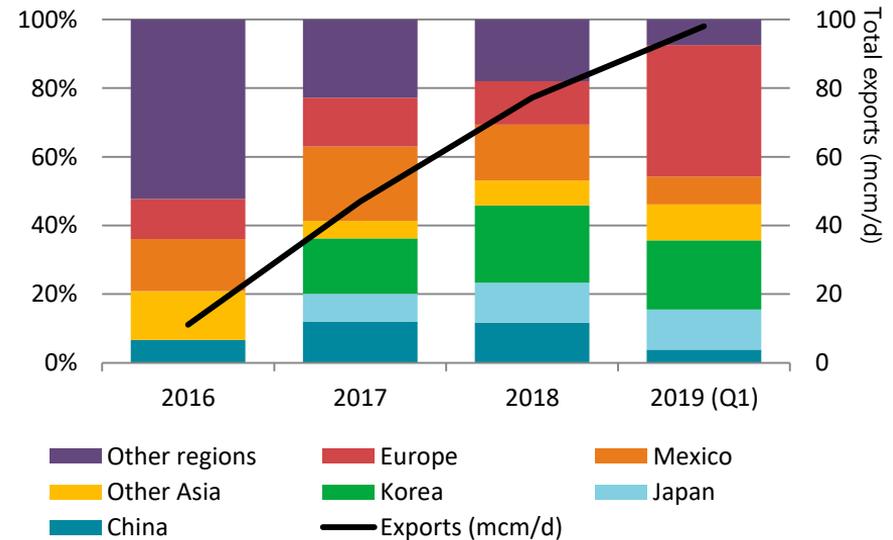
US is *net* oil exporter in 2021 after 75 years of import dependency. US exports add to market flexibility.

Two major players in a diversifying global LNG market

China's LNG import structure by origin

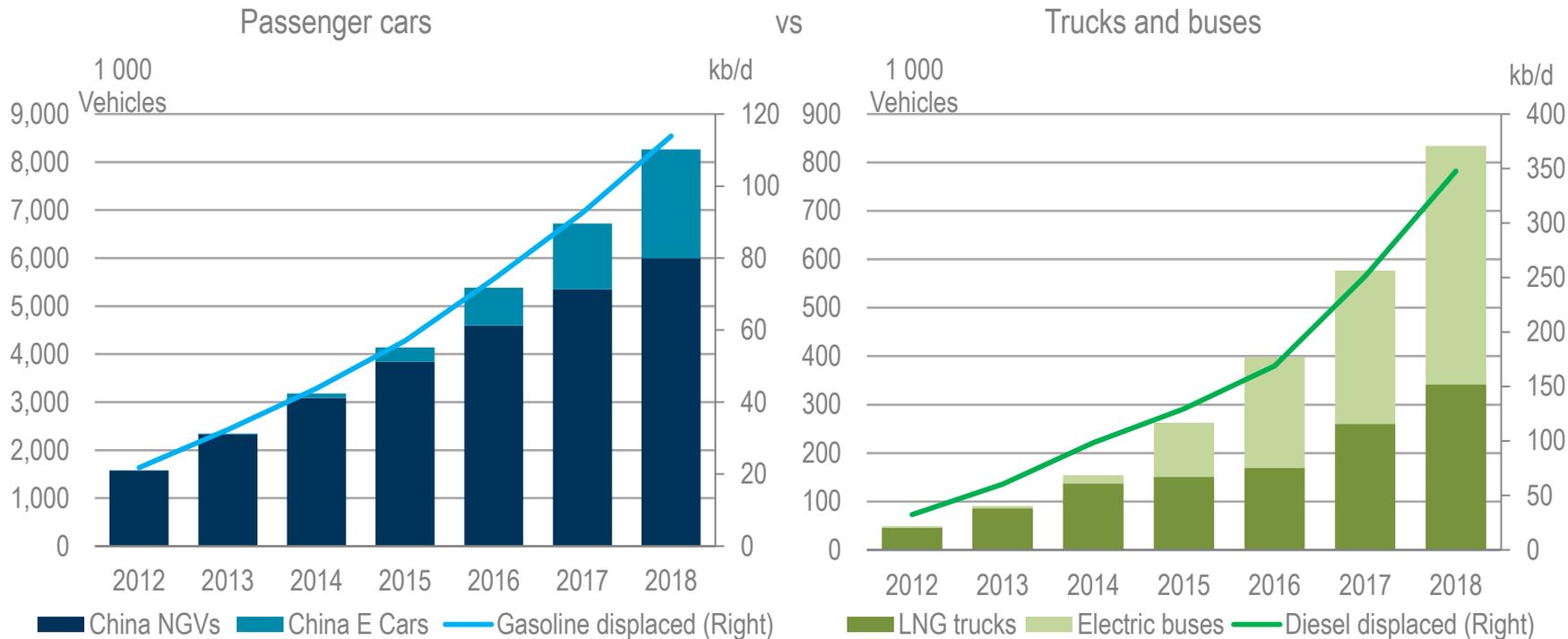


US LNG export structure by destination



Both China and the United States are expanding and diversifying their portfolios of LNG trade counterparts

Alternative transport fuels

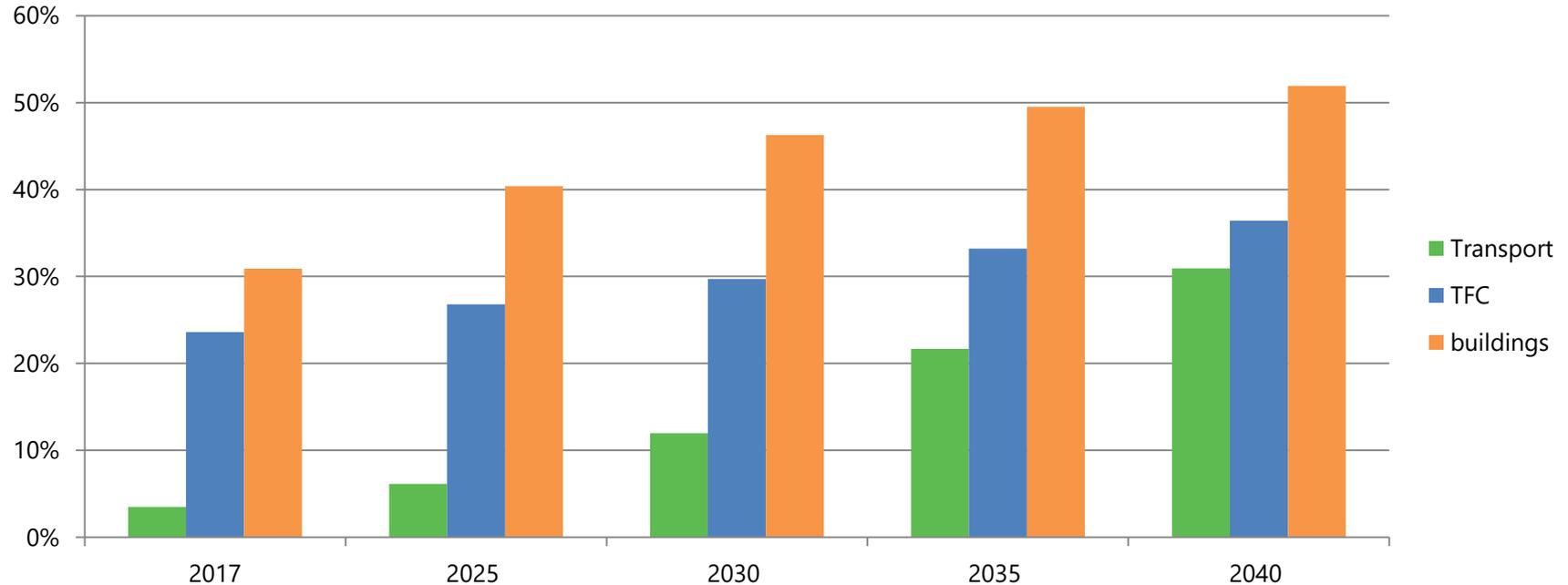


Reducing import reliance is not the only driver for alternative fuel in transport.

Electrification delivers both environmental and energy security benefits



Share of electricity in the Sustainable Development Scenario in China



While heat pumps and EVs mitigate oil and gas import dependency, CCUS deployment maintains an contribution from domestic coal in China.



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