MARC-ANTOINE EYL-MAZZEGA

Director of the Center for Energy & Climate of Ifri

Good afternoon, ladies and gentlemen. My name is Marc-Antoine. I am very pleased to introduce this great panel on the absolutely fundamental issue of energy security, affordable and competitive energy, and of course, decarbonized energy for the world. I work at the French Institute for International Relations. I run the energy and climate team there. When we look at the world, we see a tale of two stories, basically. On the one hand, the energy system still has strong inertia. We still have growth in oil demand. We still have growth in gas demand. We might finally see a peak in coal demand, but a peak that is at a very, very high level. Nonetheless, we now have a global clean tech investment level on a yearly basis that is twice as big as fossil fuel investments, and this is rising year by year. If I look at the annual deployment levels of clean technologies, we are really beating every record every year. It is remarkable growth. As we speak, 80% of electricity generation investments are renewables and low-carbon electricity investments. It is absolutely remarkable. Almost nobody still invests in coal. That is therefore a remarkable development.

However, the problem is that climate urgency is there. Everything that has been done is not enough. 1.5 degrees warming limitation is out of reach. Therefore, we have to focus on still continuing mitigation plus adaptation. If we look at one of the most likely reasons why we are not there yet, it is because we are in a fragmented world. We have very few carbon markets. We have different sets of regulations or incentives, but in too many countries, there is still nothing or almost nothing in place. In this fragmented world, it is still very profitable to invest in fossil fuels and much less so in clean techs, although that is improving.

The story we are going discuss over the next hour together is how we push more low-carbon electrons in the energy systems, how we push more low-carbon molecules in the energy systems, and how we basically perform a greater system integration. That is, how molecules can help out to stabilize the electricity system, for example, and how electricity can help to decarbonize, for example, industries that were running on fossil fuels for heat generation. That is the program for the next hour. I am very pleased that we have a great panel, very diverse, both from geographical origins and from a stakeholder perspective.