

India

India has one of the fastest growing economies, but it is not projected to reach the level of energy consumption seen in other major economies.

As of 2015...



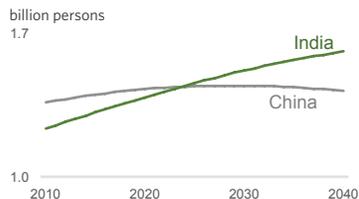
4th largest energy consumer (will soon become the 3rd)



3rd largest economy (measured in Purchasing Power Parity (PPP))



2nd largest population (will become the largest country by 2025)



EIA tested three high-economic growth cases

GDP (gross domestic product)



In each test case, 2040 GDP increases from US \$32 trillion to \$41 trillion PPP, exceeding that of the United States.

Case studies

Each case changes how India's economy grows by 2040

Consumption share grows to 67% of the economy



Consumption-led case (1)

Investment share grows to 38% of the economy



Investment-led case (2)

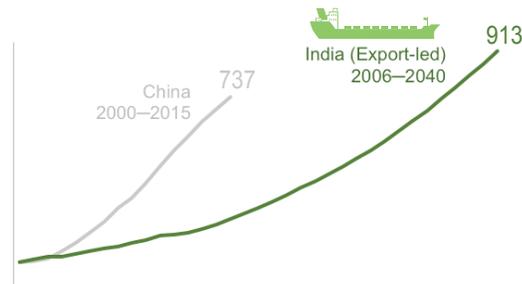
Export share grows to 55% of the economy



Export-led case (3)

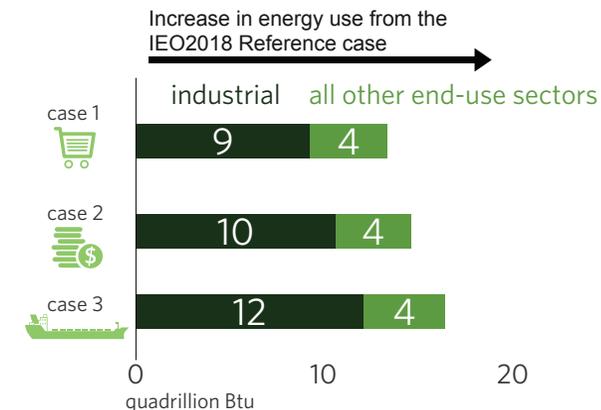
Manufacturing

Indian energy-intensive manufacturing output does not reach historical Chinese levels until after 2035



Energy use

Compared with the IEO2018 Reference case, energy use is highest in Export-led case in 2040



China

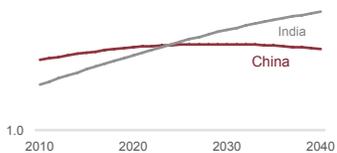
Faster economic growth in China means greater energy use, especially if it does not transition to a consumption-based economy.

As of 2015...

 **132 quadrillion Btu energy use**
(much higher than in the past 35 years)

 **Largest economy**
(measured in Purchasing Power Parity (PPP))

 **Largest population**
(fourth-largest region in 2040)
billion persons
1.7



EIA tested two high-economic growth cases

GDP (gross domestic product)



In each test case, 2040 GDP increases from US \$54 trillion to \$73 trillion PPP, which is double the U.S. GDP.

Case studies

Each case changes China's transition to a consumption-led economy by 2040

Investment share increases to
51% of the economy



No Transition case

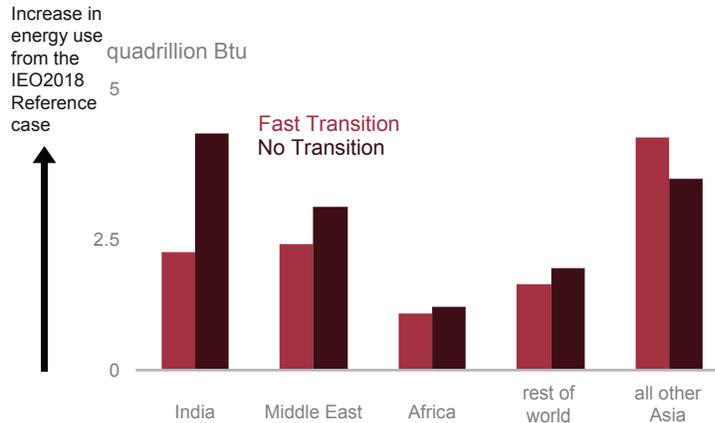
Consumption share increases to
60% of the economy



Fast Transition case

Energy use

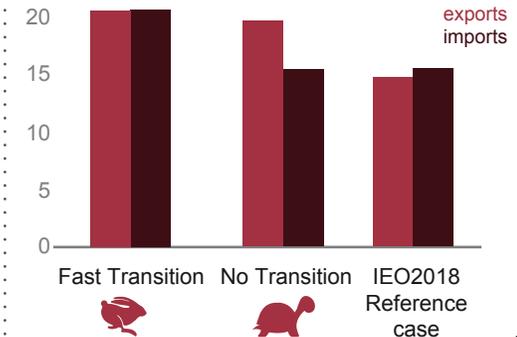
Supply chain links lead to changes in other countries



Trade

Higher growth in China results in more Chinese trade

US \$ trillion in PPP for 2040



Africa

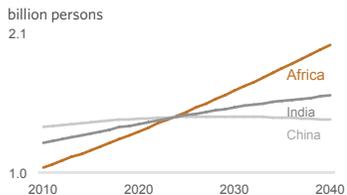
A higher economic growth case for Africa leads to more industrial sector energy use.

As of 2015...

 **8th largest regional energy consumer**
(23 quadrillion Btu)

 **6th largest regional GDP**
(measured in Purchasing Power Parity (PPP))

 **4th largest regional population**
(projected to be the largest in all cases)



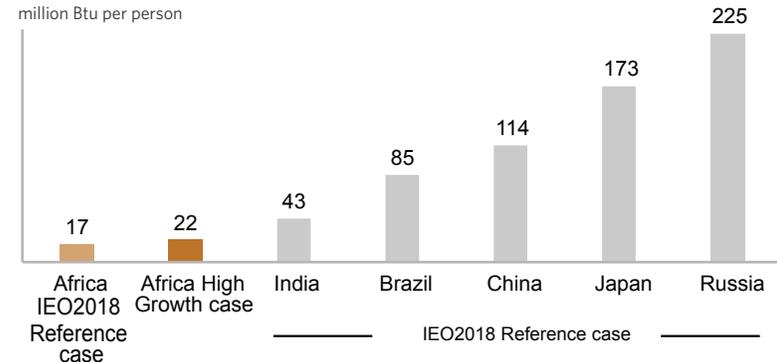
EIA tested a case with higher economic growth

GDP (gross domestic product)

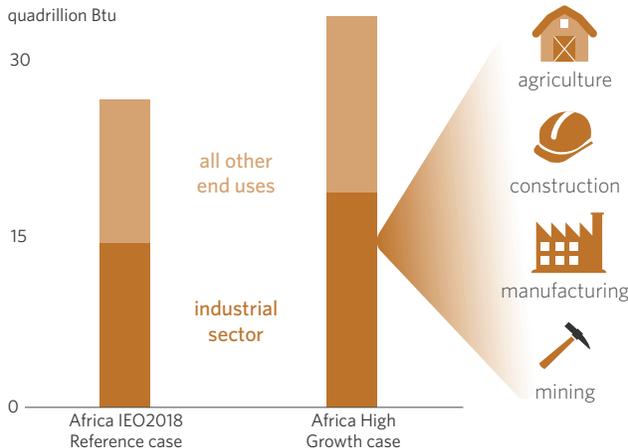


In this test case, 2040 GDP increases from US \$14 trillion to \$18 trillion PPP, which is slightly more than one-third of China's GDP.

Case study



Industrial sector



Manufacturing

African manufacturing is currently **16%** of the economy, which is lower than India (33%) and China (51%).

With higher economic growth, African manufacturing increases from **19%** to **24%** of the economy in 2040.