

HOW TO PREPARE BETTER RECOVERY PLANS?

Learning from scenarios and World Energy Transition Radar



The Covid-19 crisis has, and is, having significant and uneven impacts across all societies and economic sectors. The global energy sector is one of the most severely affected. Emerging from crisis and managing global energy transition are not going to be easy.

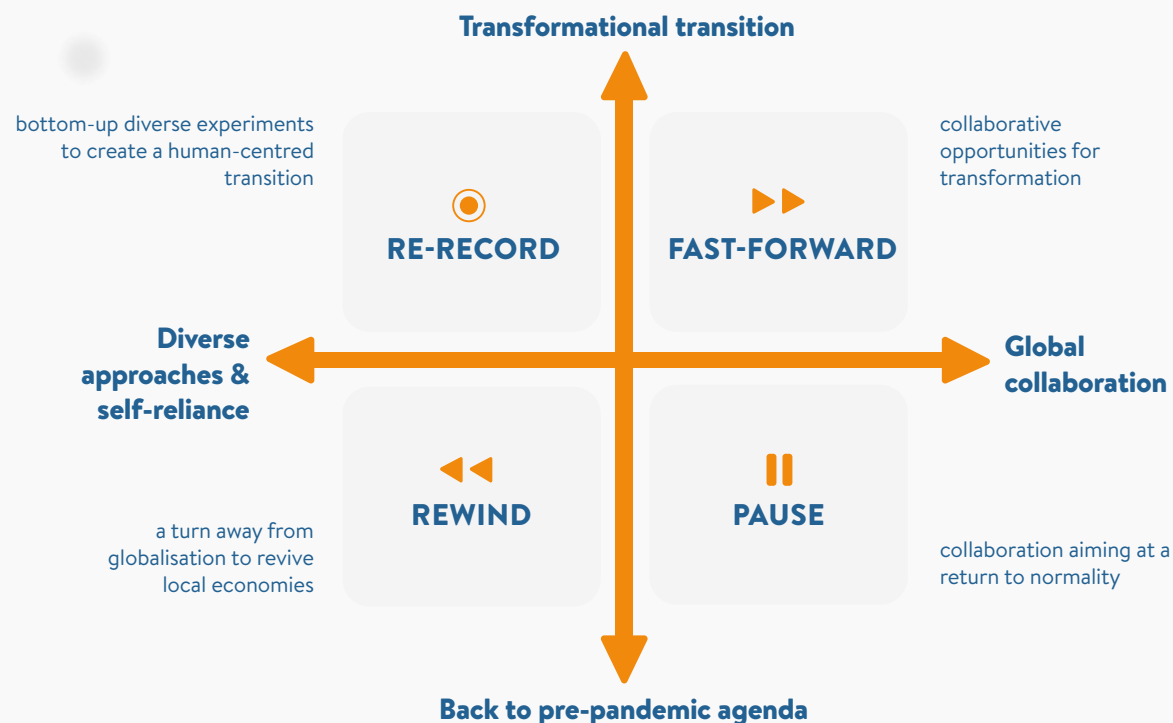
To support energy leaders to design recovery strategies and take action now, the World Energy Council has developed a set of four impartial scenarios to 2024 – **Pause, Rewind, Fast-Forward and Re-Record**. Each scenario explores three critical uncertainties – ambition, trust and ability to control the virus – and how these combine to shift the pace and direction of global energy transition.

We have used these scenarios to build the world’s first **World Energy Transition Radar**. It is a data driven sensemaking tool that detects real-time signals from around the world and helps to see what future starts to dominate and what might be the implications on energy transition and leadership agenda.

More than **2,900 signals** were detected during the period from **mid-June to mid-September 2020** thanks to the huge effort of the **Council’s Future Energy Leaders** global community.

The first issue of the World Energy Transition Radar note provides emerging insights and learnings from signals on recovery plans and energy transition.

Scenarios Framework



FAST-FORWARD AND RE-RECORD SCENARIOS DOMINATE

More than 2,900 signals were detected from mid-June to mid-September 2020 by the Council's Future Energy Leaders community. The signals indicate that all four scenarios are plausible, relevant and challenging.

More signals were detected for the Fast-Forward Scenario (37% of signals), followed closely by Re-Record (26%) with fewer signals for Rewind (20%) and Pause (16%) scenarios.

Three major insights emerged in the last two months of the tracking as countries began to build and implement recovery plans.



1. CRISIS AS AN OPPORTUNITY FOR TRANSFORMATION

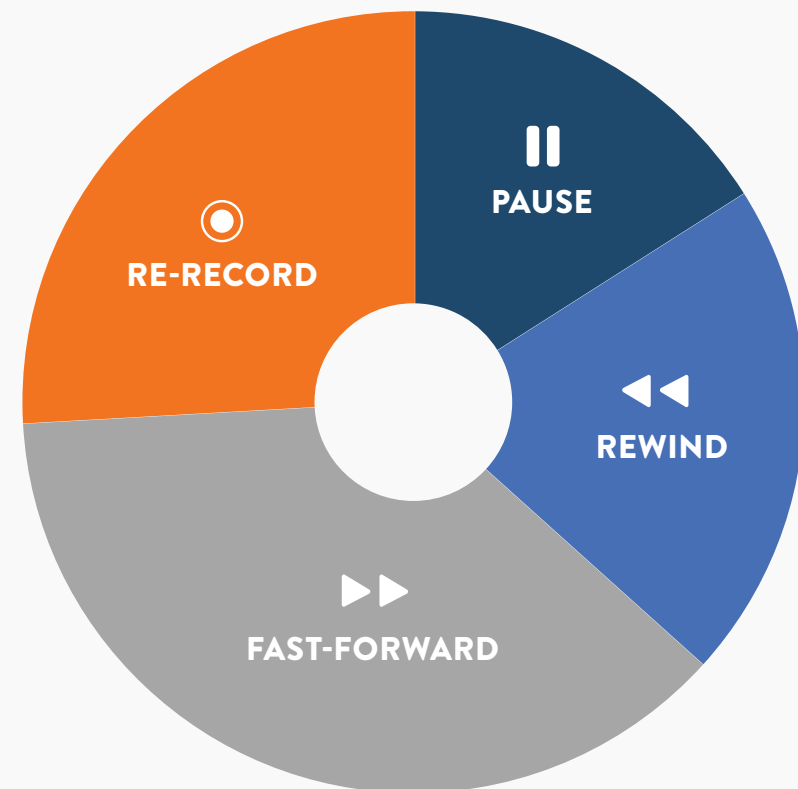


2. HUMAN-CENTRED RECOVERY TAKES THE SPOTLIGHT



3. CLEAN ENERGY VECTORS GAIN MOMENTUM

World Energy Transition Radar snapshot (as of 22 September 2020)





1. CRISIS AS AN OPPORTUNITY FOR TRANSFORMATION

Signals indicate that more countries today are taking this moment of crisis as an opportunity for structural changes and sustainable economic recovery. However approach is different across regions and countries, some are focusing on collaborative action while others rely of local diverse solutions with increasing role of consumers, cities, and communities in transformational transition.

'India sets Ambitious Renewable Energy Targets' ([Bloomberg](#))

*'A group of the world's top oil companies including Saudi Aramco, China's CNPC and ExxonMobil have **set targets to cut their GHG emission**' ([Euractiv](#))*

*'South Korea to spend \$95 billion of government funds by 2025 on **green projects**' ([Reuters](#))*

*'Chancellor Rishi Sunak announced £3 billion of support for what he called a **'green recovery'** from the financial downturn triggered by the coronavirus outbreak' ([Forbes](#))*

*'Microsoft makes **first Climate Fund Investment** – the \$50 million investment will go to VC firm Energy Impact Partners' ([Bloomberg](#))*

*'Influential investor group demands **'net-zero' targets**' ([Financial Times](#))*

*'The European Council highlights that the European economy needs to become **greener, more circular and more digital** while remaining competitive globally' ([Europe.eu](#))*

*'The Climate Group analysis demonstrates strong business **support for green measures** despite uncertainties and challenges presented by the pandemic' ([Climate Group](#))*

*'Saudi Arabia called on global cooperation for the rapid scale up of carbon capture utilization and storage (CCUS) to address climate change, and urged the adoption of the **circular carbon economy**' ([Aramco.com](#))*

** in italic are examples of relevant signals from around the world*



2. HUMAN-CENTRED RECOVERY TAKES THE SPOTLIGHT

Regardless of scenario, human development is at the centre of recovery. Signals indicate that ‘people come first’ – many organisations are prioritising employees’ welfare, focusing on their emotional and physical resilience. While governments are giving more consideration to behavioural changes and the social energy agenda in their policy designs.

More than 95,000 opportunities under the **SGUnited Jobs and Skills Package** have been made available to job seekers so far in Singapore ([CAN](#))

‘Microsoft launches initiative to help 25 million people worldwide acquire the **digital skills** needed in a COVID-19 economy’ ([Microsoft](#))

‘15 EU countries set to receive 81.4 bln euros for **saving jobs** during COVID-19’ ([European Commission](#))

‘Spain said Thursday (30 July) it had agreed with Airbus to invest €185 million to boost its aerospace sector and **minimise job cuts**’ ([Euractiv](#))

Due to coronavirus **138 million people** will need help of World Food Programme in 2020 compared to 97 million in 2019 ([World Food Programme](#))

‘Google tells employees to take Friday off as a ‘**collective wellbeing**’ holiday during pandemic’ ([CNBC](#))

‘Siemens to let staff ‘**Work From Anywhere**’ permanently’ ([SightsIn Plus](#))

‘Big questions are being posed about the **future of examinations** - there is a lag between technological development and educational reform’ ([World Economic Forum](#))

‘Australia extends **jobs support** as new COVID-19 outbreaks threaten economy’ ([Reuters](#))

* in *italic* are examples of relevant signals from around the world



3. CLEAN ENERGY VECTORS GAIN MOMENTUM

Signals indicate that many countries and businesses are accelerating programmes to develop clean energy vectors including hydrogen and renewables. However new challenges emerge as well. New geopolitics of clean energy, repurposing infrastructure and securing supply chains for non-energy materials - lithium, cobalt, etc.

*'The new fund, **HydrogenOne Capital**, is being launched by a former Royal Dutch Shell and Exxon Mobil executives ([EnergyWorld](#))*

'World's Largest Green Hydrogen Project Unveiled in Saudi Arabia' ([GreenTech](#))

'European Commission presented its hydrogen strategy' ([Euractiv](#))

*'Over **\$13 billion** of wind turbine capacity ordered in Q1 2020 – this is the second-highest first quarter on record' ([Wood Mackenzie](#))*

'South Korea plan to spend \$94.6 billion on a "New Deal" to create jobs and help the economy recover, anchored in part by investment in EVs and hydrogen cars' ([Reuters](#))

*'The pandemic has uncovered weaknesses in the **supply chains of critical minerals** needed for clean energy future' ([World Economic Forum](#))*

'Hyundai ships world's first fuel cell heavy-duty trucks for commercial use' ([Bloomberg](#))

'Tenders for wind and solar projects continued in June despite Covid' ([The Economic Times](#))

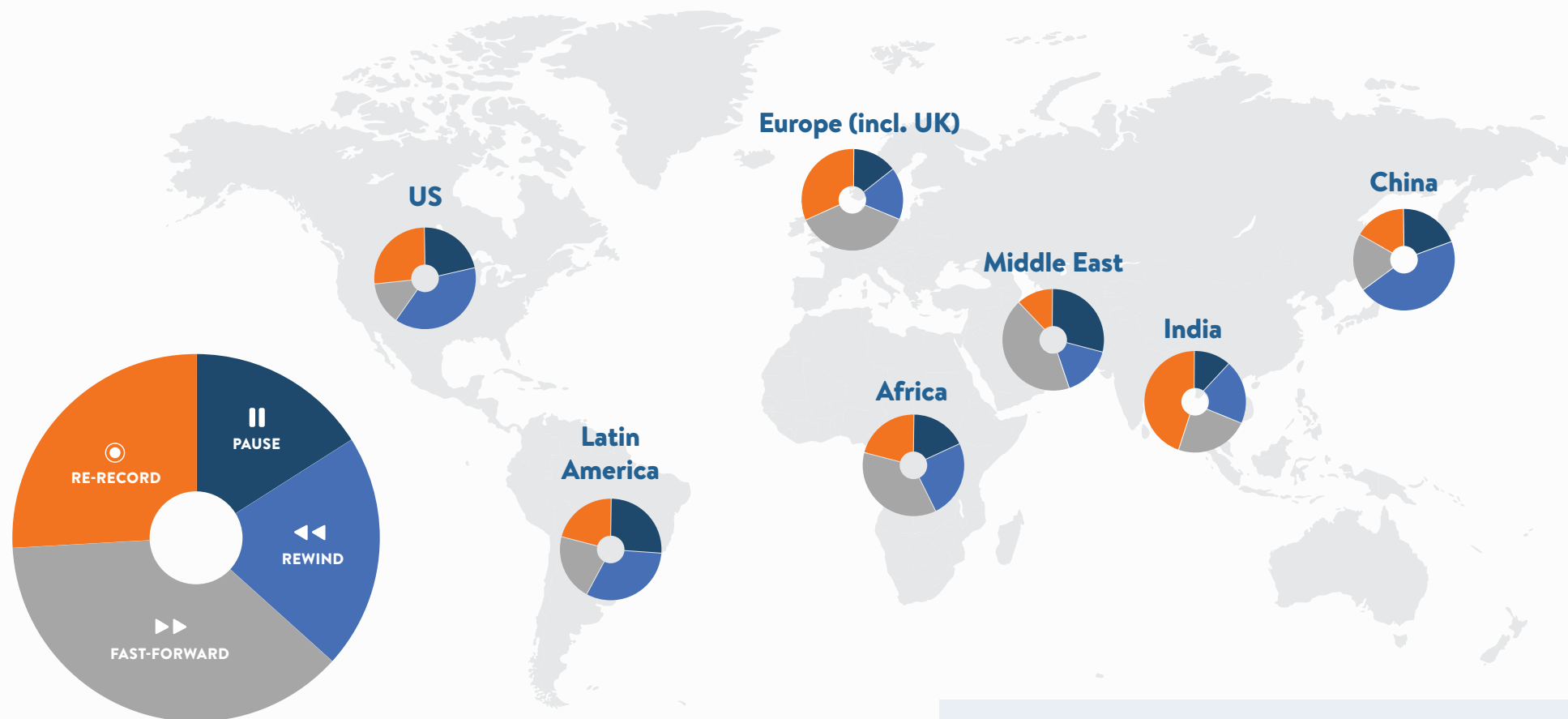
'Enel to launch hydrogen business as part of green drive' ([Reuters](#))

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REGIONAL PERSPECTIVE DIFFER

Recovery from crisis reflects diverse starting points, ambitions and approach

*emerging insights from the radar, where regional / national signals represent approx. 45% of all signals detected during mid-June and mid-September 2020



Interested to co-shape a signals sensemaking analysis and deep-dive on specific geography, sector or theme?

Contact us at scenarios@worldenergy.org

METHODOLOGY

WHAT IS A SIGNAL?

A signal is an event, disruption, local trend or a break in an existing trend. As an example, it could be a new technology coming into the market, new policies introduced by governments, a new product or local innovation with potential implications for the energy sector. It is something that catches your attention when you read news, reports, and corporate or policy statements.

WHAT DO WE SCAN?

The World Energy Transition Radar is a data-driven tool that collates real-time signals of recovery that have potential to impact energy markets and speed and direction of energy transition on global and local scales.

HOW DO WE SCAN SIGNALS?

The radar captures signals shared in social media with unique scenario hashtags or submitted via a special form on the radar website page. Signals can be found in news reports, articles and other information outlets. Collated signals are moderated and further aggregated by type – political, economic, social, technological and environmental.

SPECIAL THANKS

Piloting the World Energy Transition Radar was done with help of the Council's Future Energy Leaders Community. We would like to thank our top scanners who made a great contribution in detecting and sharing signals:

(in alphabetical order)

Abdulaziz Qasim, Alejandra Salazar, Carolina Ferreira, Christian Diendorfer, Denis Kovalev, Esam AlMurawwi, Harrykrishna Poonoosamy-Padiachy, Joy Eze, Mervin Azeta, Nishant Sharma, Ola Atef, Olga Bogdanova, Pedro Ernesto Ferreira, Reem Irany, Renata Viggiano, Ricardo Careaga, Wassim Ballout, Zlata Sergeeva



Would you like to contribute to signals scanning?

Post in your social media signals you are noticing and add relevant scenarios hashtag **#WEpause**, **#WErewind**, **#WEforward**, or **#WErerecord**