


India

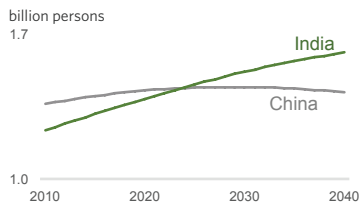
India has one of the fastest growing economies, but it is not projected to reach the level of energy consumption seen in other major economies.

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)

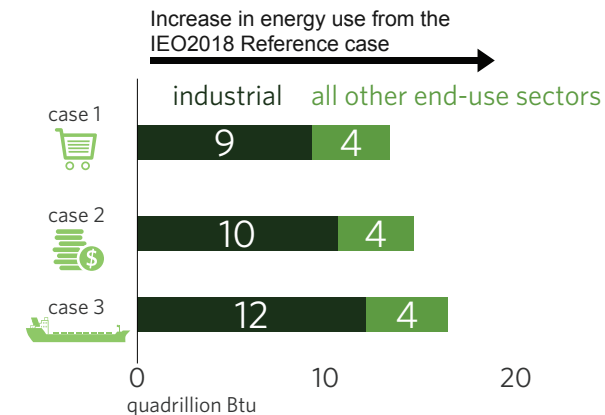
Manufacturing

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

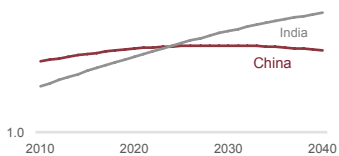
Faster economic growth in China means greater energy use, especially if it does not transition to a consumption-based economy.

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

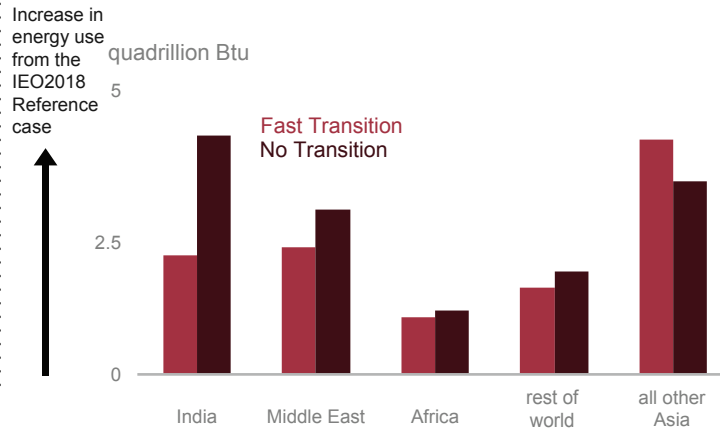
Consumption share increases to
60% of the economy



Fast Transition case

Energy use

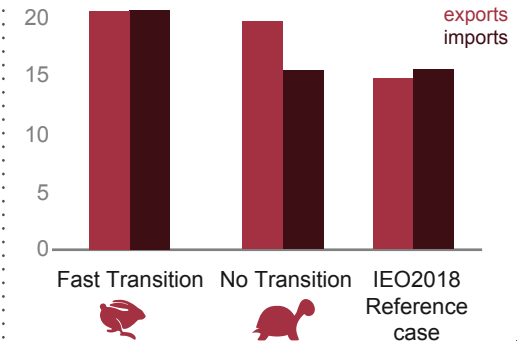
Supply chain links lead to changes in other countries



Trade

Higher growth in China results in more Chinese trade

US \$ trillion in PPP for 2040



Africa

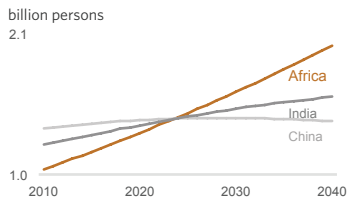
A higher economic growth case for Africa leads to more industrial sector energy use.

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)



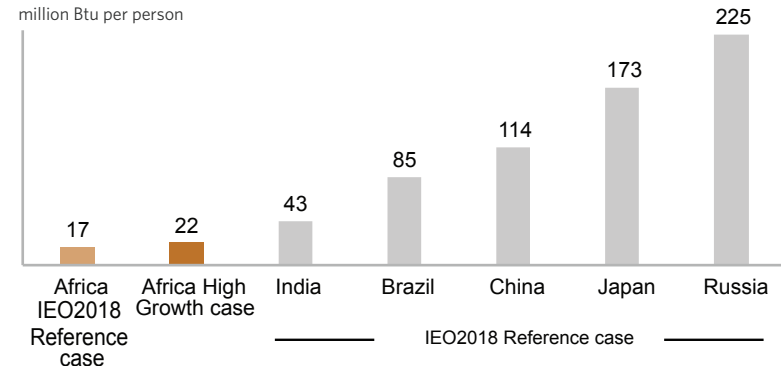
EIA tested a case with higher economic growth

GDP (gross domestic product)

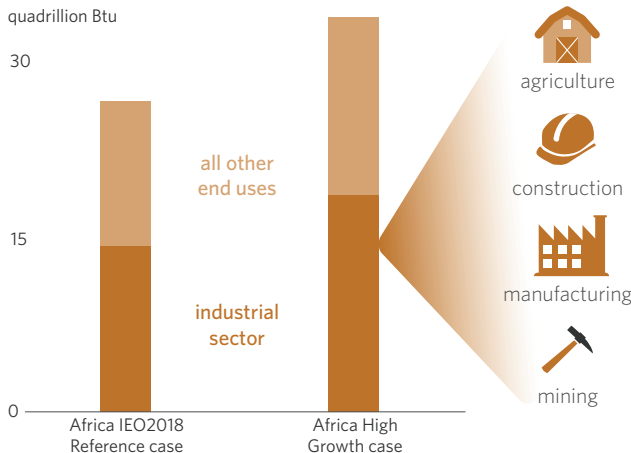


In this test case, 2040 GDP increases from US \$14 trillion to \$18 trillion PPP, which is slightly more than one-third of China's GDP.

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.