



# 2022 WORLD ENERGY ISSUES MONITOR

ENERGY IN UPROAR - ACHIEVING COMMITMENTS THROUGH COMMUNITY ACTION

# 1 | Global Results Overview

# An Energy Transition Tool



Through the Council's global network, this edition of the Issues Survey was taken right after energy leaders gathered in Glasgow, UK for the 26<sup>th</sup> annual Conference of the Parties (COP26) to align on global efforts to address climate change.



By aggregating responses by countries, regions and globally, the Issues Maps provide visual representation of this diversity of needs and priorities and is used globally to inform business and policy decision-making – a true energy transition tool.



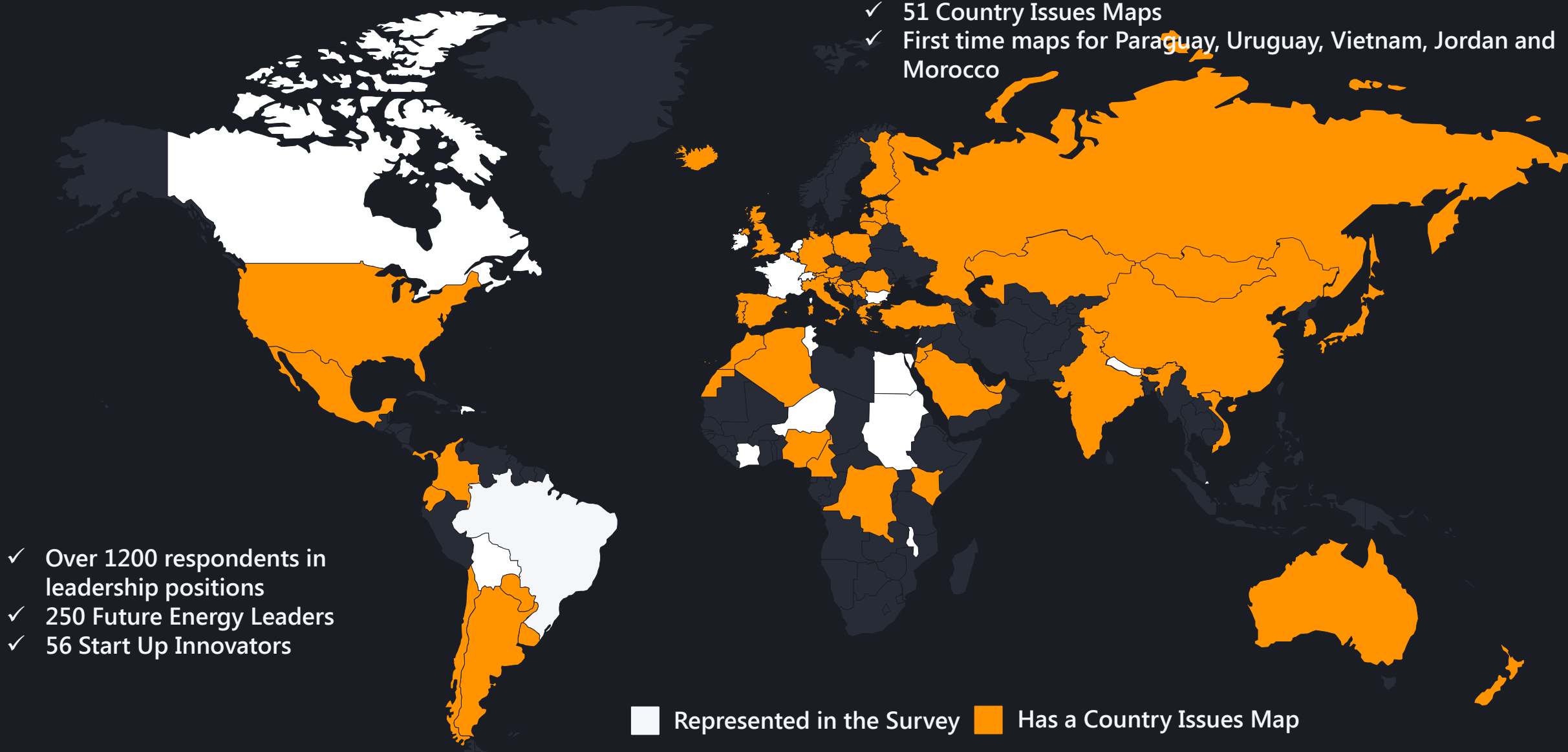
The Issues Monitor is widely used by the World Energy Council's Member Committees and by the global energy community as a reality check tool that provides a horizon-scanning of perspectives on energy transitions from a country's own energy stakeholders.

# World Energy Issues Monitor 2022

- ✓ 13 years tracking energy leaders' perceptions on energy transitions
- ✓ Nearly 2200 responses from 91 countries
- ✓ 51 Country Issues Maps
- ✓ First time maps for Paraguay, Uruguay, Vietnam, Jordan and Morocco

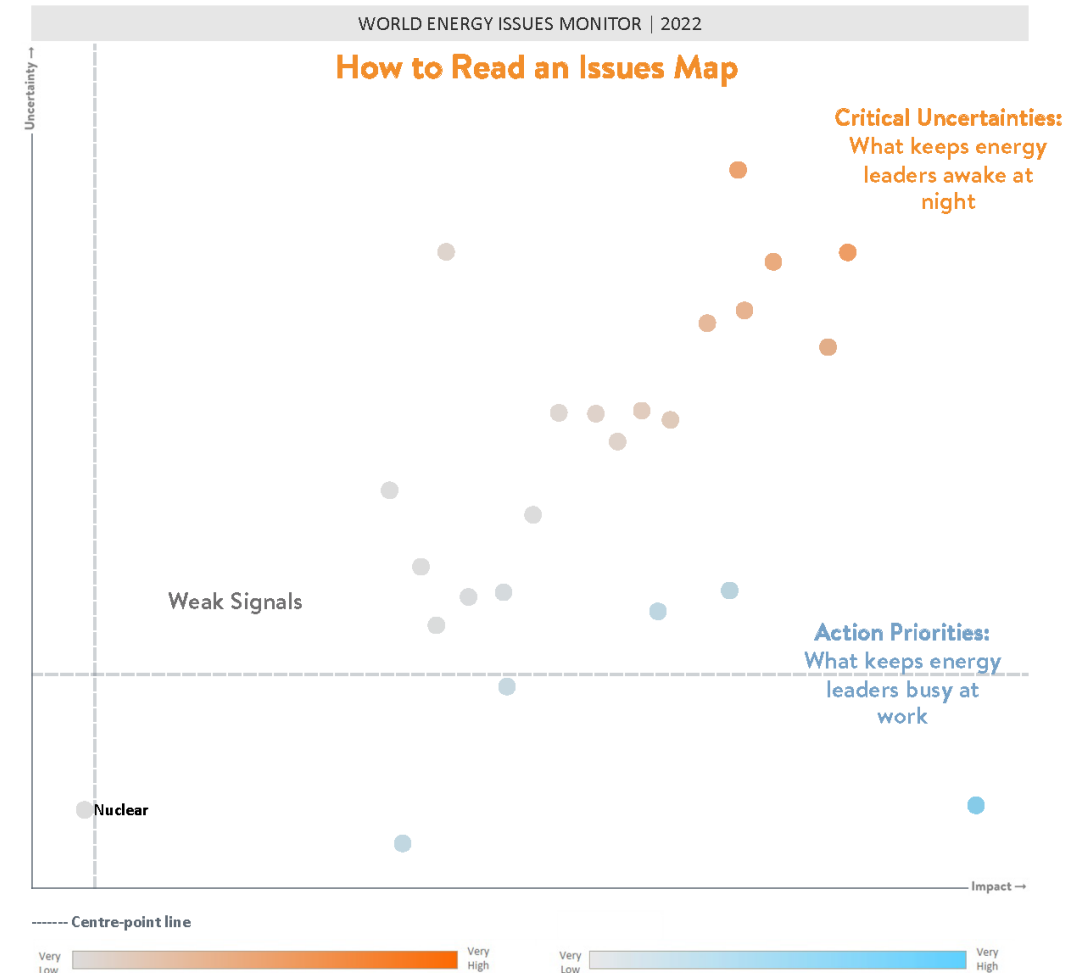
- ✓ Over 1200 respondents in leadership positions
- ✓ 250 Future Energy Leaders
- ✓ 56 Start Up Innovators

■ Represented in the Survey ■ Has a Country Issues Map



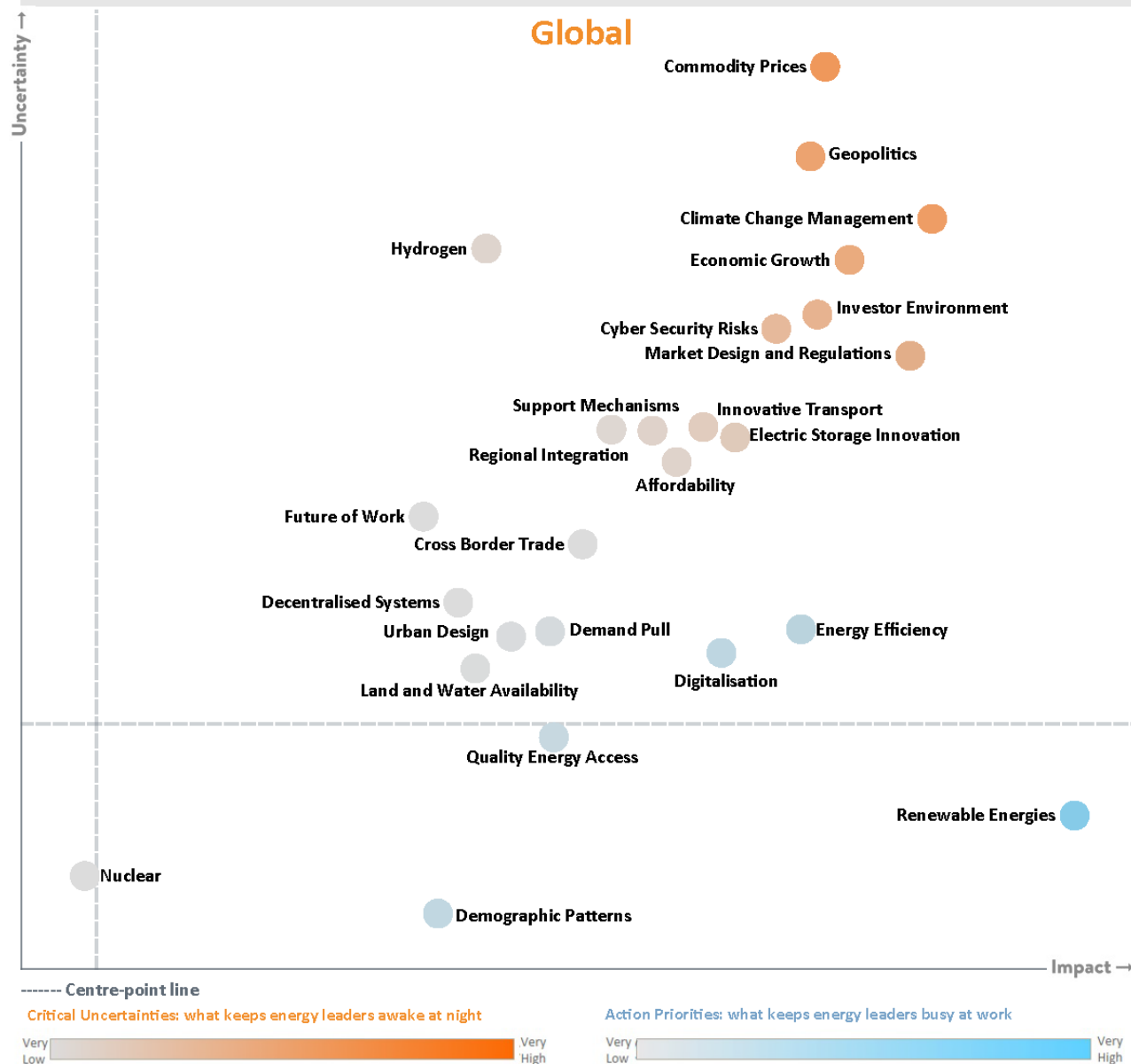
# How to Read an Issues Map

- Each Issues Map provides a **visual snapshot** of the critical uncertainties and action priorities that policymakers, CEOs and leading experts strive to address, shape and manage energy transitions.
- The bubbles in the Issues Map represent the **averaged level of:**  
**a) uncertainty; and b) impact** that respondents attribute to each energy transition issue. Those issues in the top right-hand corner of the map highlighted in **orange** have the highest levels of impact and uncertainty, and are defined as **Critical Uncertainties**. The bottom right-hand corner of the map highlights issues in **blue** that have high impact, but low uncertainty, and are defined as **Action Priorities**
- This year we have introduced **colour shades**, which are graded according to proximity to the right-hand corners of the maps. This enables finer differentiation of the degree of uncertainty and impact attributed to issues, and to highlight (lighter shades) issues that are close to becoming Critical Uncertainties and Action Priorities.
- The **centre-point line** represents the medium level for impact and uncertainty to help comparison between different issues maps.





## Global Insights



## 1. Uncertainties increase again, across the board

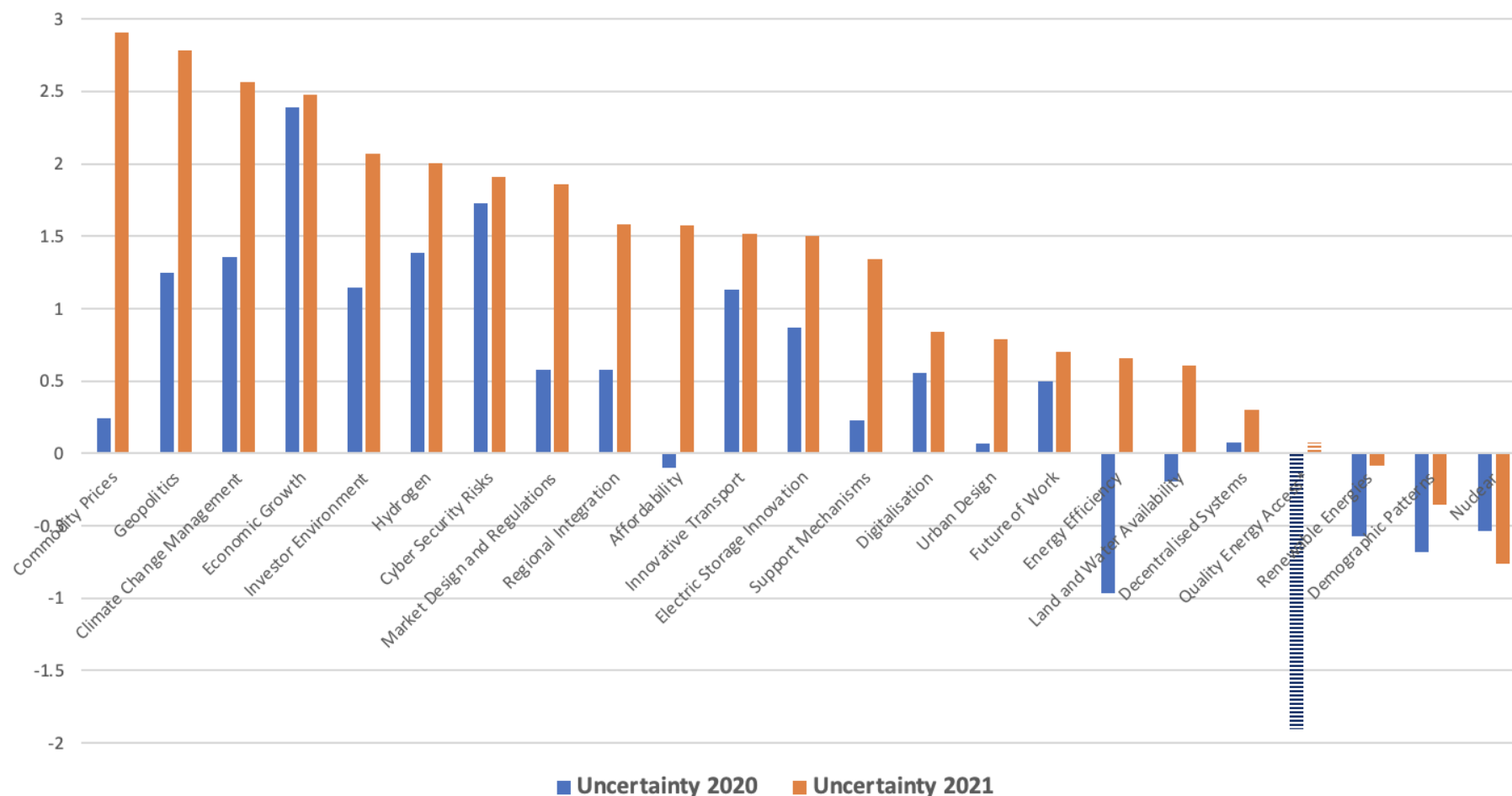
An **enormous degree of uncertainty** ascribed to almost all the issues energy leaders were asked to assess, with **Commodity Prices, Geopolitics and Climate Change Management and Economic Growth** topping the list.

Very few issues cross into the **action priorities domain**, indicating that clear focus and priority setting is difficult.

Refocusing will be required to **re-establish clear priorities** for energy transition.

Taking into account this **continued increase in uncertainty**, a **Pause Scenario** which anticipates a return to a pre-pandemic normal seems increasingly unlikely. Rather, we see the emergence of diverse paths bringing some **Fast-Forward** elements of collaborative opportunities for collaboration, but also **Re-Record** signals of bottom-up initiatives to create human-centred transitions.

## Time Tracking Global Uncertainty 2020 - 2021

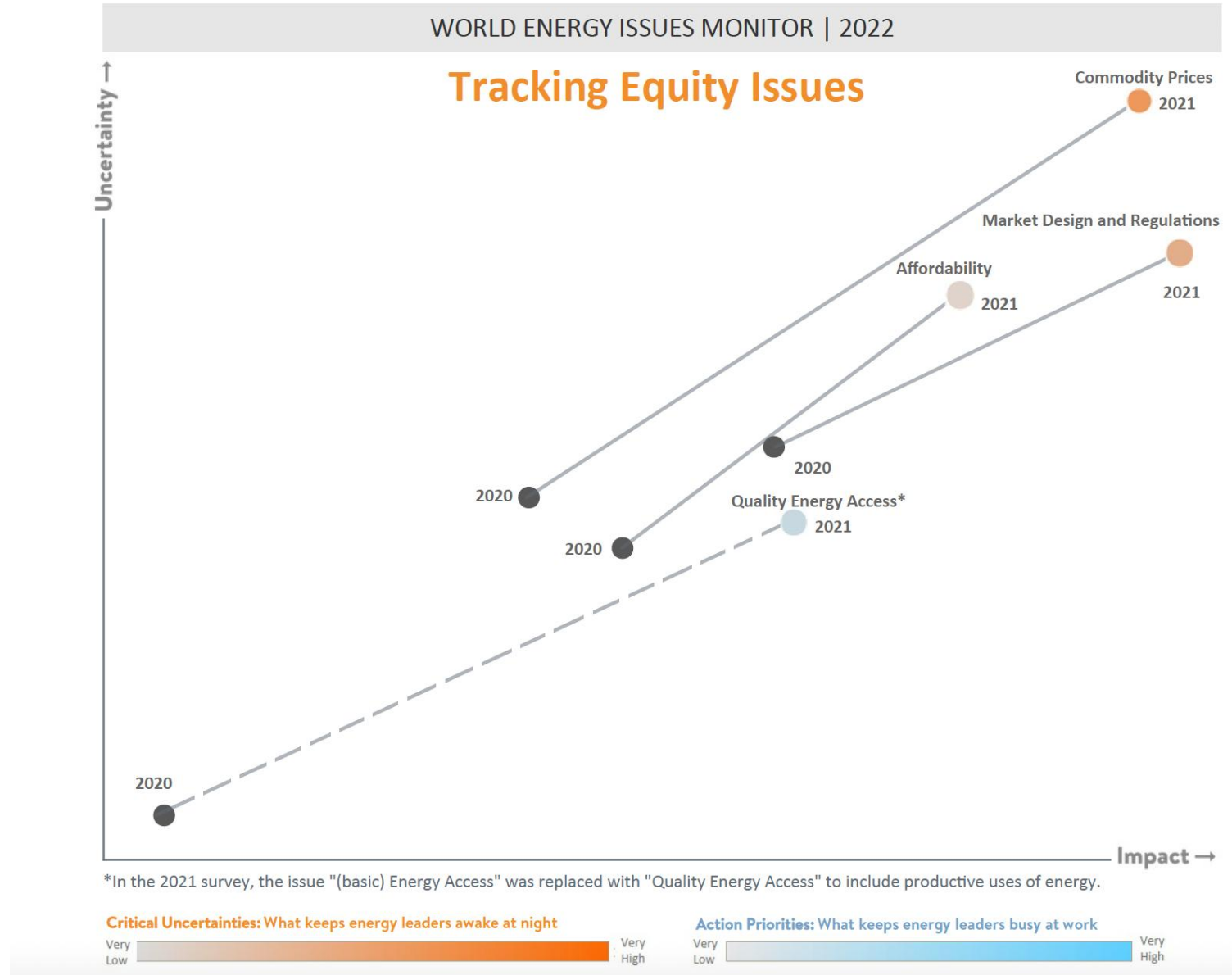


\*In the 2021 survey, the issue "(basic) Energy Access" was replaced with "Quality Energy Access" to include productive uses of energy.



## 2. Equity-related concerns highlight the need to humanise the energy conversation

- Issues that affect Energy Equity such as **Commodity Prices, Affordability, Quality Energy Access and Market Design** have seen the sharpest increase in impact and uncertainty compared to 2020.
- Significant lessons to be learned from **Market Design failures**, and the societal impacts could be profound given state resources have been required to offer "fixes".
- Quality Energy Access** enters the Action Priority area of the map globally following its redefinition from (basic) Energy Access.



### 3. Priority is to work collaboratively to turn Critical Uncertainties into Action Priorities

- Energy leaders' perspectives signal the importance of **stabilising Critical Uncertainties** and finding practical ways to reach a point of greater confidence – There is too high a degree of uncertainty across all dimensions to allow for stable route mapping which, in turn risks leading to further inaction. This must be resolved swiftly.
- Leaders at COP26 have put questions back on the agenda, but clear **pathways to achieve the Paris Goals** are yet not apparent.
- There is a need to explore the **drivers of change in uncertainty and their wider impact**, and we hope that this report opens up the dialogue and leads to action.

## **3 | Regional Perspectives**

# Critical Uncertainties across regions

(What is keeping energy leaders awake at night – from highest to lowest scores)

## **Africa**

Commodity Prices  
Economic Growth  
Geopolitics  
Regional Integration  
Climate Change Mngmt

## **Asia**

Commodity Prices  
Climate Change Mngmt  
Geopolitics  
Economic Growth  
Hydrogen

## **Europe**

Commodity Prices  
Geopolitics  
Climate Change Mngmt  
Market Design  
Investor Environment

## **Frequent occurring across several regions**

- Commodity Prices
- Economic Growth
- Geopolitics
- Climate Change Management
- Market Design
- Investor Environment

## **LAC**

Economic Growth  
Commodity Prices  
Climate Change Mngmt  
Investor Environment  
Market Design

## **MEGS**

Commodity Prices  
Economic Growth  
Geopolitics  
Climate Change Mngmt  
Innovative Transport

## **North America**

Climate Change Mngmt  
Cyber Security Risks  
Market Design  
Investor Environment  
Affordability

## **Unique regional issues**

- **Africa:** Regional Integration
- **Asia:** Hydrogen
- **MEGS:** Innovative Transport
- **North America:** Cyber Security Risks and Affordability

# Action Priorities across regions

(What is keeping energy leaders busy at work – from highest to lowest scores)

## **Africa**

Renewable Energies  
Digitalisation  
Demographic Patterns  
Energy Efficiency  
Market Design

## **Asia**

Renewable Energies  
Digitalisation  
Demographic Patterns  
Quality Energy Access  
Demand Pull

## **Europe**

Renewable Energies  
Digitalisation  
Energy Efficiency  
Demographic Patterns  
Quality Energy Access

## **LAC**

Renewable Energies  
Energy Efficiency  
Demand Pull  
Urban Design  
Quality Energy Access

## **MEGS**

Renewable Energies  
Energy Efficiency  
Demographic Patterns  
Land&Water Availability  
Quality Energy Access

## **North America**

Renewable Energies  
Demographic Patterns  
Energy Efficiency  
Quality Energy Access  
Digitalisation

## **Common to all regions**

- Renewable Energies

## **Frequent occurring across several regions**

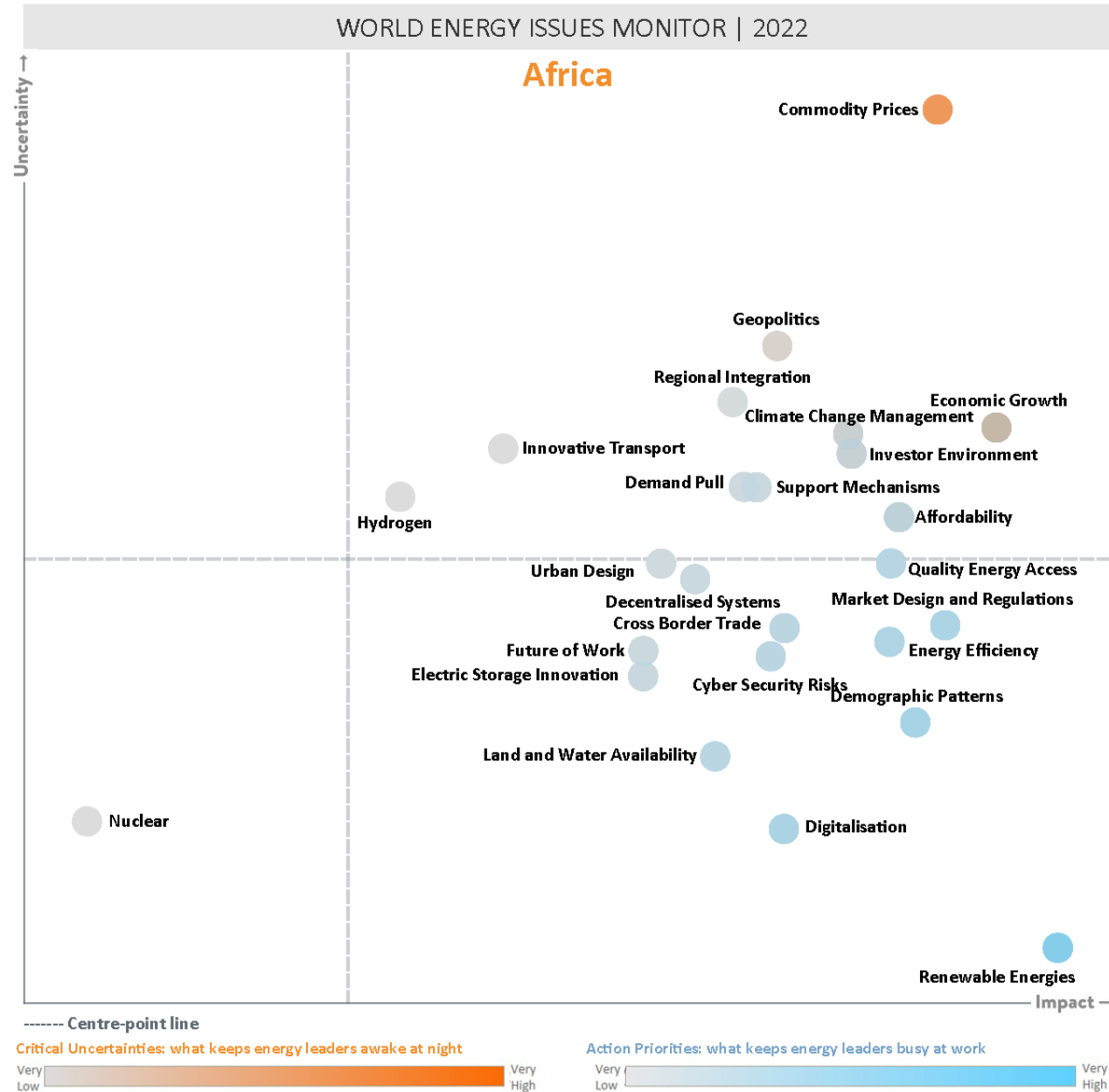
- Digitalisation
- Demographic Patterns
- Energy Efficiency
- Quality Energy Access
- Demand Pull

## **Unique regional issues**

- **Africa:** Market Design
- **LAC:** Urban Design
- **MEGS:** Land and Water Availability



## Africa Highlights



### Africa Map Overview

- As with all regions, excluding the North America region, **Commodity Prices** are the most critical uncertainty, dominating the Africa Issues map. The remaining issues are clustered in the high impact, lower uncertainty area around the centre point line of the map with no clear distinction of priorities.
- Consistent with the global map, **Renewable Energies** remain a stable Action Priority, with impact and uncertainty accorded similar scores to 2021.
- Digitalisation** is a notable mover when compared with 2021, moving into the Action Priority agenda, whilst **Decentralised Systems** have moved in the other direction, assuming greater levels of uncertainty and decreasing in impact. **Nuclear** appears to have fallen out of the picture, dropping down in impact and uncertainty compared with 2021.

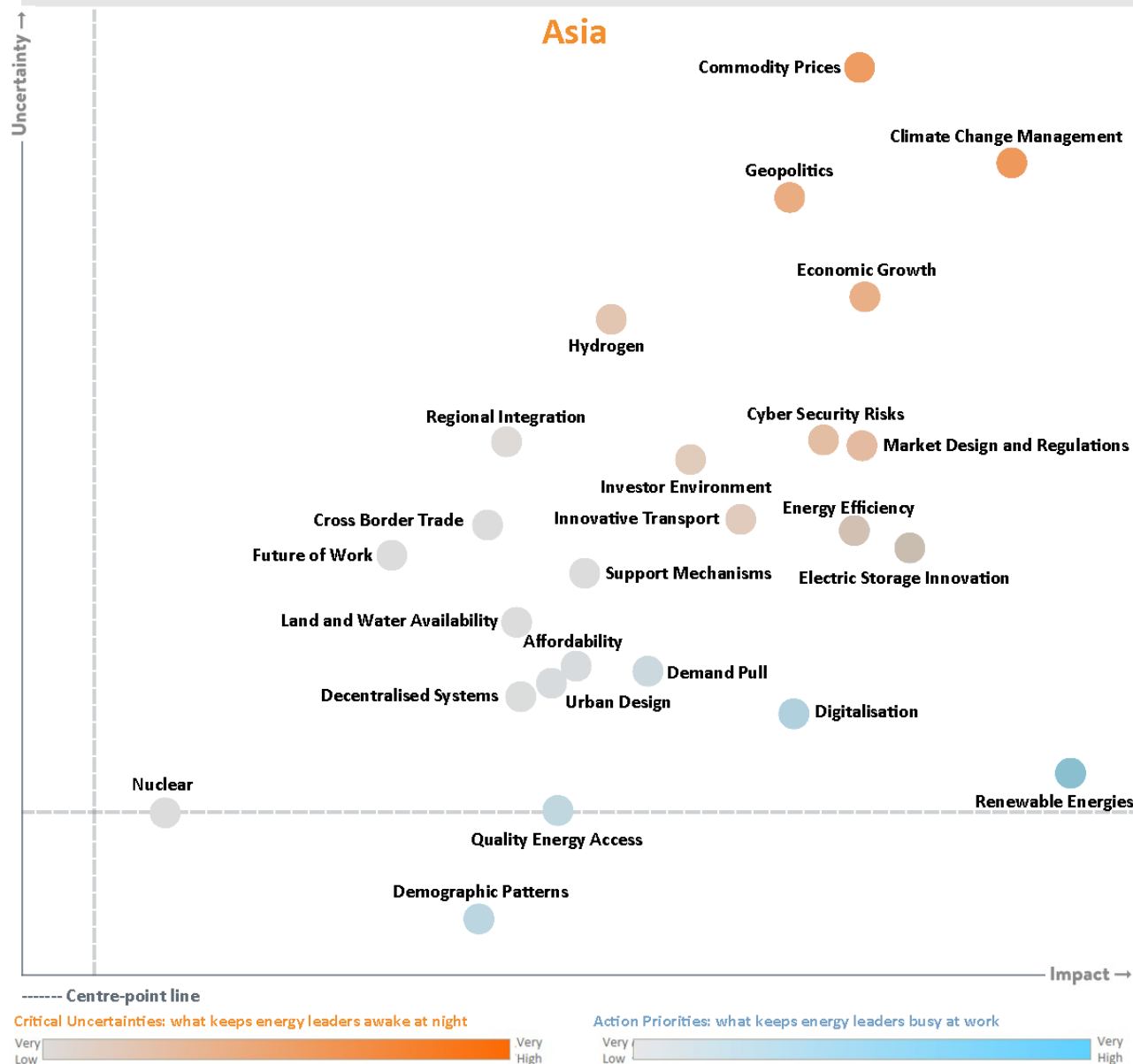
# Africa region-specific issues (from survey open text)

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Institutional reliability and continuity</li><li>• Electrification and grid transition</li><li>• Religious unrests</li><li>• Project financing</li><li>• Transition cost and societal acceptance</li><li>• Electricity pricing</li></ul>	<ul style="list-style-type: none"><li>• Rural electrification</li><li>• Responsive technology integration and capacity building</li><li>• Industrial development</li><li>• T&amp;D infrastructure</li><li>• Whole system's thinking (including economic growth, innovative transport, waste and water treatment)</li><li>• Aging infrastructure</li><li>• Performance indicators and quality of service</li></ul>





## Asia Highlights



## Asia Map Overview

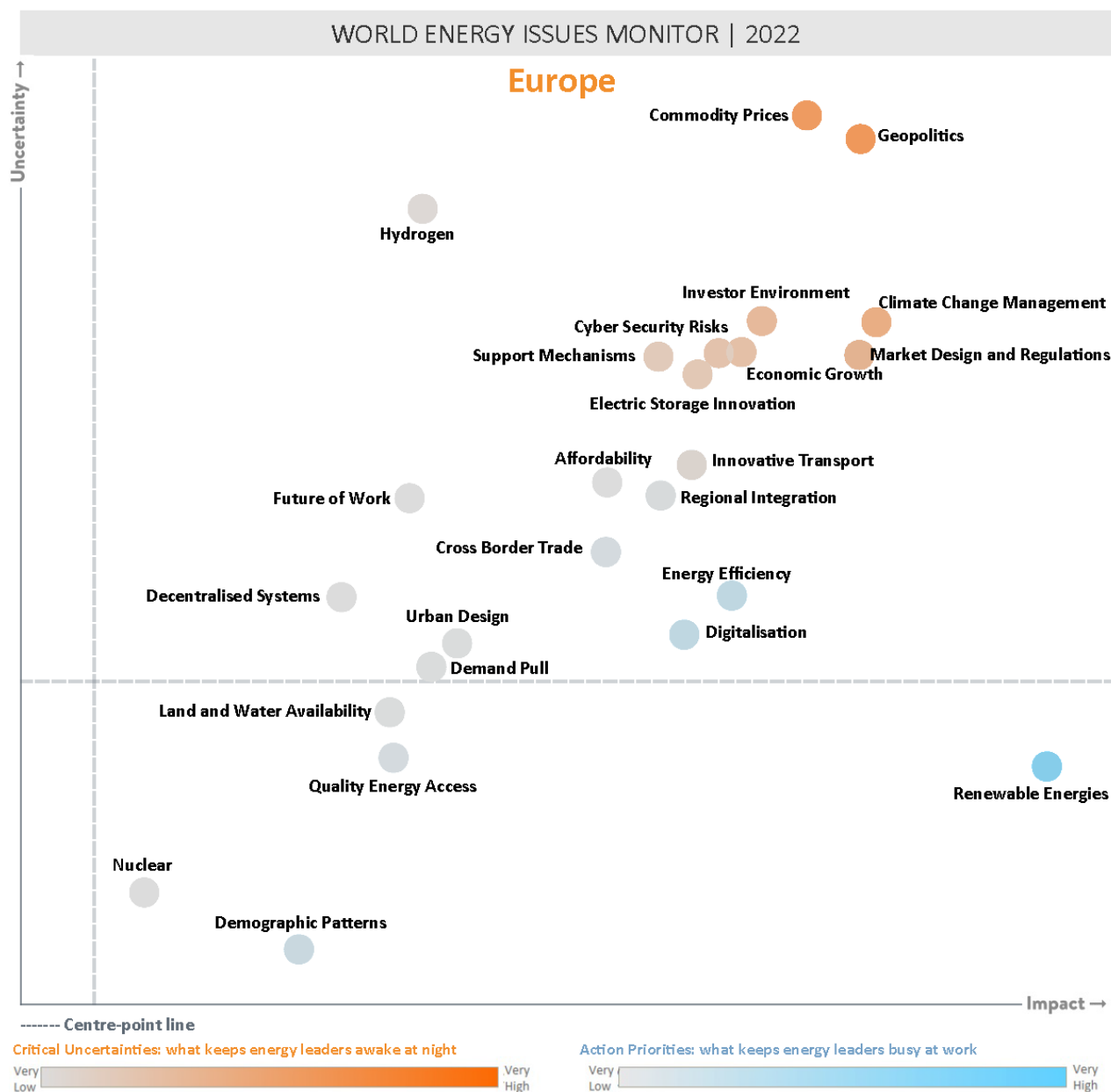
- **Consistency** is the theme across Asia, with the 2022 Issues Map remaining remarkably constant between 2021 and 2022. **Commodity Prices** and **Geopolitics** stand out as the Critical Uncertainties, with the region strongly impacted by energy security concerns and large price rises in energy costs. **Hydrogen** scores highly on the Critical Uncertainties axis and is accorded more interest than many other regions.
- **Quality Energy Access** is perceived as a regional Action Priority, but **Affordability** is not perceived as a significant issue. **Demographic Patterns** also fall into the Action Priority agenda, but are perceived to be decreasing in impact.

# Asia region-specific issues (from survey open text)

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Institutional reliability and continuity</li><li>• Pandemic long-term impact</li><li>• Electrification and grid transition</li><li>• Carbon policy</li><li>• Greenflation and monetary crisis</li><li>• Industrial development</li><li>• Regional cooperation and integration</li><li>• Transition cost and societal acceptance</li><li>• Talent availability</li><li>• The role of gas</li></ul>	<ul style="list-style-type: none"><li>• Climate adaptation measures</li><li>• T&amp;D infrastructure</li><li>• Responsive technology integration</li><li>• Capacity building</li><li>• Green demand creation</li><li>• Market liberalisation</li></ul>



## Europe Highlights



## Europe Map Overview

- Following the global trend, there is an increase in uncertainty across most issues, with **Commodity Prices** and **Geopolitics** standing out as the region's Critical Uncertainties. These are strongly influenced by energy security concerns and significant price hikes, particularly in gas prices, being experienced across Europe.
- Hydrogen** continues to be viewed with a high degree of uncertainty, and it will be interesting to follow progress on this issue as it forms a key part of the EU's Green Deal climate neutrality goals. **Nuclear** also appears on the Action Priority horizon – are there opportunities ahead?
- Renewable Energies** continue to be a focus for Action Priority across the continent, whilst **Quality Energy Access** assumes greater uncertainty as the pandemic continues to impact working patterns and transport.

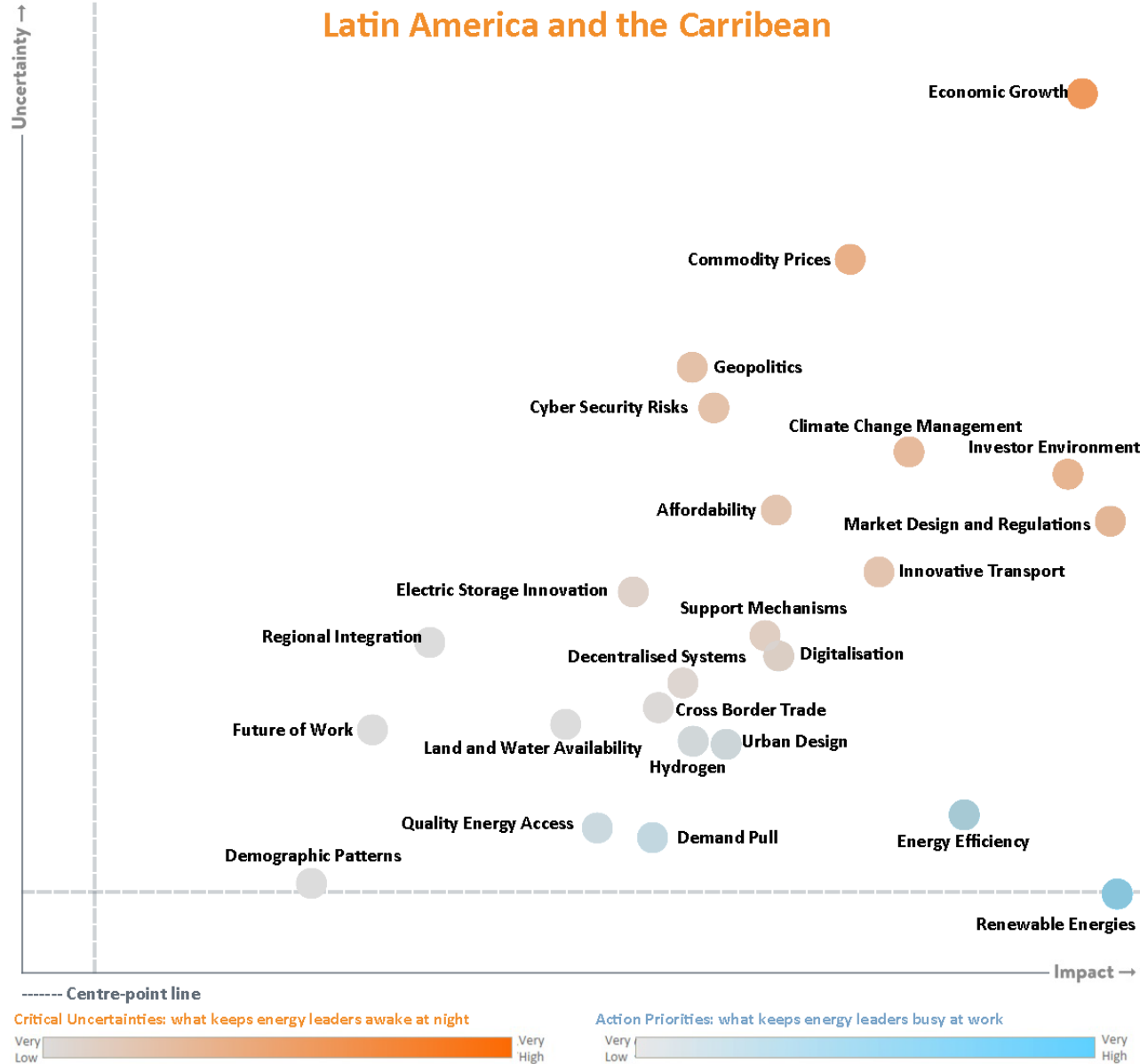
# Europe region-specific issues (from survey open text)

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Institutional reliability and stability</li><li>• Net Zero action plan and regulations</li><li>• Security of supply</li><li>• Coal phase-out</li><li>• Carbon trading</li><li>• Future energy mix</li><li>• Environmental taxation</li><li>• Electricity pricing</li><li>• Fuel subsidies</li></ul>	<ul style="list-style-type: none"><li>• Energy literacy</li><li>• Critical infrastructure (e.g.: grid, EV charging, mainland-island system interconnection)</li><li>• Community engagement (incl. cities and start-ups)</li><li>• Hydrogen regulation</li><li>• Energy storage</li></ul>



## Latin America and Caribbean Highlights

## Latin America and the Caribbean



## LAC Map Overview

- Showing analogous responses to Africa, the Latin America and Caribbean region reports **clustering of all issues in the high impact area of the map**, along with **higher uncertainty**. The map is striking in its depiction of no clear distinction of priorities. No issues fall into the Action Priorities quadrant.
- The priority for the region has to be clear leadership and pathways back to Action, with **Economic Growth** being deemed the highest priority.



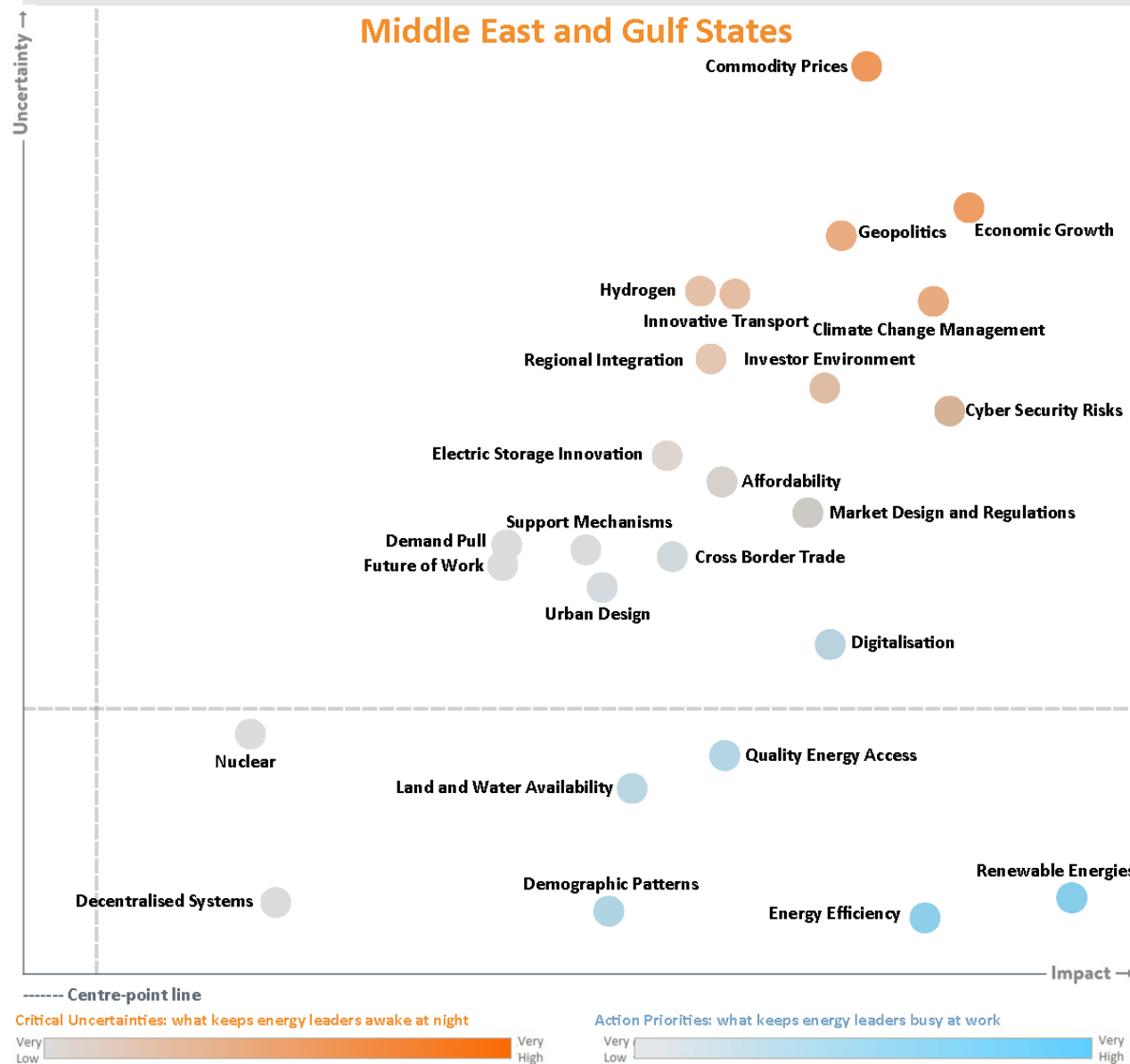
# LAC region-specific issues (from survey open text)

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Institutional reliability and continuity</li><li>• Financial crisis</li><li>• Energy subsidies</li><li>• Regulation and innovation alignment</li><li>• Public-private balance</li><li>• Energy mix diversification</li><li>• Social dynamics</li></ul>	<ul style="list-style-type: none"><li>• Long-term planning</li><li>• Energy literacy</li><li>• Start-up innovation</li><li>• Land and water resource utilisation</li><li>• Manufacturing and supply chains</li><li>• Environmental compliance</li><li>• Critical infrastructure (esp. transmission)</li></ul>



## Middle East and Gulf States Highlights

## Middle East and Gulf States



### MEGS Map Overview

- The Middle East and Gulf States continue to be aligned with the overall global Issues Map, with higher uncertainty overall and **Commodity Prices** and **Geopolitics** rising up from Action Priorities to Critical Uncertainties.
- **Commodity Prices** top the list of Critical Uncertainties, closely followed by **Economic Growth** and **Geopolitics**, which show enormous shifts over their relative 2021 position. **Hydrogen** also increases up the uncertainty axis.
- **Renewable Energies**, **Energy Efficiency** and **Land and Water Availability** remain Action Priorities as consistent factors in the region's energy transition strategy.

# MEGS region-specific issues

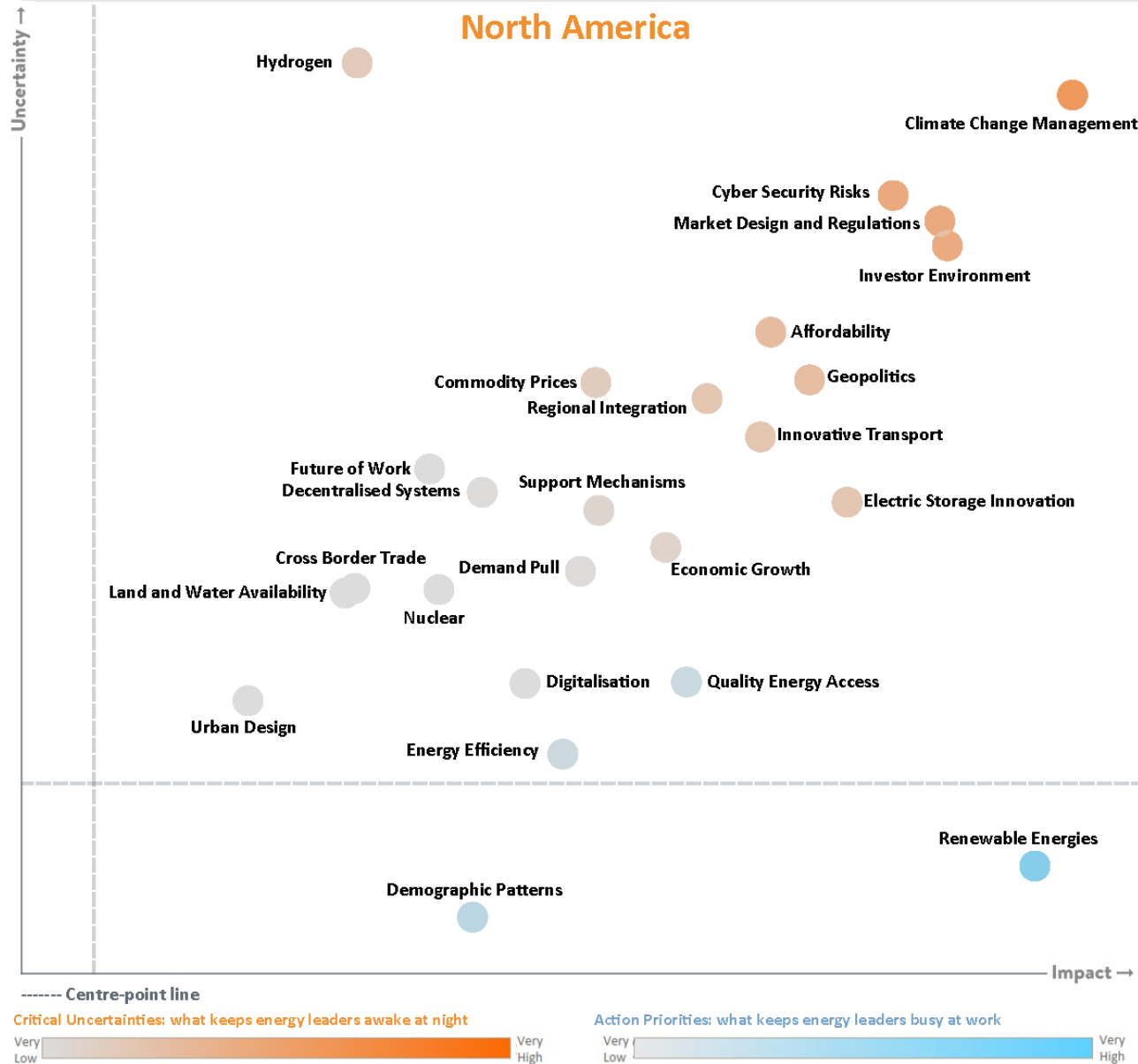
(from survey open text)

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Institutional reliability and continuity</li><li>• Pandemic long-term impact</li><li>• Future of oil and gas demand</li><li>• Greenflation and financial crisis</li><li>• Transition cost and societal acceptance</li><li>• Regional integration</li></ul>	<ul style="list-style-type: none"><li>• Net Zero</li><li>• Recycling and waste management</li><li>• Circular Carbon Economy framework</li><li>• Carbon policy</li><li>• Hydrogen economy</li><li>• Innovative Transport</li></ul>



## North America Highlights

## North America



## North America Map Overview

- The North America Issues Map bucks the global trend – attributing the highest degree of impact and uncertainty to **Climate Change Management**, with **Commodity Prices** seemingly less of an issue than across the rest of the world. But uncertainty remains high, with the region following the global pattern of clustering uncertainty and few clear Action Priorities.
- Hydrogen** makes an appearance as a critical issue, moving from low to high uncertainty compared with the 2021 map, and **Renewable Energies** remain as a defined Action Priority, with the degree of uncertainty reducing over the past year.

# North America region-specific issues

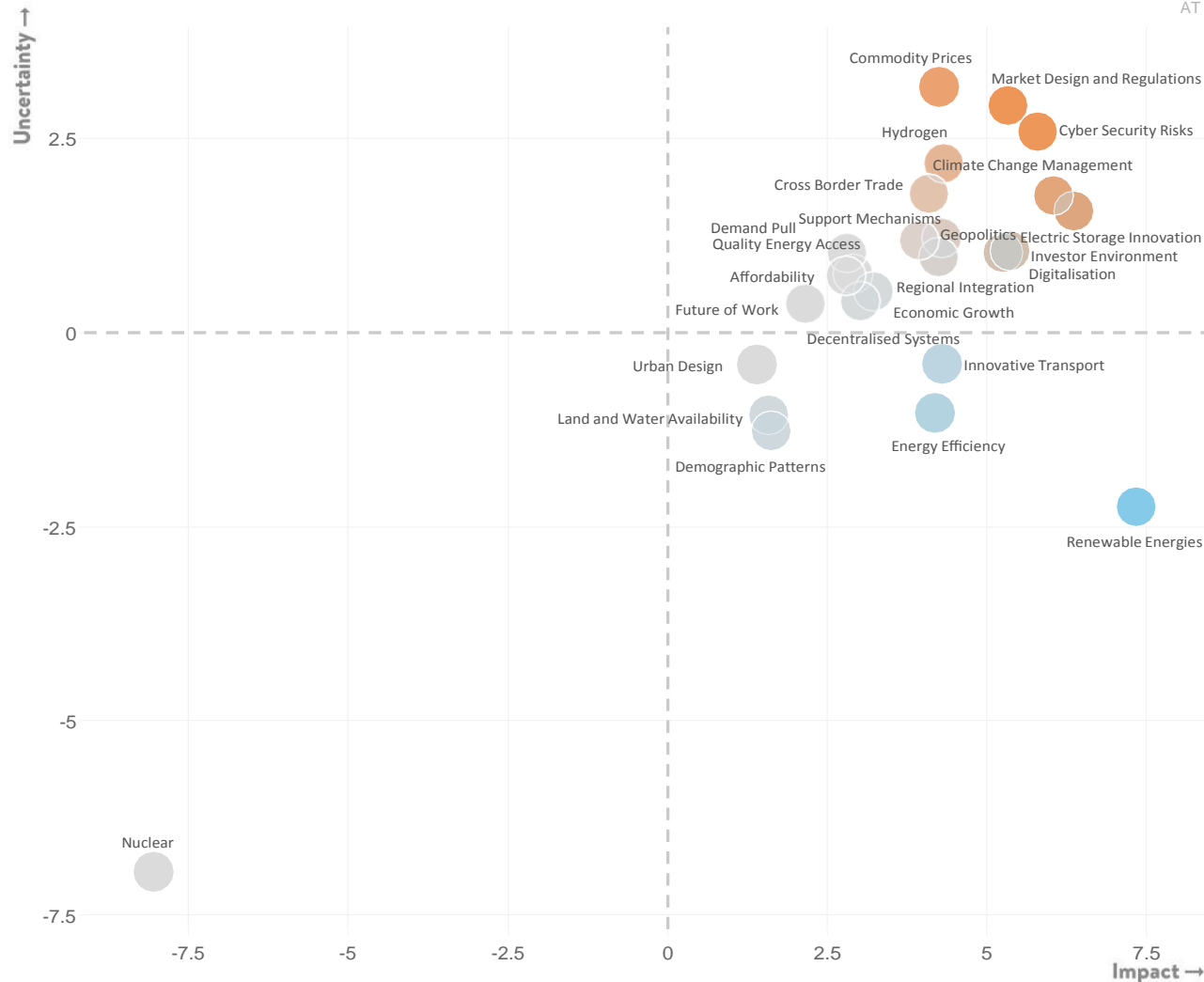
(from survey open text)

Critical Uncertainties	Action Priorities
<b>Mexico</b> <ul style="list-style-type: none"><li>• Policy and regulatory framework</li><li>• Import dependence and energy security</li></ul> <b>United States</b> <ul style="list-style-type: none"><li>• Transition cost and societal acceptance</li><li>• Future of gas</li><li>• Carbon pricing</li></ul> <b>Canada</b> <ul style="list-style-type: none"><li>• Transition cost and societal acceptance</li><li>• Federal and Provincial policy alignment</li></ul>	<b>Mexico</b> <ul style="list-style-type: none"><li>• Private investment</li></ul> <b>United States</b> <ul style="list-style-type: none"><li>• CCUS</li><li>• Electrification and grid transition</li></ul> <b>Canada</b> <ul style="list-style-type: none"><li>• Aging existing hydro-electric infrastructure (generates a significant portion of Canada's electricity)</li></ul>

## **4 | Austrian Perspective**



## Austria



## Austrian Map Overview

- In Austria, **Commodity Prices** and a **Market Design and Regulations** enabling the transformation of the energy system are seen as the most Critical Uncertainties, dominating the Austrian Issues map
- Technology trends – such as **Digitalisation** (including **Cyber Security Risks**), **Hydrogen**, **Electric Storage Innovation** – stand out as further Critical Uncertainties.
- **Renewable Energies**, **Innovative Transport Solutions** and **Energy Efficiency** remain priorities for action as decisive factors for the success of the energy transition in Austria.

# Region-specific issues Austria

Critical Uncertainties	Action Priorities
<ul style="list-style-type: none"><li>• Market Design and Regulations</li><li>• Cyber Security Risks</li><li>• Commodity Prices</li><li>• Climate Change Management</li><li>• Electric Storage Innovation</li></ul>	<ul style="list-style-type: none"><li>• Renewable Energies</li><li>• Energy Efficiency</li><li>• Innovative Transport</li><li>• Digitalisation</li><li>• Investor Environment</li></ul>

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