MIT Global Change Outlook

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Lead Authors: Sergey Paltsev and Adam Schlosser
Co-Authors: Henry Chen, Xiang Gao, Angelo Gurgel, Henry Jacoby, Jennifer Morris, Ronald Prinn, Andrei Sokolov and Kenneth Strzepek
Contributors: Noelle Selin, Richard Schmalensee and Lucy Young
Design and Editing: Jamie Bartholomay, Mark Dwortzan, Jennifer Morris, Anne Slinn
The Outlook

The MIT Joint Program’s latest projections for:

★ the future of the Earth’s energy, managed resources (including water, agriculture and land), and climate;
★ as well as prospects for achieving the Paris Agreement’s short-term targets;
★ and long-term goals of keeping average global temperatures below 2°C or even 1.5°C.
What’s new in the 2021 Outlook?

Larger impacts from Climate Change

- With only a partial look: increased pressures for water use, agriculture, and land-use
- Half of the world population will undergo stresses on water supply by 2050

Confirmed that without aggressive actions the world will surpass critical GHG concentration thresholds and climate targets in the coming decades

Good news: While costs of inaction are getting higher, costs of action are more manageable

- Reduction in costs of wind and solar
- Aggressive mitigation actions by many governments

In addition to our usual Paris Forever scenario, we consider Paris 2°C and Accelerated Actions (Paris 1.5°C) scenarios (Excel files for 18 EPPA model regions are available)

Achieving aggressive climate targets reduces the impacts of climate change
Invitation: Explore the Outlook Results

MIT Joint Program Outlook Dashboard

Select Scenario to Plot
- Paris Forever

Current (as of March 2021) Paris Nationally Determined Contribution (NDC) targets are met by all countries by 2030 and retained thereafter

Data Type
- Emissions and Climate
- Energy and Economics

Select Data to Plot
- Temperature--Global

Plot Difference vs Another Scenario

Temperature--Global

Change in global average surface air temperature relative to pre-industrial (1861-1880) levels. The thick black line is the median, the 50% likelihood range reflects the 25th to 75th percentiles, and the 90% likelihood range reflects the 5th to 90th percentiles. Likelihood ranges in historical years reflect measurements errors.

Download the full Outlook report

http://globalchange.mit.edu/
### Scenarios

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Paris Forever</strong></td>
<td>Current (as of March 2021) Paris Nationally Determined Contribution (NDC) targets are met by all countries by 2030 and retained thereafter</td>
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<tr>
<td><strong>Paris 2°C</strong></td>
<td>Paris Nationally Determined Contribution (NDC) targets are met by all countries by 2030, after which there is an emissions cap based on a global emissions trajectory designed to ensure that the 2100 global surface mean temperature does not exceed 2°C above pre-industrial levels with a 50% probability</td>
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<tr>
<td><strong>Accelerated Actions</strong></td>
<td>More near-term actions are taken relative to Paris 2°C (including those planned changes to NDCs announced in April 2021), and global emissions are consistent with ensuring that the 2100 global surface mean temperature does not exceed 1.5°C above pre-industrial levels with a 50% probability. Note: Climate results are shown for a slightly different 1.5°C scenario (Paris 1.5°C) that uses a global emissions price.</td>
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</tbody>
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Accelerated Actions = Accelerated Paris
New Announcements for 2030 from April 22, 2021

**USA**: 50-52% (old target: 26-28% in 2025) relative to 2005

**Canada**: 40-45% (old target: 30%) relative to 2005

**Japan**: 46% (old target: 26%) relative to 2013

**Korea**: later in the year (old target: 24.4%) relative to 2017

**China**: starts reducing coal production from 2026

Accelerated Actions = Accelerated Paris
Greenhouse Gamble

Which wheel would you rather spin?
### Regional Groups

<table>
<thead>
<tr>
<th>Regional Group</th>
<th>Region</th>
<th>Abbreviation</th>
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<tbody>
<tr>
<td>Developed</td>
<td>United States</td>
<td>USA</td>
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<td></td>
<td>Canada</td>
<td>CAN</td>
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<td>Europe</td>
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<td></td>
<td>Japan</td>
<td>JPN</td>
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<td></td>
<td>Australia, New Zealand and Oceania</td>
<td>ANZ</td>
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<tr>
<td>Other G20</td>
<td>China</td>
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<td></td>
<td>India</td>
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<td></td>
<td>Indonesia</td>
<td>IDZ</td>
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<tr>
<td>Rest of the World</td>
<td>Africa</td>
<td>AFR</td>
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<tr>
<td></td>
<td>East Asia</td>
<td>ASI</td>
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<td></td>
<td>Other Latin America</td>
<td>LAM</td>
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<td></td>
<td>Middle East</td>
<td>MES</td>
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<td></td>
<td>Other Europe and Central Asia</td>
<td>ROE</td>
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<td></td>
<td>Other East Asia</td>
<td>REA</td>
</tr>
</tbody>
</table>

**EPPA regions:**

- AFR: Africa
- ANZ: Australia & New Zealand
- ASI: Dynamic Asia
- BRA: Brazil
- CAN: Canada
- CHN: China
- EUR: Europe (EU1)
- IDZ: Indonesia
- IND: India
- LAM: Other Latin America
- MEX: Mexico
- MES: Middle East
- ROE: Other Europe and Central Asia
- REA: Other East Asia
- USA: United States

http://globalchange.mit.edu/
Global population grows from 7.8 billion people in 2020 to 9.7 billion in 2050, and to 10.9 billion in 2100.

In contrast to population, most of the global economic value in 2020 was in the Developed region.

Despite the higher economic growth in non-Developed region, their shares of global GDP catch up with the Developed region only by the end of the century.
From 2020 to 2050, Covid-19 impacts on energy use and renewable energy deployment are relatively modest (2-4% reduction in energy use each year and virtually the same pathway for renewables relative to the non-Covid trajectory).

For the years 2025-2050, we project that global GDP will remain about 3-4% below what it would be in a world without Covid.
Global primary energy use in the *Paris Forever scenario* grows to about 770 exajoules (EJ) by 2050, up by 31% from about 590 EJ in 2020. The share of fossil fuels drops from the current 80% to 70% in 2050. Wind and solar – 6-fold increase.

In the *Paris 2°C scenario*, the fossil fuel share drops to about 50% in 2050, wind and solar energy grow almost 9 times from 2020 to 2050.

In the *Accelerated Actions scenario*, the fossil fuel share drops to about 34%, wind and solar energy grow almost 13 times from 2020 to 2050.
In the Paris Forever scenario, global electricity production (and use) grows by 67% from 2020 to 2050. In comparison to primary energy growth of 31% over the same period, electricity grows about twice as fast, resulting in a continuing electrification of the global economy.

Electricity generation from renewable sources becomes a dominant source of power by 2050 in all scenarios, providing 70-80% of global power generation by midcentury in the climate stabilization scenarios.
From about 10 million EVs in 2020, EV stock in the Paris Forever scenario reaches 100 million EVs in 2030, almost 300 million in 2040 and nearly 650 million in 2050.

For a 67% electrification of the global LDV stock in 2050, global EV sales would exceed 30 million in 2030, 60 million in 2040, and 100 million in 2050.
In the first half of 2020, global EV sales were down by 15% relative to their corresponding 2019 levels due to lockdowns and shutdowns of EV manufacturing facilities in several countries.

Overall, it is estimated that in 2020 about 3 million EVs sold, which is 40% more than in 2019 despite the pandemic.

Europe: 1.4 million EVs sold in 2020 (5% imported from China).
Net present value (NPV) of economic output lost from fossil fuels not produced in the *Paris 2°C* scenario.

Earnings from fossil fuel assets and resources are reduced due to lower prices, more fuels are left in the ground, and restrictions are imposed on certain types of power plants (e.g., coal-based).

$17 trillion in stranded assets—more than the current GDP of China and slightly less than the U.S. GDP.

Note: the value is measured as a difference between scenarios. Forward-looking behavior can reduce losses.
Under the *Paris Forever* scenario, overall food production increases by 90% from 2020 to 2050, crop production by 70% and livestock production by 81%. Livestock grows faster than crop due to higher shares of protein-rich food in diets when income rises.

Greater agricultural yields will prevent high increases in prices.

Global land-use projections from 2020 to 2050 are quite stable. Natural forest areas decrease by 1% and natural grasslands by 3%.