

Growth in industry

The industrial sector includes the manufacture of pharmaceuticals, food and drink as well as metals, minerals (glass, cement and other building materials), and chemicals. Industry in Ireland is presently dominated by the production of pharmaceuticals, chemicals, food, and high tech electronics and mechanical equipment.

In the 2050 Calculator the industrial sector's future energy use is determined by two factors:

- industry growth (described here) and
- industry energy intensity (described on the following page).

The choice here is of different pathways rather than increasing scale of effort. They are different to the Trajectories 1-4 in other sectors and have therefore been labelled as Trajectories A, B and C.

Each trajectory uses the same projected rate of economic growth (an average 2.5% GDP growth per year), however the composition of the growth is different in each. Trajectory A assumes that industry accounts for a relatively high proportion of GDP, and Trajectories B and C assume that industry accounts for a lower proportion of GDP.

Trajectory A

Trajectory A assumes that Irish industry will expand availing of the opportunity to manufacture new low-carbon technologies, and low-carbon replacements for existing goods and machinery. At an average growth rate of 2% to 2050 industrial output will more than double.

Trajectory B

Trajectory B assumes that the growth trend of 2000 to 2013 continues (around 1% per year), leading to a 45% increase in industrial output by 2050.²⁹

Trajectory C

Trajectory C assumes Ireland's economy shifts from industry into other sectors, leading to industrial output declining by 30-40% between 2013 and 2050.

Interaction with other choices

The size of the industrial sector affects the need for freight, but this dependence is not handled automatically by the Calculator – you can choose the setting for each independently.

Figure 12. Industrial energy demand, (TWh/yr)

Note: Industrial energy intensity set at Trajectory 1

