

# Cluster analysis, forecast of GDP and greenhouse gas emission.

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## Overview

The emission of greenhouse gases has been a major environmental concern for many years. The adverse impacts of climate change and global warming are affecting all countries in the world. This analysis investigates possible clusters of emission and forecasts the trend in 2030, 2040 and 2050 of a representative country from one cluster of interest. The methodology can be applied to other clusters and countries to find insights and courses of action to be taken to minimise the risk of excessive emissions.

## Methodology

Data for the year 2015 from 150 countries in the world were selected for the cluster analysis. The interrelations between population, per capita GDP, greenhouse gas emissions, urban population, arable land and forest area were investigated. GDP vs greenhouse gas emission plot showed some clusters with outliers.

K-means clustering algorithm was used.

Cluster A from Fig. 1 was chosen and Germany was selected as a representative country of the group to do data fitting. Finally, forecasts were run on both GDP and emissions for the years: 2030, 2040, 2050.

## Results

GDP growth was forecasted with an average of 7% uncertainty.

Emission is expected to reduce at an average 8% between 2030 and 2050.

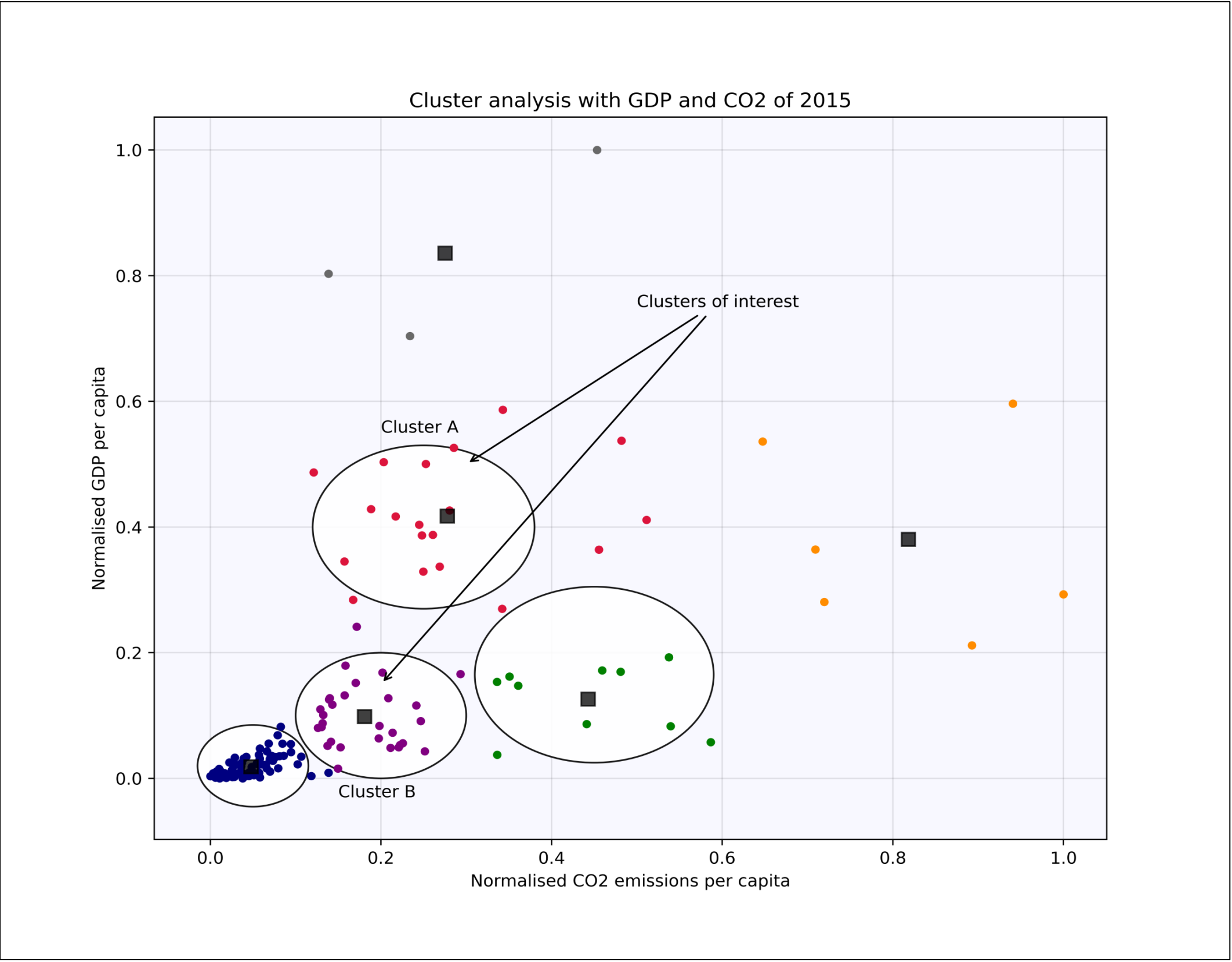


Fig. 1: K-Means Clustering

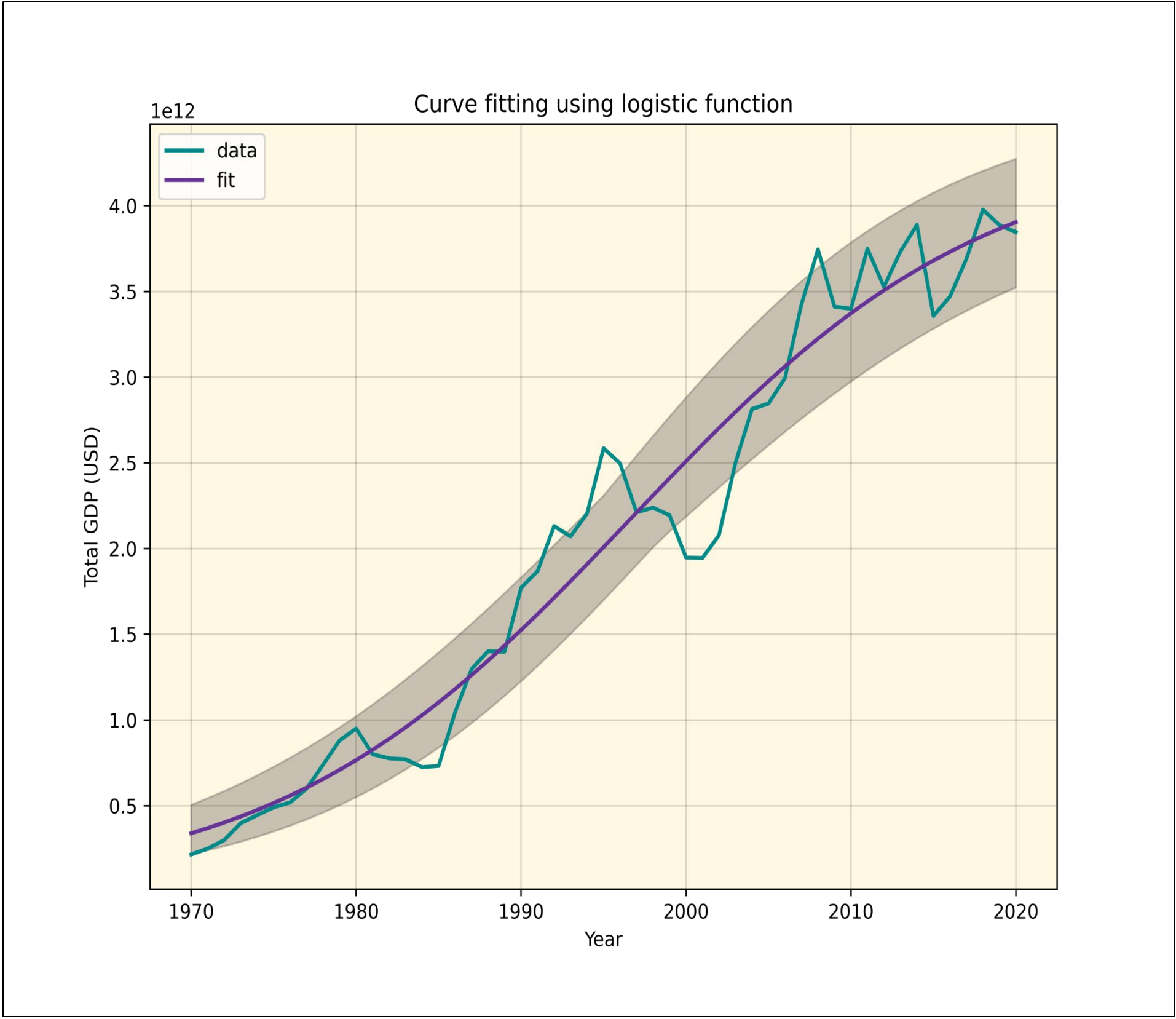


Fig. 3: Curve fitting and error range for GDP of Germany

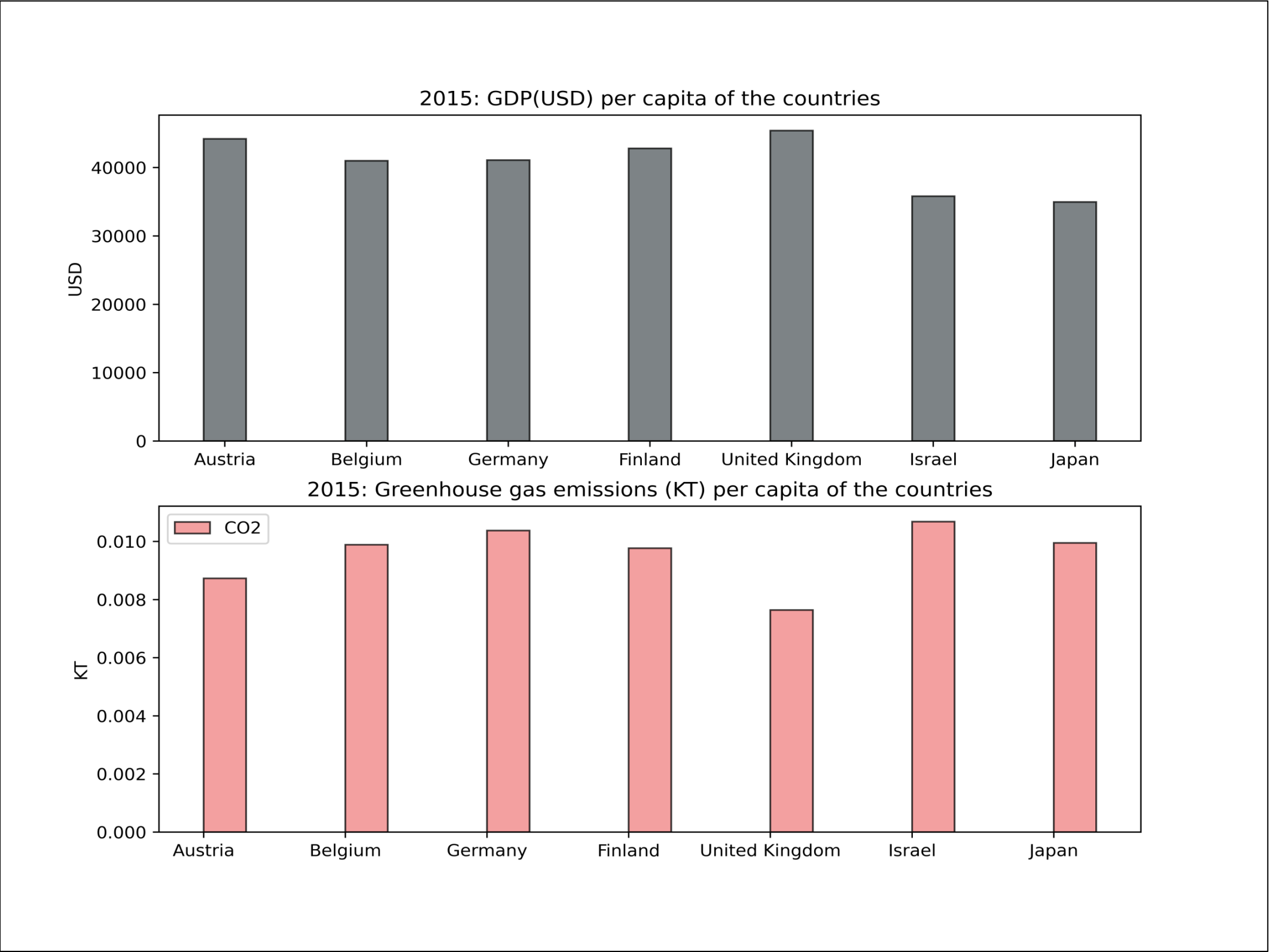


Fig. 2: Cluster A countries

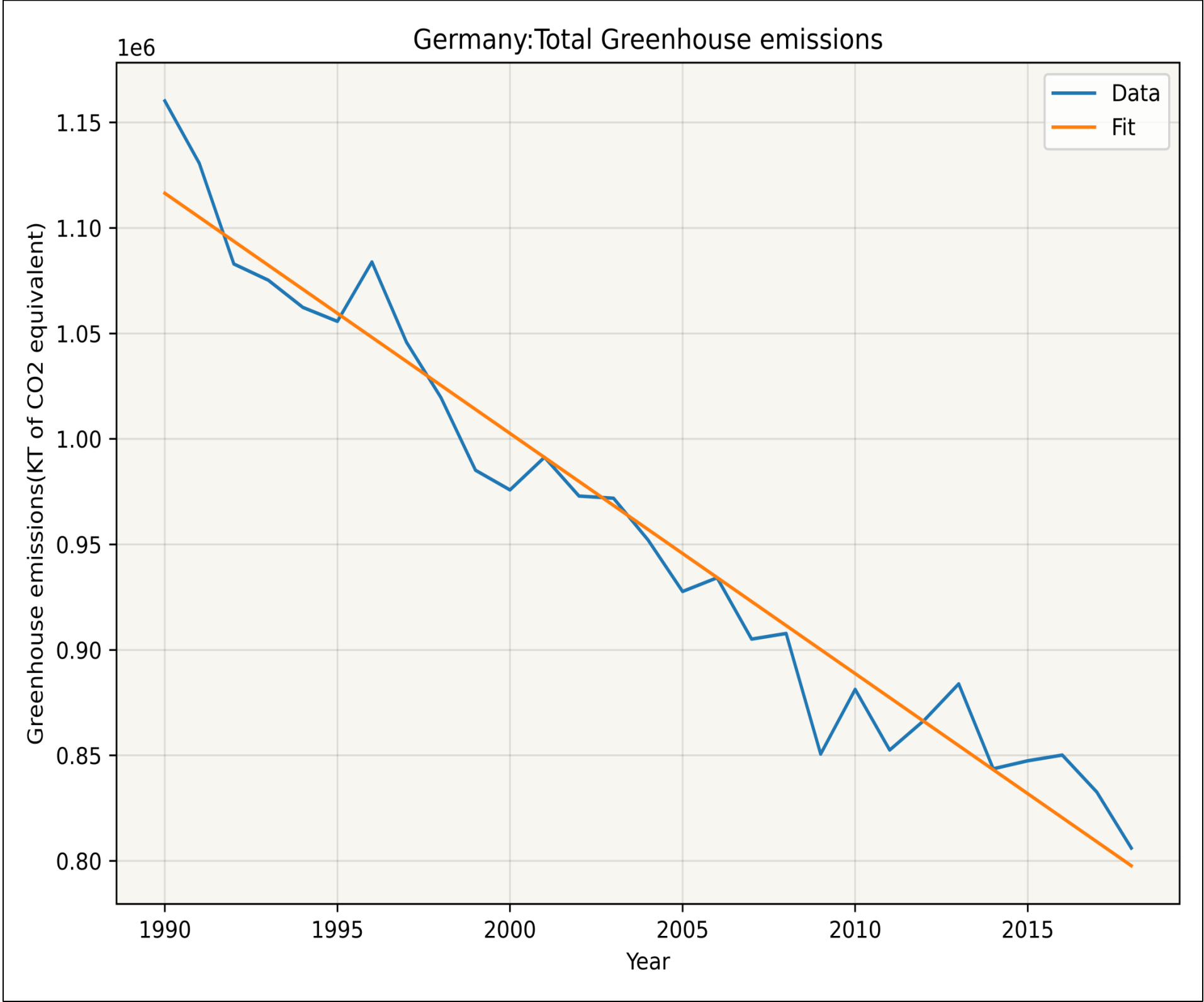


Fig. 4: Gas emissions of Germany has a downward linear trend.