



# World Energy Outlook 2021

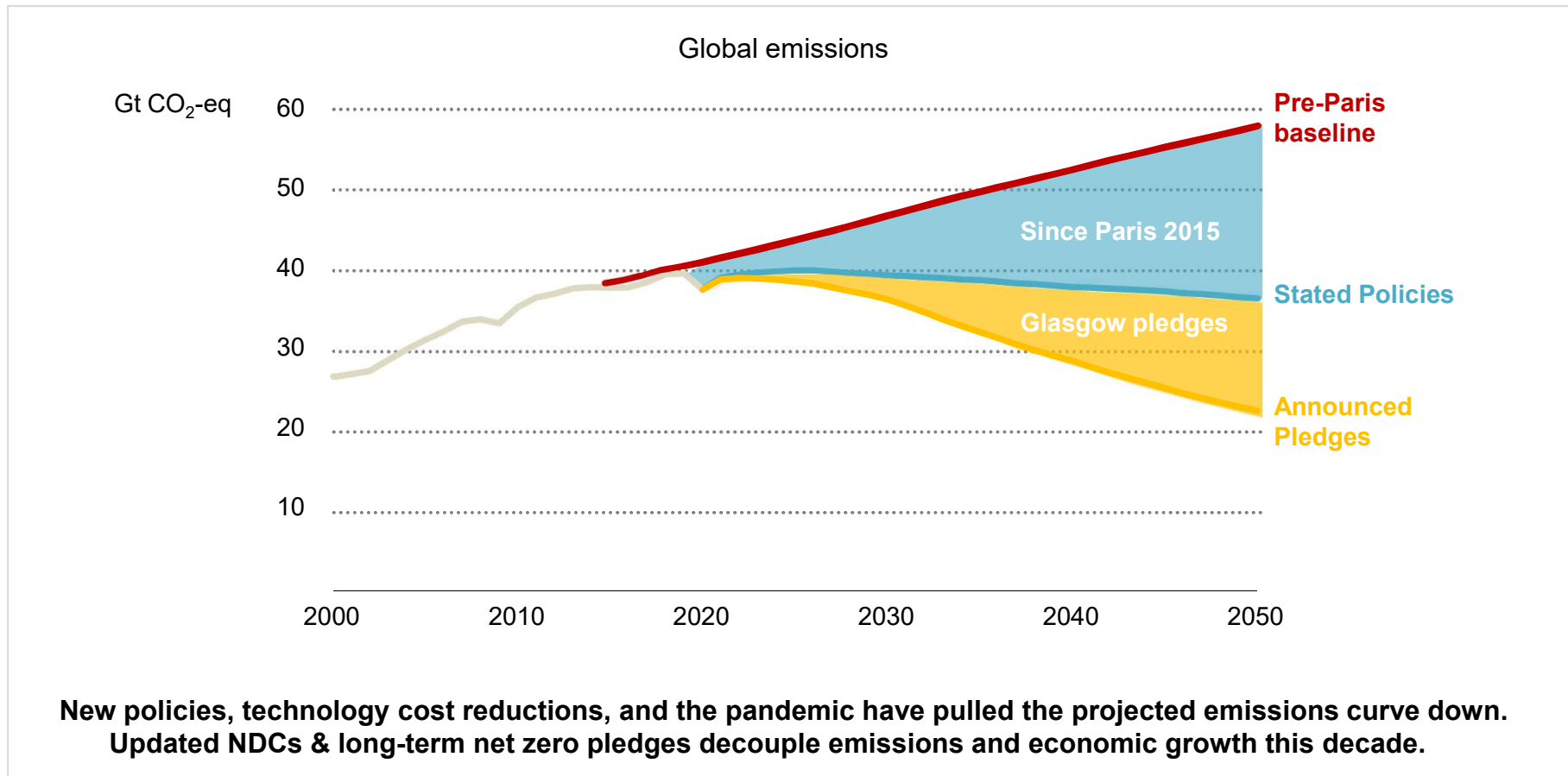
*16 November 2021, Club Espanol de Energia*

Laura Cozzi, IEA Chief Energy Modeler

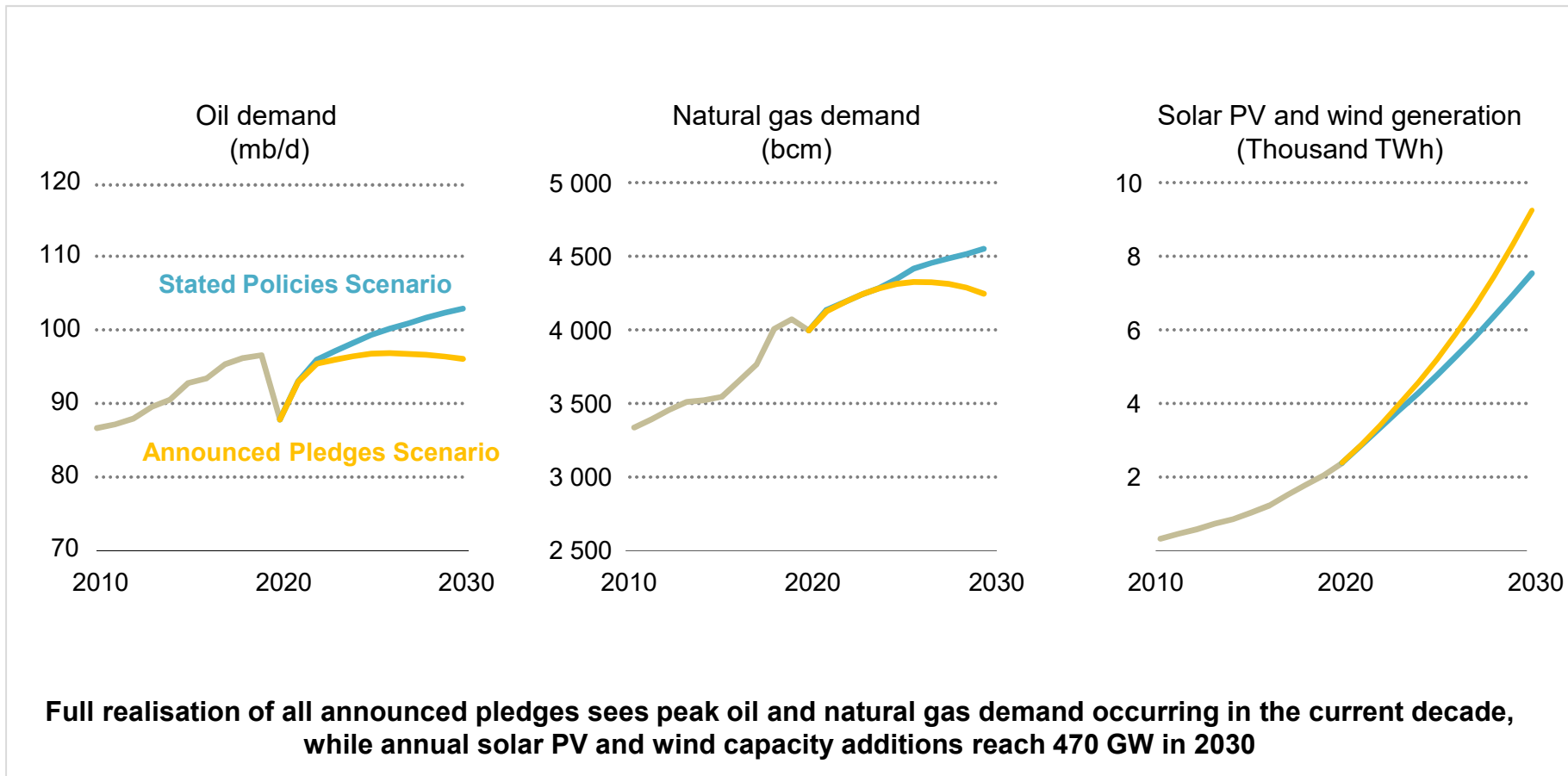
A large blue right-angled triangle pointing towards the top-right corner of the slide.

International  
Energy Agency

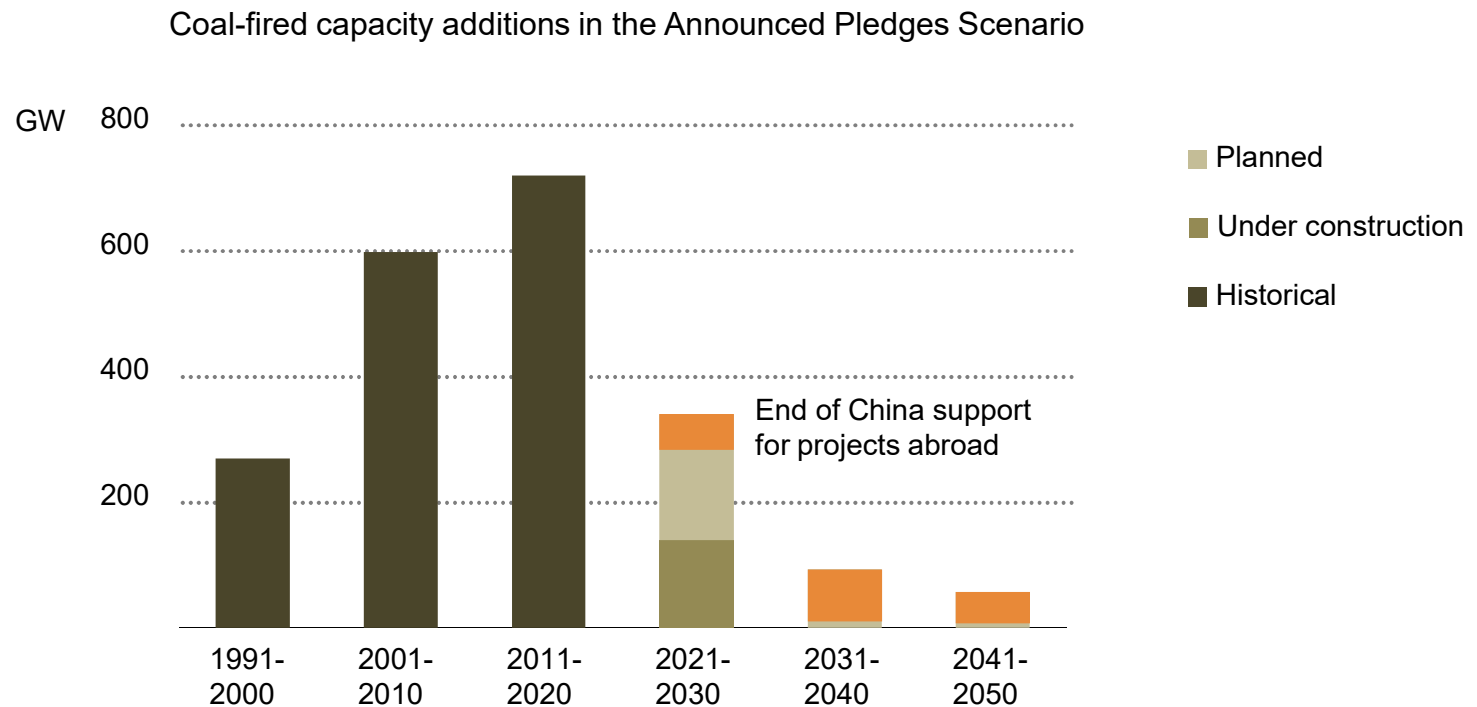
# The world is starting to bend the emissions curve



# And announced pledges re-shape global energy markets

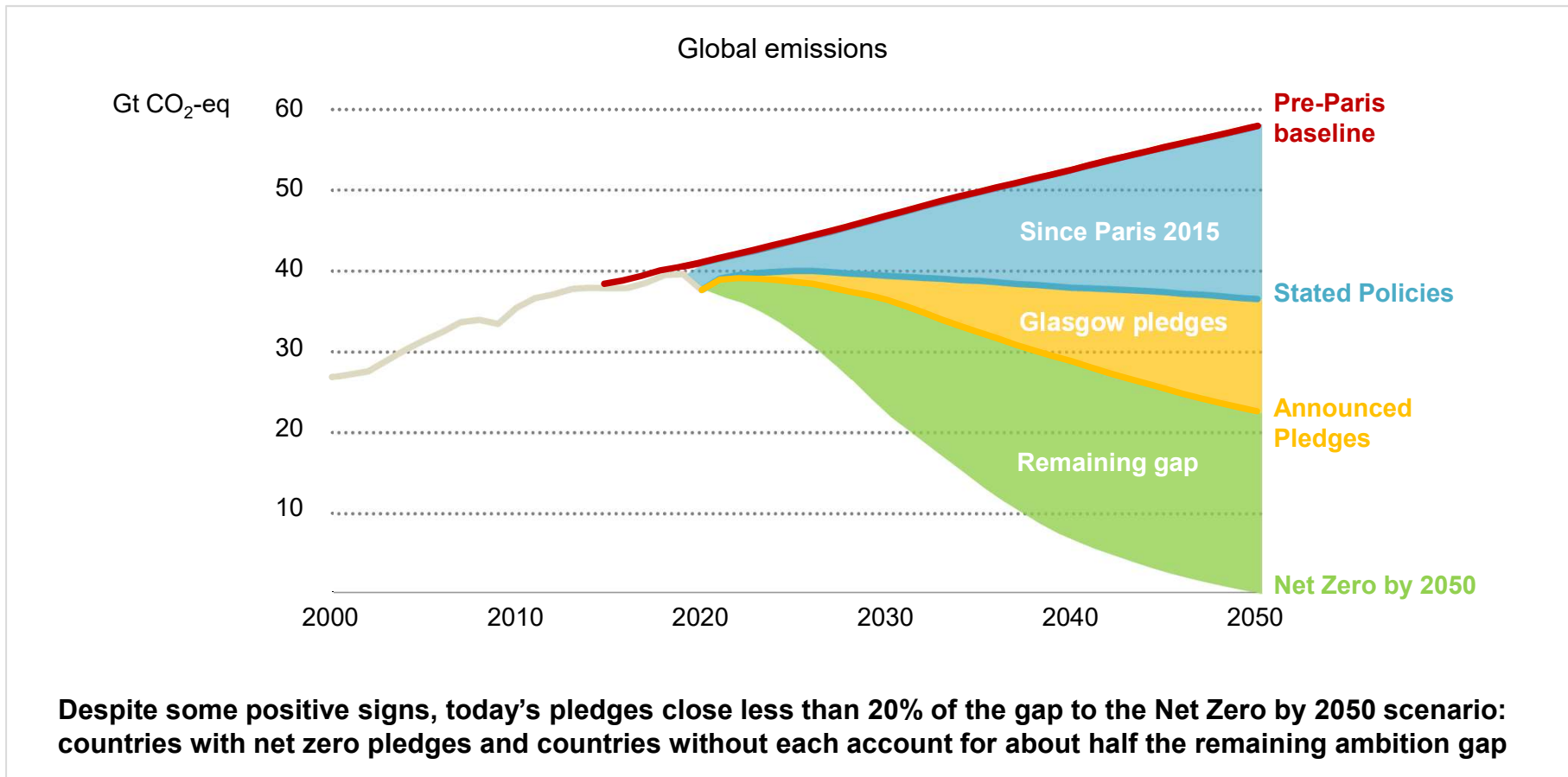


# New coal power is on its way out

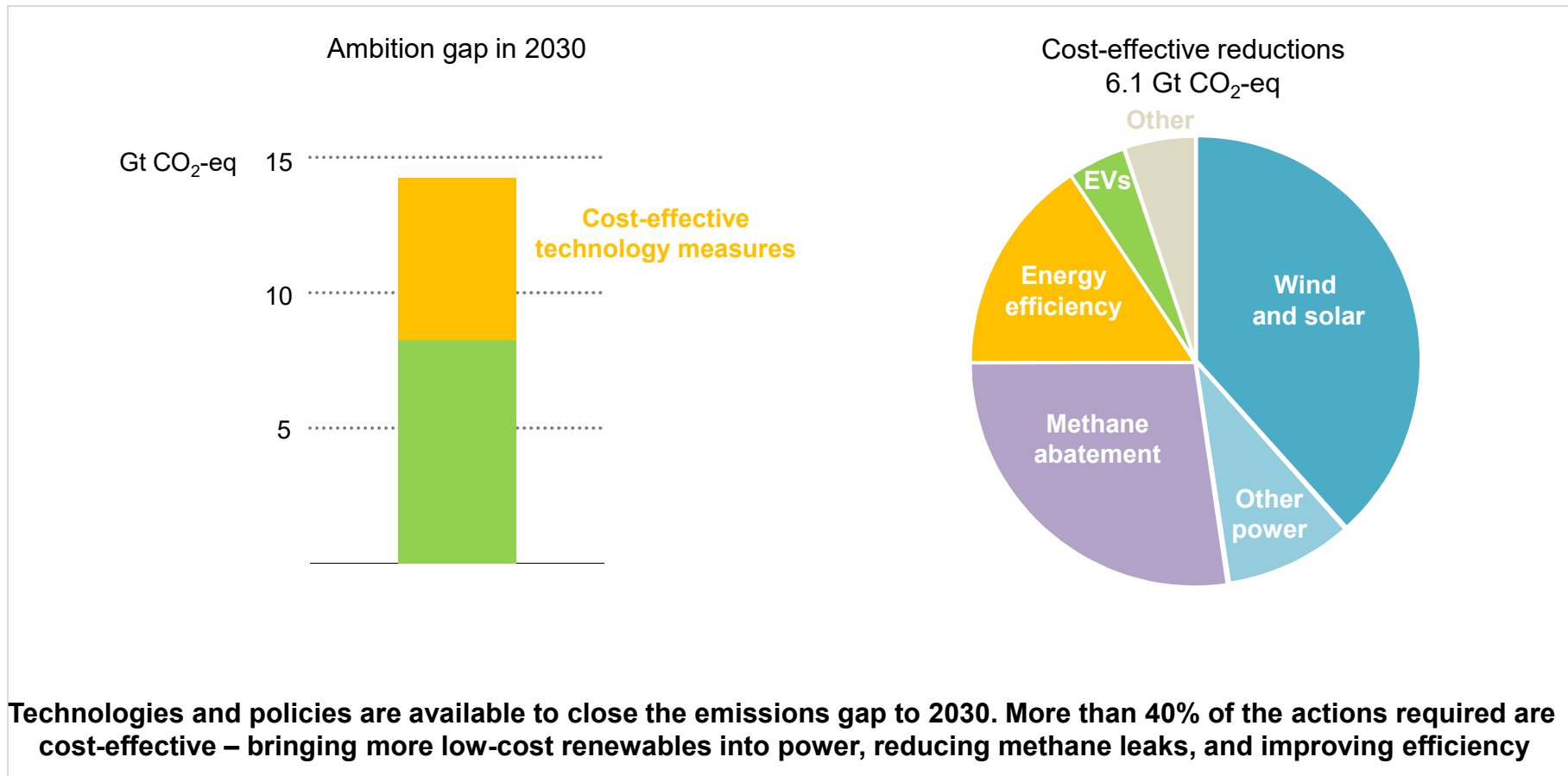


**After decades of growth, construction of unabated coal power plants sharply declines under announced pledges, and cancellations could cut 20 Gt of emissions to 2050, comparable to savings from the EU reaching net zero by 2050**

# A large ambition gap remains in 2030

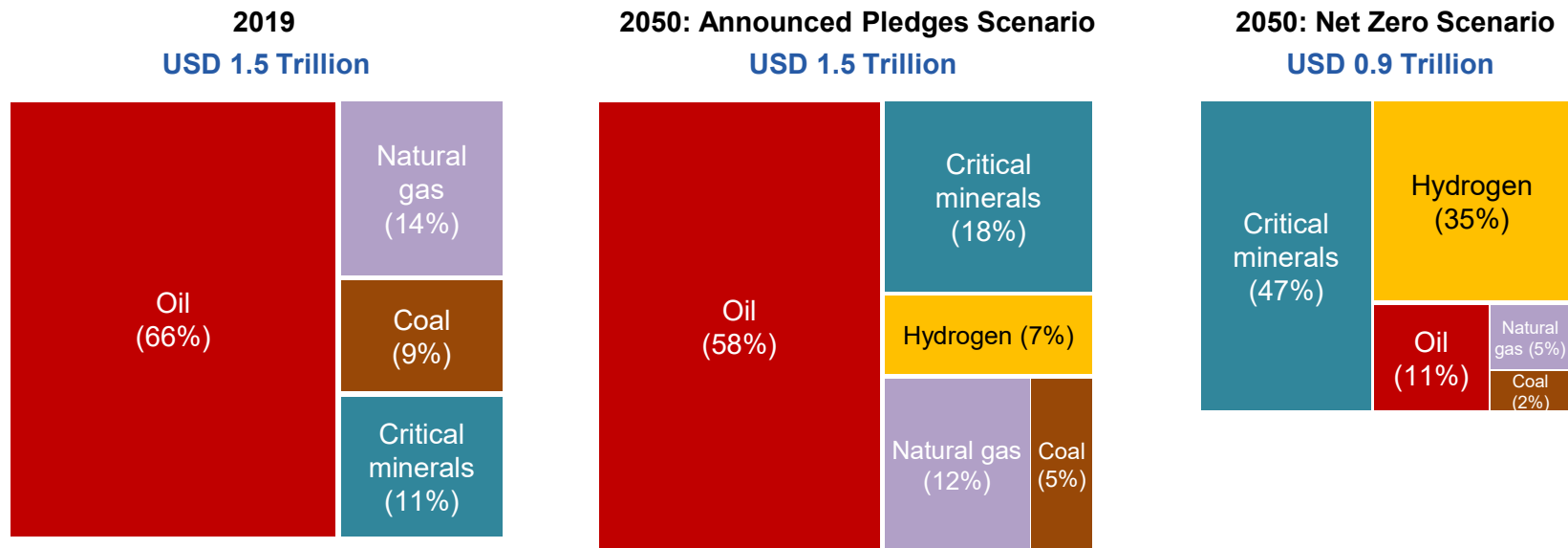


## But we have cost-effective ways to close the gap



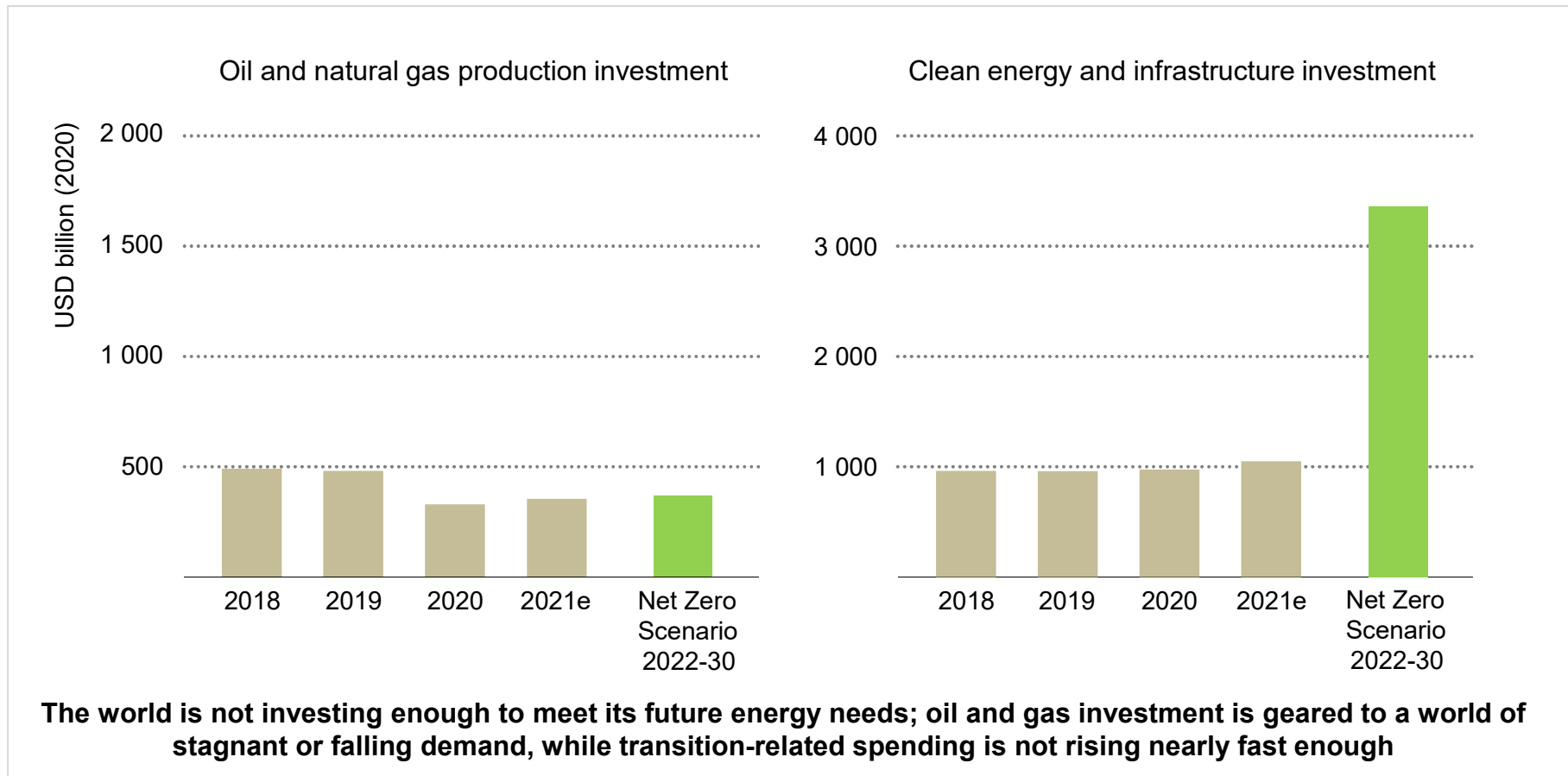
# The rise of new energy-related commodities

Value of international energy-related resource trade



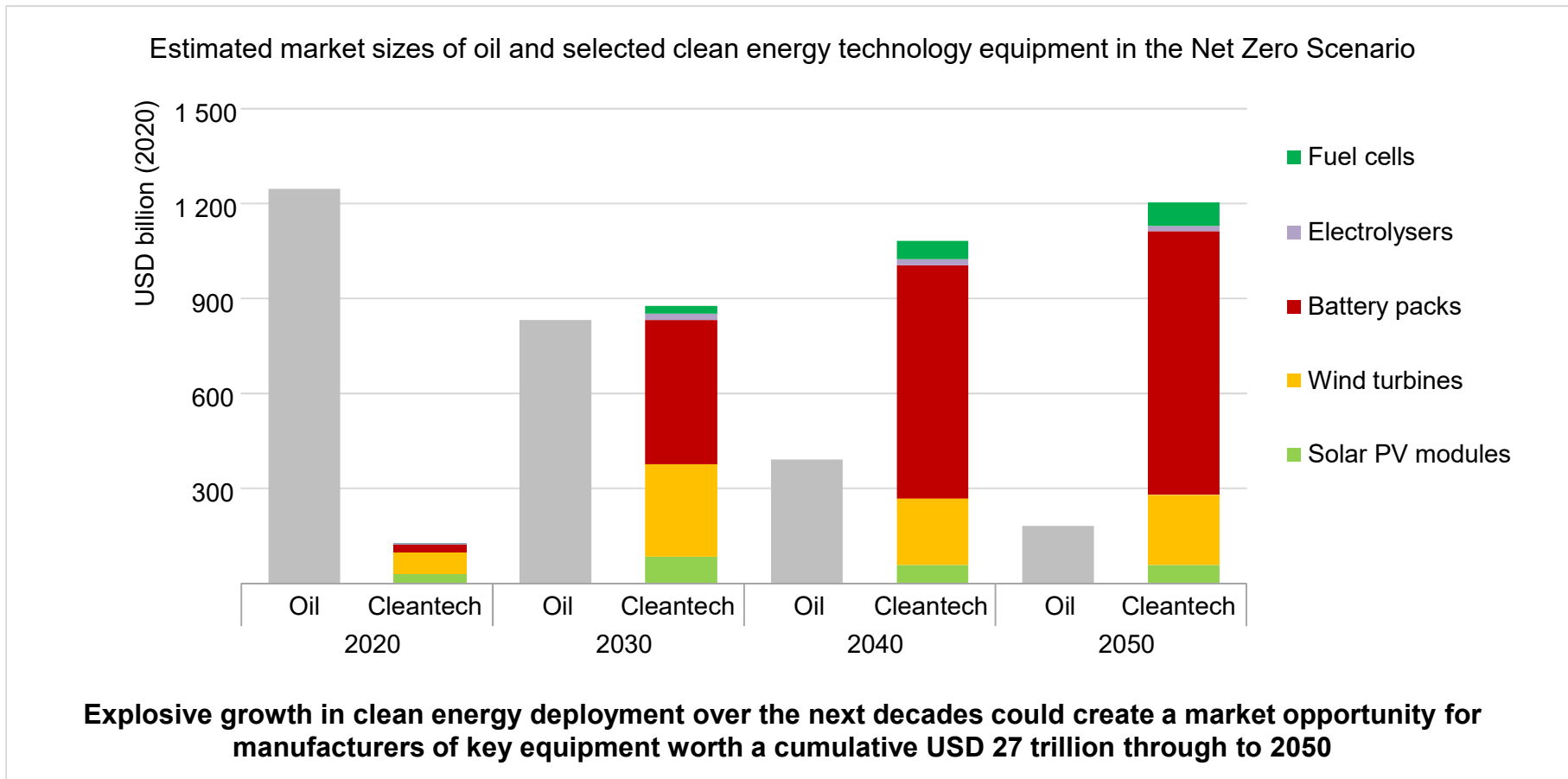
**Under announced pledges, a growing share of oil and gas trade flows towards developing economies in Asia. In all scenarios, but especially in the net zero pathway, critical minerals and hydrogen-based fuels are on the rise**

# Looming risk of more turbulence ahead for energy markets





# A new global energy economy is emerging



# Conclusions

---



- The transition to a sustainable energy system is the solution to the turbulence that we are seeing in gas, coal and electricity markets today – not the cause
- A laser-like focus on clean electrification, energy efficiency, methane abatement & innovation can close the near-term gap with a 1.5°C future; cost-effective solutions are available & every country needs to step up
- The longer today's mismatch in energy investment persists, the greater the risks to energy security & price volatility. A massive policy-driven surge in clean energy transitions is the way forward
- A new global energy economy is emerging, one that will be more electrified, efficient, digitalised & clean – offering enormous potential for growth and employment
- Governments have unrivalled capacity to transform the energy sector: a wave of investment in a net zero future must be driven by an unmistakable signal from Glasgow

**iea**