

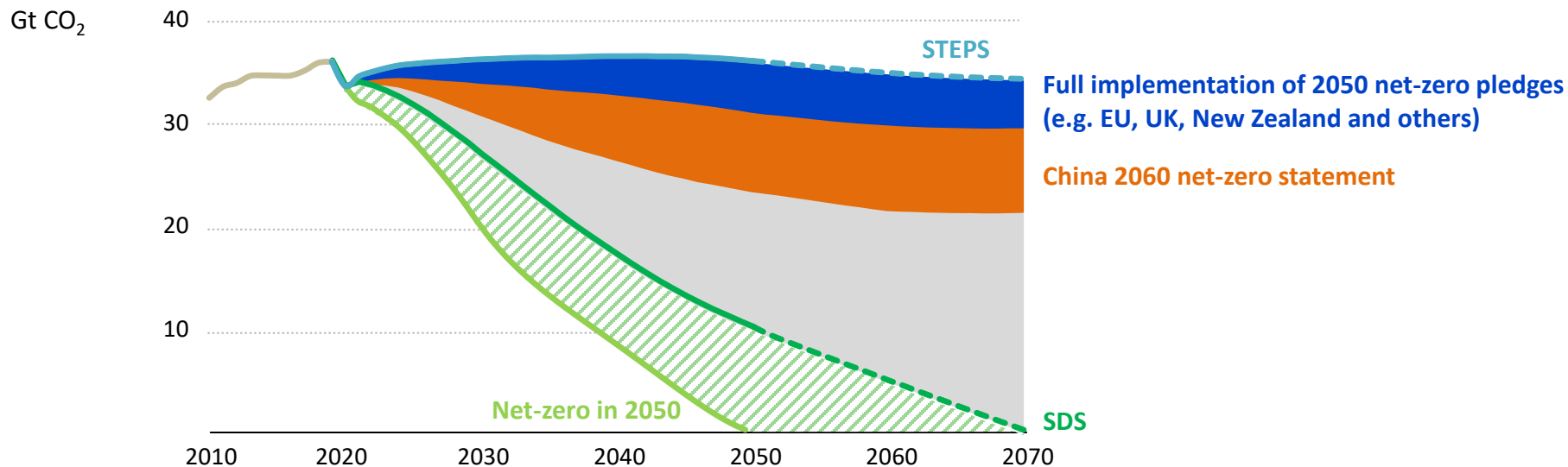


The Long-Term Outlook for Gas and Coal Markets

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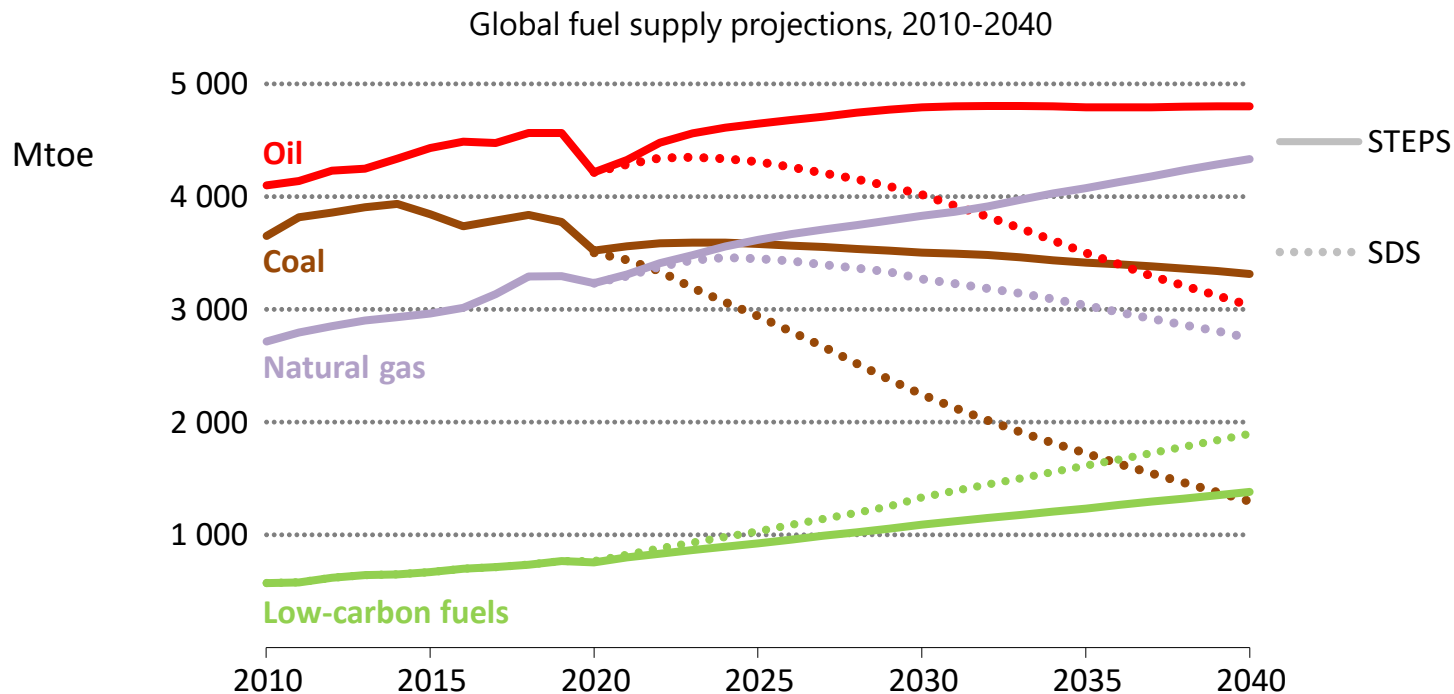
IEA-IEF-OPEC Symposium on Gas and Coal Market Outlooks, 28 April 2021

The world is still far from putting emissions into decisive decline



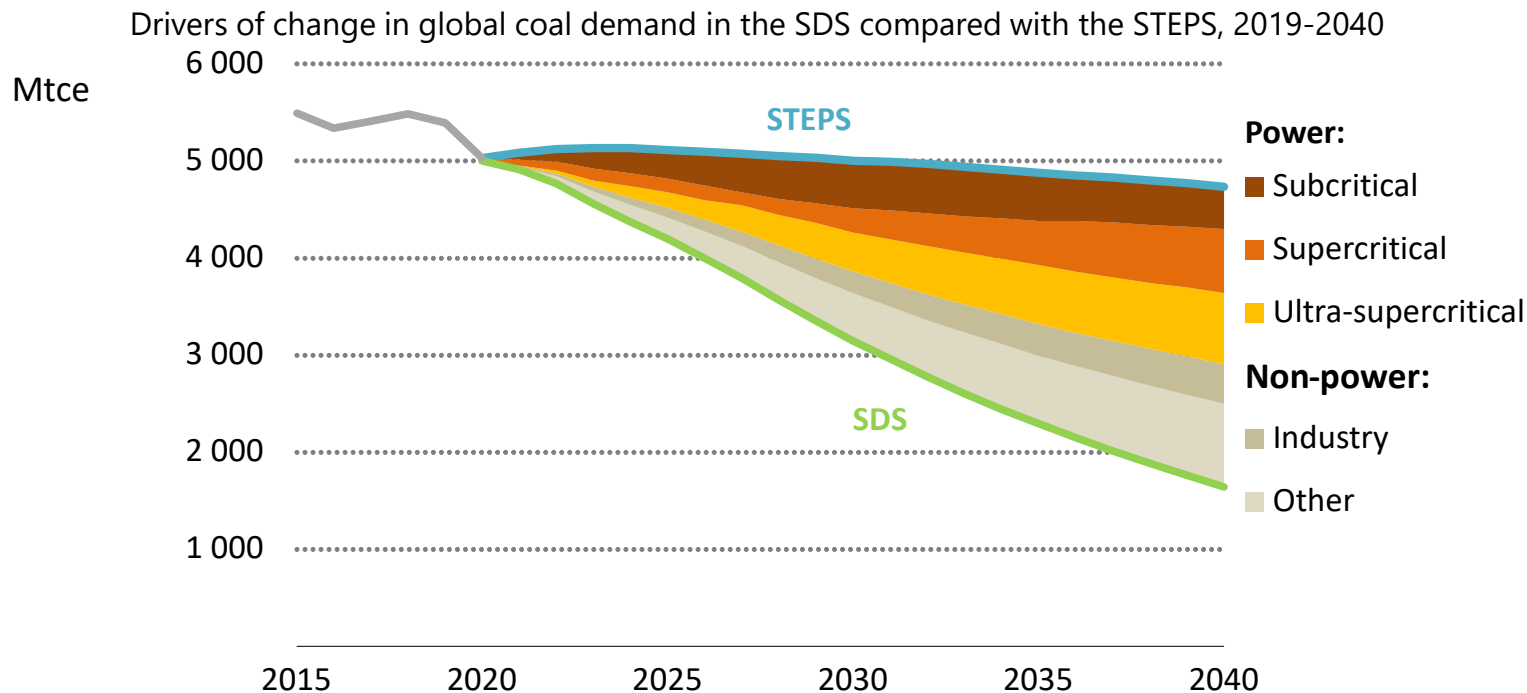
There remains significant near-term uncertainty about how emissions evolve in the aftermath of the pandemic, but unless recoveries are sustainable, the world will remain a long way from realising climate targets.

The outlook for fuels is now more uncertain than ever



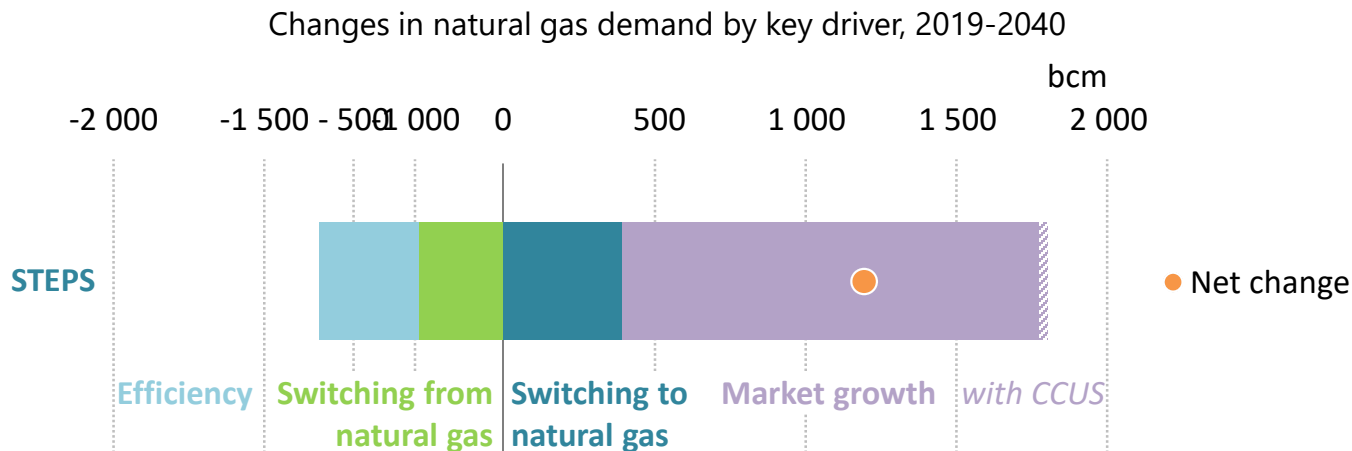
Two key uncertainties for fuel producers are the shape of the recovery from the pandemic and the strength of the push for reductions in global emissions

What are the key factors that reduce coal demand in the SDS?



In the STEPS, global coal demand stays flat to the 2030s before gradually falling. In the SDS, retrofitting, repurposing or retiring existing coal assets pushes demand down to one-third of today's levels

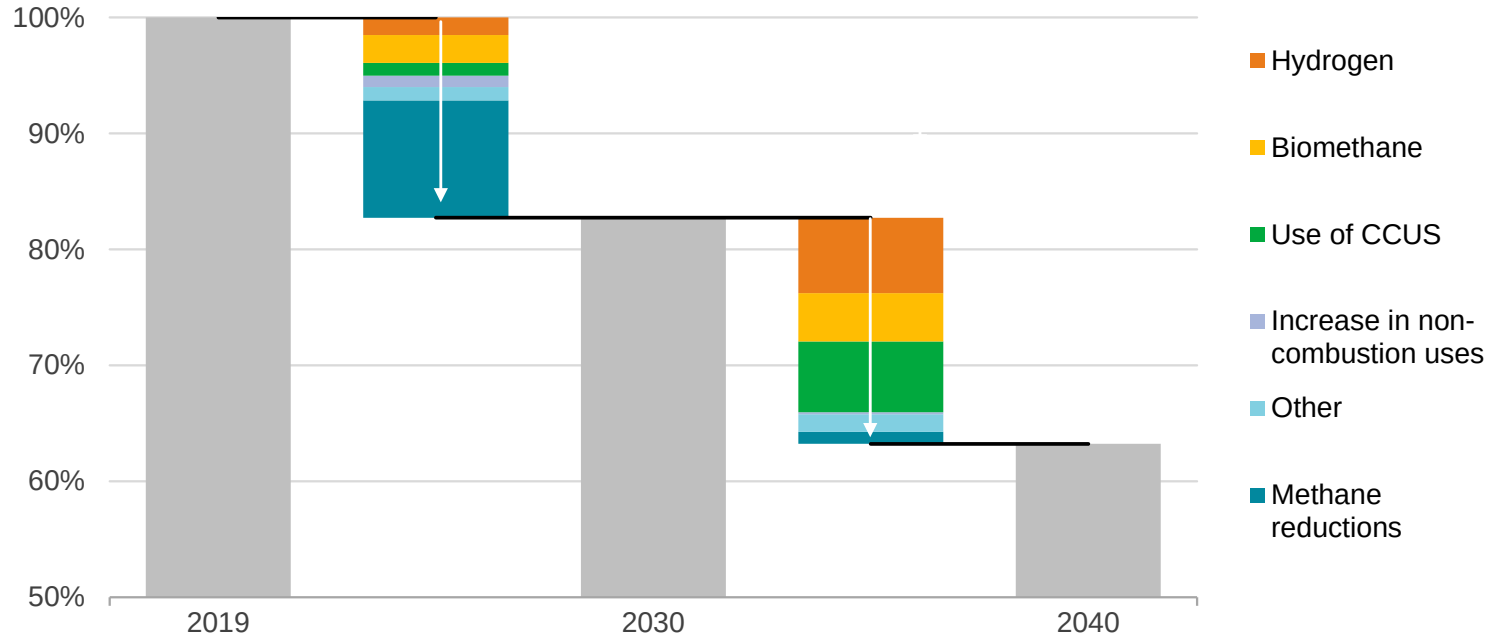
Is natural gas still a 'transition fuel'?



In the STEPS, natural gas is supported by increased energy demand in emerging and developing economies. In the SDS, gas still plays a role, but growth is diminished by efficiency gains and switching to renewables

Making gas part of the solution

Changes in the average global emissions intensity of gas supply in the Sustainable Development Scenario



Liquids and gases still comprise over 50% of final energy use in 2040. Methane abatement, low-carbon hydrogen, biomethane & CCUS all have to step up to make gas use compatible with deep decarbonisation