



## 2021-IP06

### IEA Global Energy Review 2021

Reinforcing the IEA's recent calls for climate action, its annual update on the latest trends in world energy and CO<sub>2</sub> emissions has just been released. In its [Global Energy Review 2021](#), the IEA provides the strongest evidence yet why 2021 is set to be a watershed year for the climate. Global energy-related CO<sub>2</sub> emissions are set to surge by 1.5 billion tonnes, coming up just short of emissions in pre-pandemic 2019. This surge would represent the second-largest increase in history, the largest having been in 2010 following the 2008-09 financial crisis.

Global energy demand is forecast to increase by 4.6% in 2021, lifting it higher than the level reached in 2019, with CO<sub>2</sub> emissions set to reach 33 billion tonnes. While energy use in advanced economies is on course to fall below pre-Covid levels, almost 70% of the projected increase in global energy demand is in emerging markets and developing economies.

The surge in emissions results from the projected growth in fossil fuels, in particular, the massive increase in demand for coal, with more than 80% of the growth concentrated in Asia – particularly in China. Notably, demand is also rebounding in the United States and the European Union. Coal demand alone is not only projected to increase by 60% more than all renewables combined, it is also set to approach its all-time peak from 2014, with the electricity sector accounting for three-quarters of this increase.

Global oil demand is expected to remain around 3% below 2019 levels, while the demand for natural gas is set to grow by around 3%, driven by increasing demand in Asia, the Middle East and the Russia. While dwarfed by the increase in coal demand, demand for renewables is set to increase across the power, heating, industry and transport sectors in 2021. Next year, as aviation and road transport pick up, global energy demand and CO<sub>2</sub> emissions is likely to climb even higher.

Responding to these latest trends, Dr. Fatih Birol, IEA Executive Director, said *“This is a dire warning that the economic recovery from the COVID crisis is currently anything but sustainable for our climate. Unless governments around the world move rapidly to start cutting emissions, we are likely to face an even worse situation in 2022.”* In the [Guardian's coverage](#) of the publications' release, Dr. Birol described the trends in CO<sub>2</sub> emissions as *“... shocking and very disturbing.”*

A number of high-level, global events this year suggest a recognition by governments of urgency. Prefaced by the [IEA-COP26 Net-Zero Summit](#) in March, this month's Leaders' Summit on Climate hosted by US President Joe Biden, December's COP26 in Glasgow comes at a seminal moment in time for climate action.

Given these trends in global energy demand and their impact on CO<sub>2</sub> emissions, the deployment of CCUS has never been more important.

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