

# Russia's invasion of Ukraine is reshaping the energy world

## Energy markets

High and volatile energy prices are hurting households and businesses, shifting the choice of fuels and setting back progress towards achieving universal access to energy.

Short-term responses have focused on securing available supply and protecting consumers, but many governments in the US, EU and elsewhere have adopted new policies that give a major boost to investments in clean energy and efficiency.

## Energy policy

## Energy trade

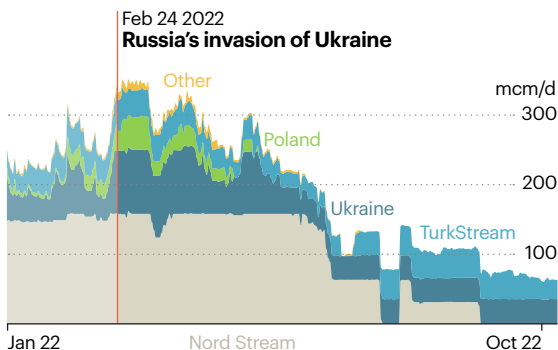
European sanctions on coal and oil imports and Gazprom's decisions to cut gas supply are triggering a profound reshuffling of trade flows around the world.

High fossil fuel prices are stoking inflationary pressures; the combination of falling real incomes and rising prices is creating a looming risk of global recession.

## Economic impacts

## Russia has cut its natural gas pipeline flows...

...to the European Union by around 80% since invading Ukraine.



## CO<sub>2</sub> emissions from global fossil fuel combustion...

...saw a record rise in 2021, but a strong expansion of renewables and electric vehicles is expected to dampen growth in 2022.

