



Coal Market Outlook

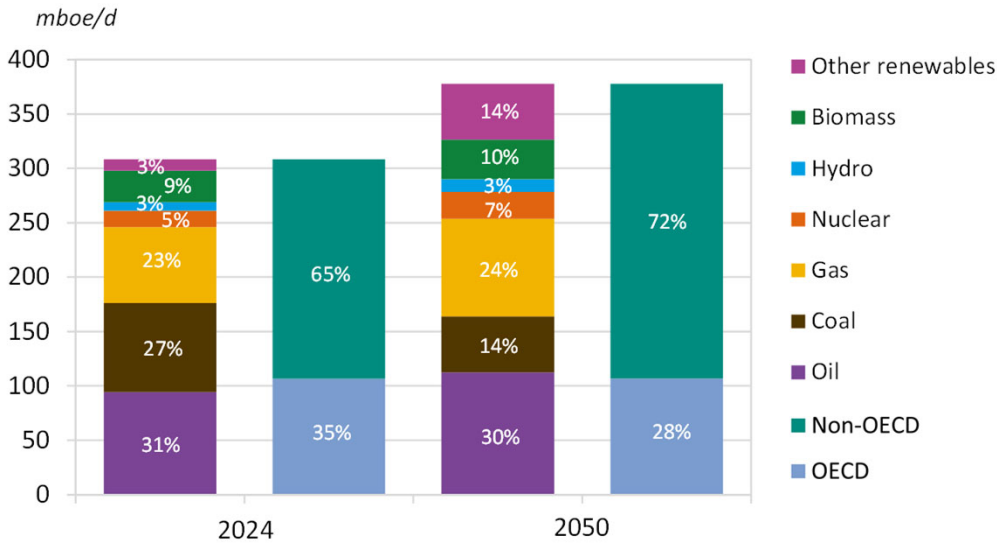
Presented by:

OPEC Secretariat

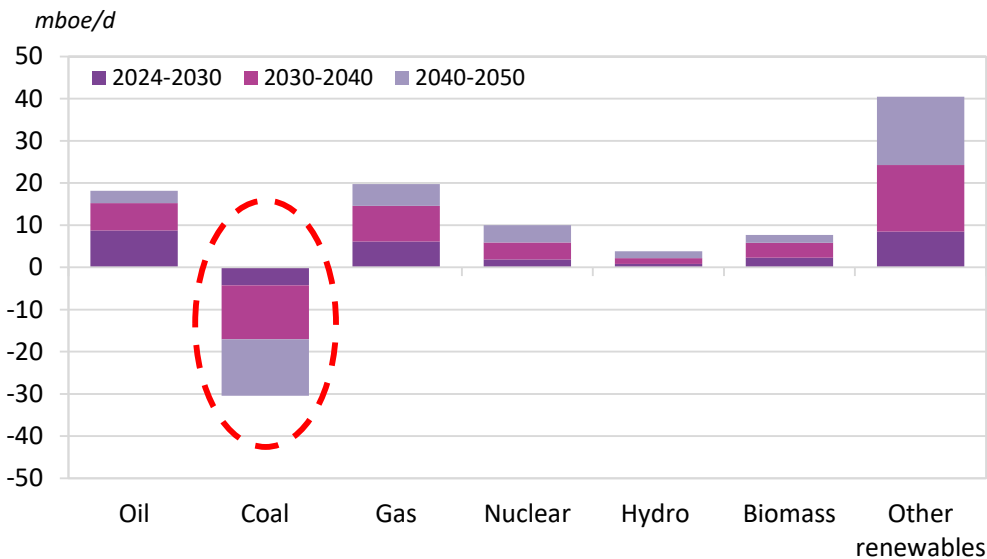
Coal demand expected to decline by more than 30 mboe/d over the outlook period



Primary energy demand by fuel and region



Primary energy demand growth by fuel, 2024-2050



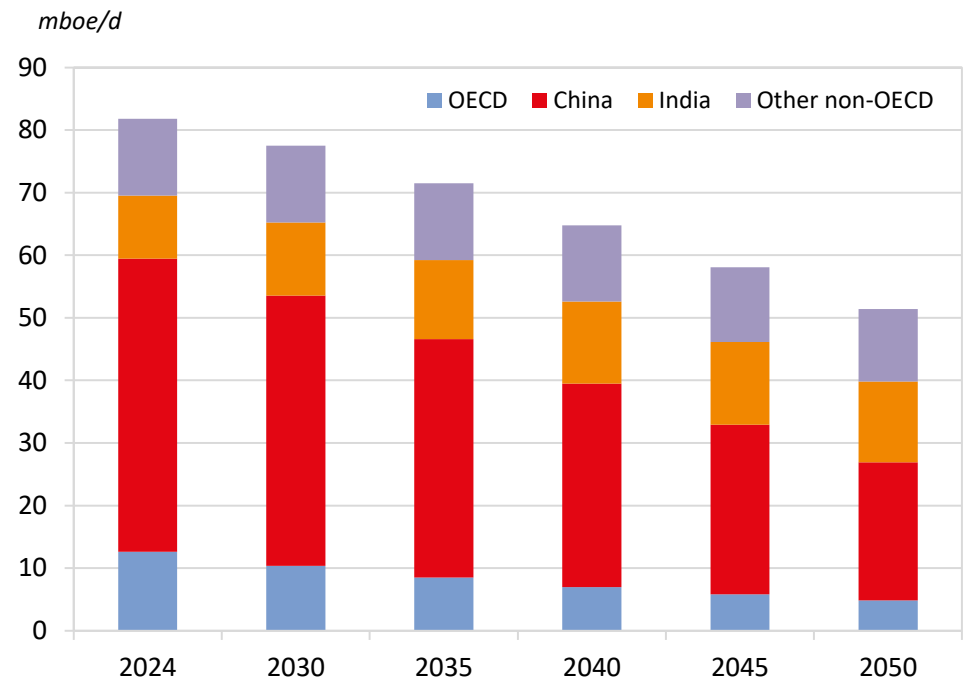
- **Coal is the only fuel to see a decline over the outlook period, dropping from 81.8 mboe/d in 2024 to 51.4 mboe/d in 2050,**
- Share of coal in the energy mix expected to **almost halve to 13.6% in 2050.**

China is crucial for the coal demand reduction



- Coal demand reduction driven mostly by **China and OECD regions**,
- **Stringent climate-related policies** and **phase out of aging coal plants** pushes down coal demand,
- Some regions still see increase in coal use in the long term due to its availability and affordability (e.g. **India**),
- **More efficient use of coal** also contributes to reduction of primary demand for coal.

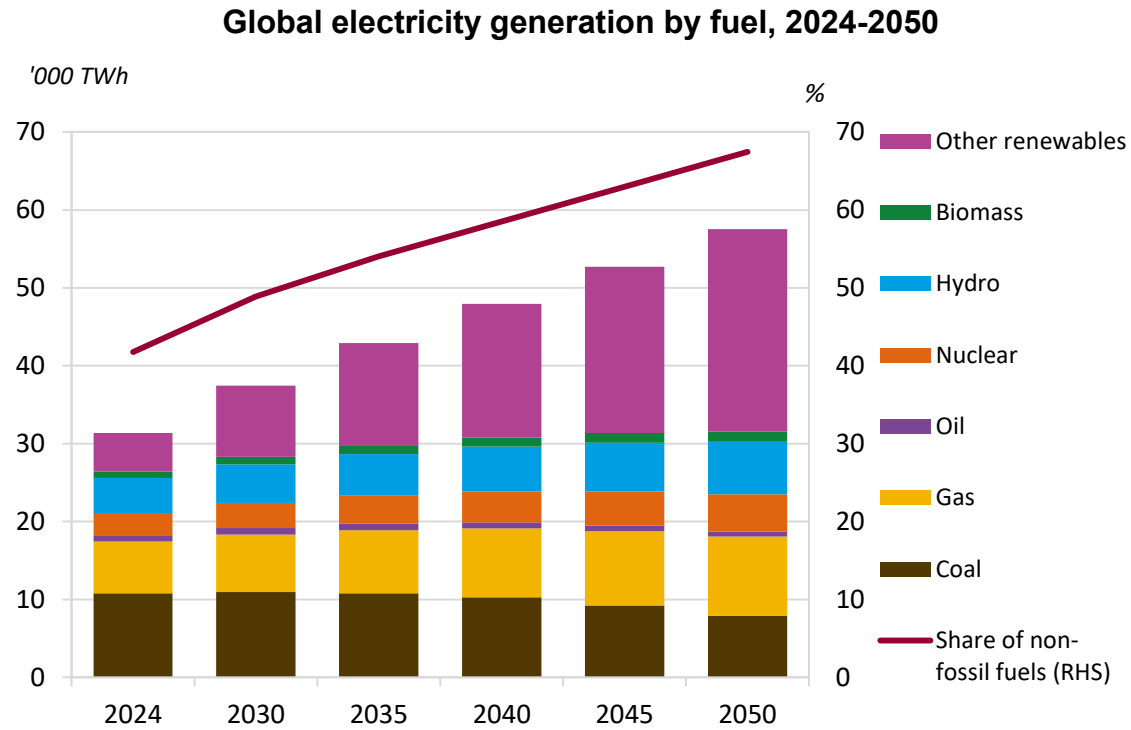
Coal demand by major region, 2024-2050



Coal-fired declining by more than 25% over the outlook period



- Coal-fired generation **dropping by almost 3,000 TWh** in line with energy policies and rising competition from RES, gas and nuclear,
- The share of coal in the generation mix **declines from almost 35% in 2024 to 14% in 2050**,
- Coal-fired generation capacity remains important for **security of supply** in many regions (e.g. backup capacity).

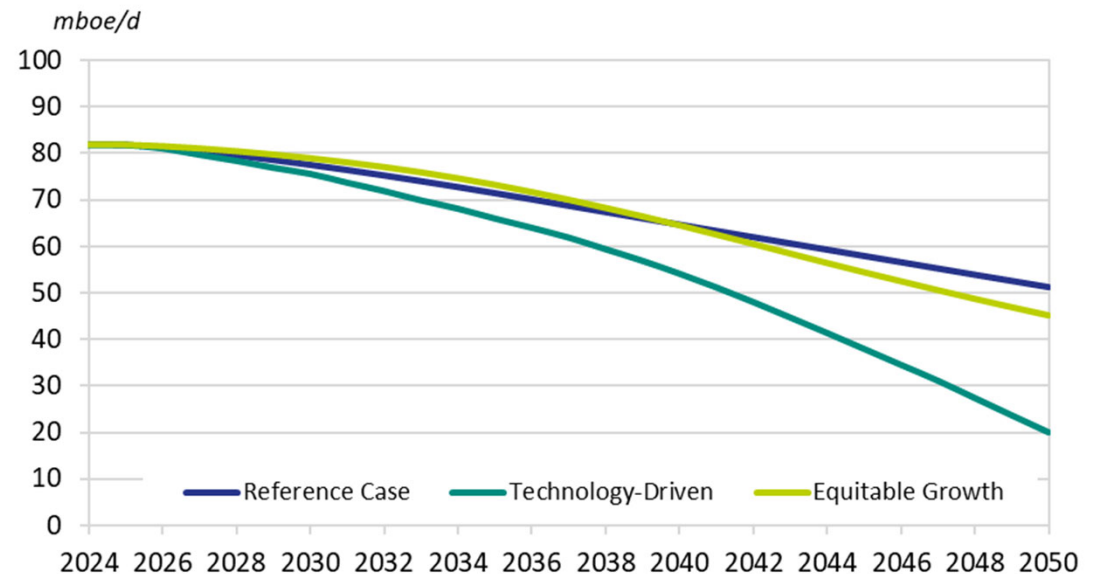


Alternative scenarios see coal demand declining faster



- Two alternative scenarios - **Technology-Driven Scenario (TDS)** and **Equitable Growth Scenario (EGS)**,
- **EGS** sees coal demand declining to **45 mboe/d in 2050**, due higher competition from other fuels, especially renewables,
- Coal demand in **TDS** dropping to **20 mboe/d in 2050** in line with faster emission reductions and technology deployment.

Coal demand in the Reference Case and alternative scenarios, 2024–2050



Key takeaways




- Coal is the only fuel in the Reference Case seeing a **decline** throughout the outlook period, with its energy mix share almost **halving by 2050**,
- Demand going down in line with **stringent energy policies**, **phase out of coal plants** and **increasing competition** from other fuels as well as more efficient use of coal in power generation,
- Demand decline is driven by **China** and **OECD countries**, but some regions see **increase** such as **India**,
- **Power generation sector** crucial for coal demand reduction in the long term,
- Despite the decline, coal remains crucial for **energy security** in many regions, especially in Asia.




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