

FIG.04a

# GASOLINE AND DIESEL UNTAXED PRICE DEVELOPMENT 2020-2024

Source: European Commission



After a rapid decline in economic activity caused by the Covid-19 pandemic in 2020, petrol and diesel prices progressively went back up in 2021 due to increasing vaccination rates, loosening of pandemic-related restrictions, and a growing economy. Increasing demand and lower supply of oil resulted in consistent global petroleum and liquid fuels inventory withdrawals that contributed to increasing prices globally. The prices of gasoline and diesel peaked in 2022 with the war in Ukraine and the sanctions imposed by the West on Russian oil.

In February 2023, the EU banned Russian import of diesel fuel and other oil products, yet prices decreased slightly due to imports of refined oil products from the Middle East and Asia as well as a frontloading of imports from Russia ahead of the embargo. Towards the end of 2023, Houthi rebel attacks in the Red Sea caused an increase in prices. Without material disruptions to actual oil production this increase did not last but escalating geopolitical tensions in this region keeps having an impact on prices early 2024.