

Fossil Fuel Subsidy Reform Initiative

WTO

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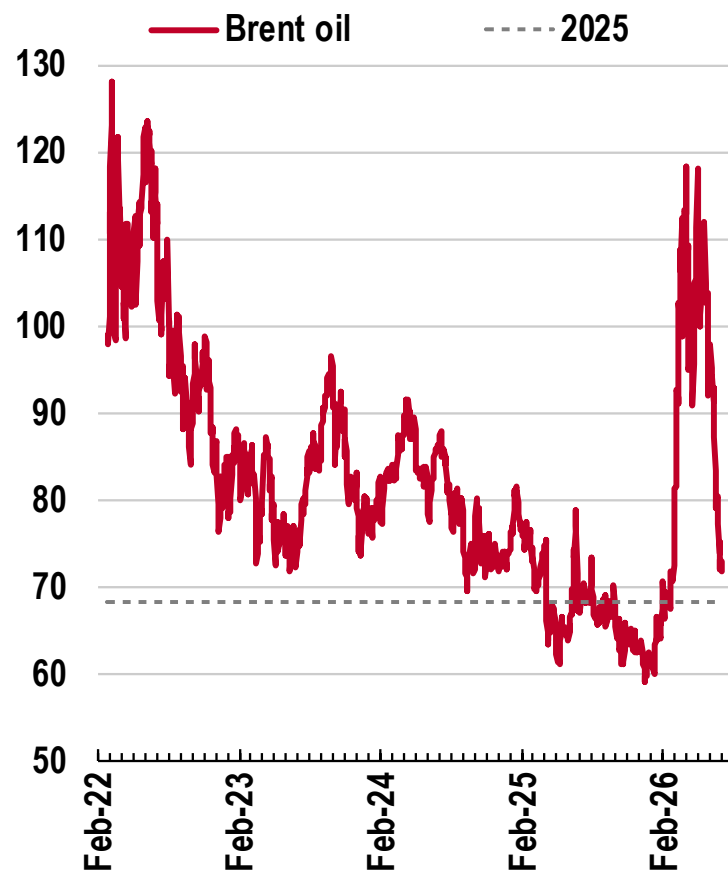
7 July 2026

Recent developments in energy crisis support measures

Global energy prices have returned close to pre-crisis levels

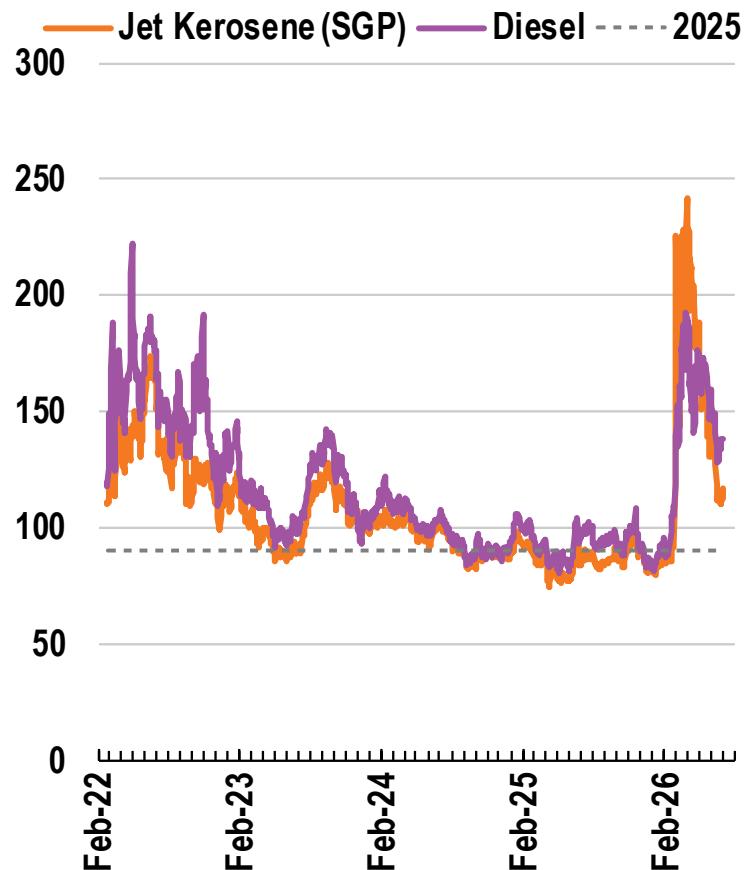
Crude oil

USD/barrel



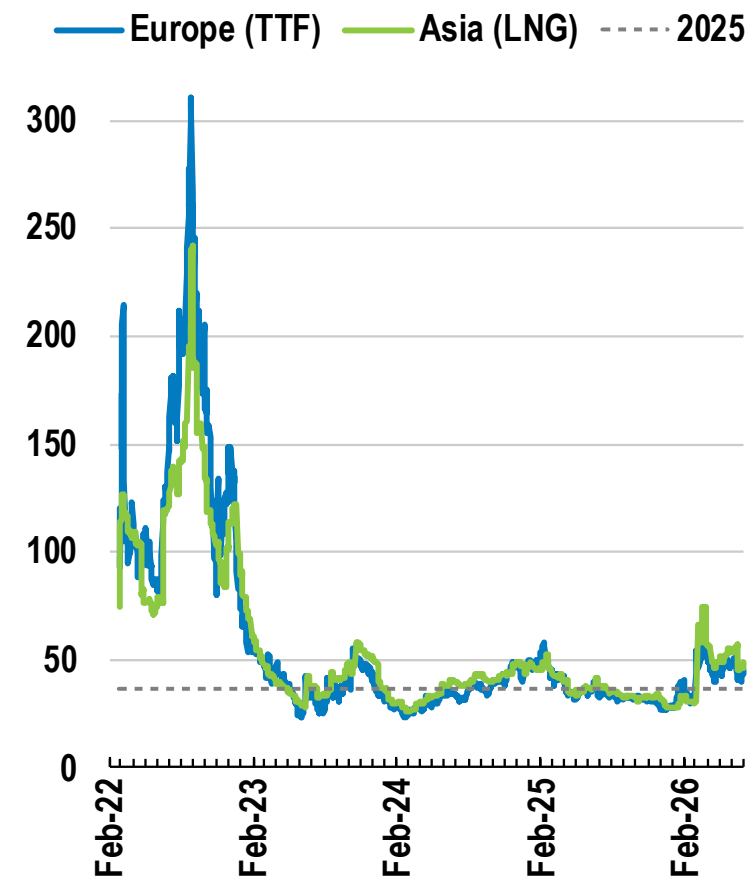
Oil distillates

USD/barrel



Gas

USD/barrel



Note: Shows the evolution of Crude Oil-Brent FOB; Oil, TTF Natural Gas Price for Europe, LNG for Asia. Latest data refers to 2 July.

Source: LSEG; OECD STI database; OECD calculations.

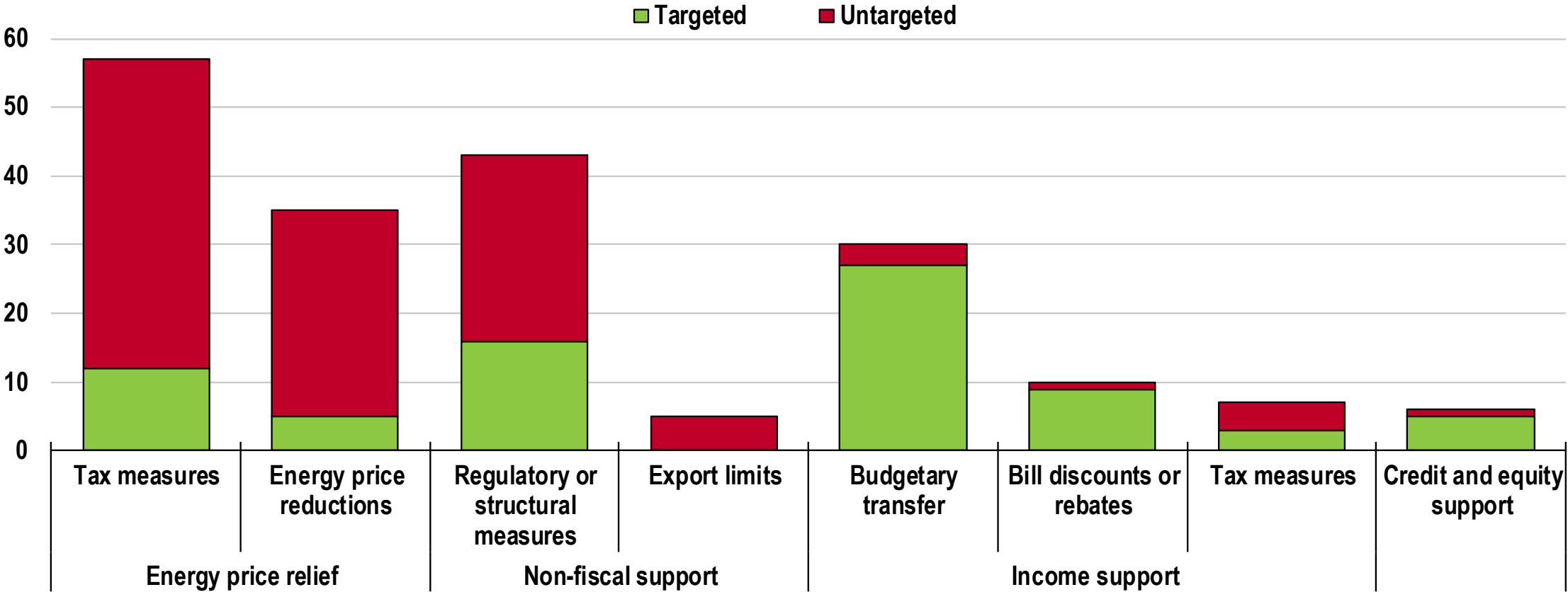
Energy price relief tends to be broad-based and includes some export restrictions

Energy policy responses by country

Count of energy support measures, OECD countries (data as of 17 June 2026)

YH2

MP3



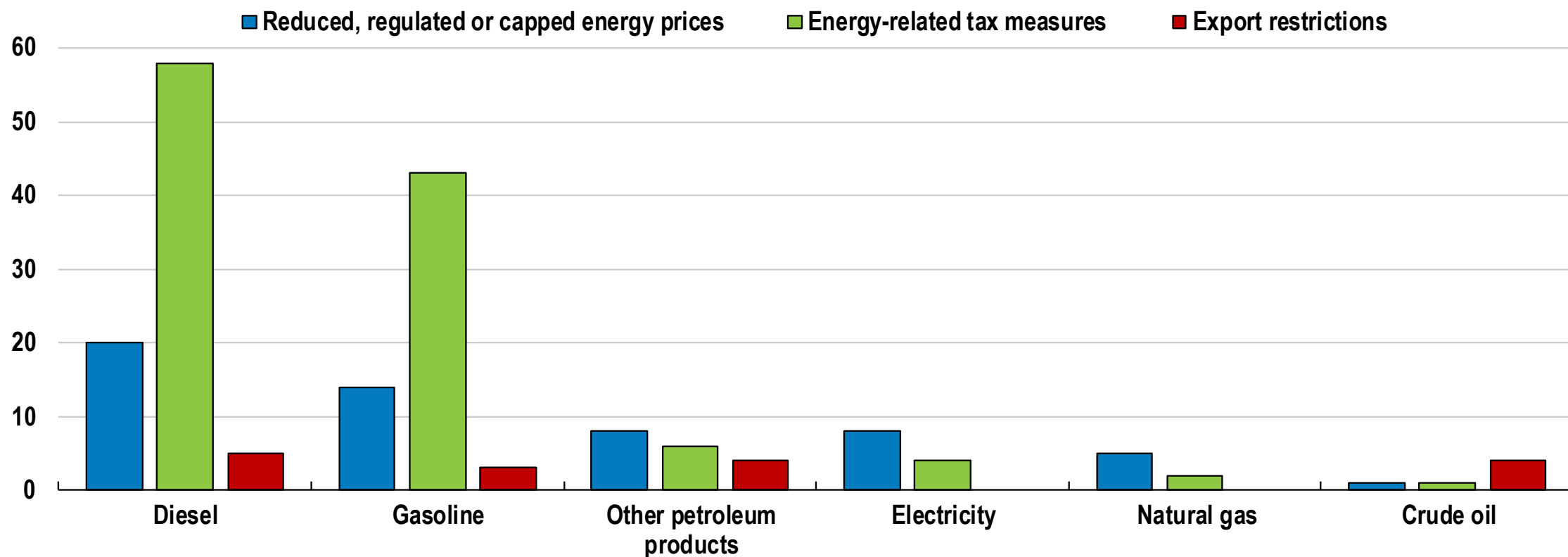
Note: The figure covers all energy support measures recorded in the database, both fiscal measures and non-fiscal regulatory and structural measures (for example demand reduction policies, energy transition policies, or regulatory measures) with a status of Active or Expired. This captures all measures announced to date. Includes data on all OECD countries, noting that CHE, CRI, DNK, FIN, ISR, LUX and MEX have not implemented any measures. Targeted measures are measures restricted to a specific subgroup of households or firms. Extensions and parameter adjustments to existing measures are consolidated into a single instrument, so counts reflect distinct policies rather than repeated announcements. Data as of 17 June 2026.

Governments mainly lowered the marginal prices of diesel and gasoline

Fuel types affected, by mechanism

Approximate number of measures, data as of 17 June 2026

MP3



Note: Fuel types reflect the primary and secondary fuel(s) identified as affected by each measure recorded in the Tracker. As many measures affect a broader range of specific fuel types than captured here, this classification is non-exhaustive and counts should be treated as approximate rather than precise. "Other petroleum products" includes jet fuel, kerosene, other oil products, and LPG. Measures targeting heat are excluded. Data as of 17 June 2026.

Support was deployed rapidly as prices rose — withdrawal has started

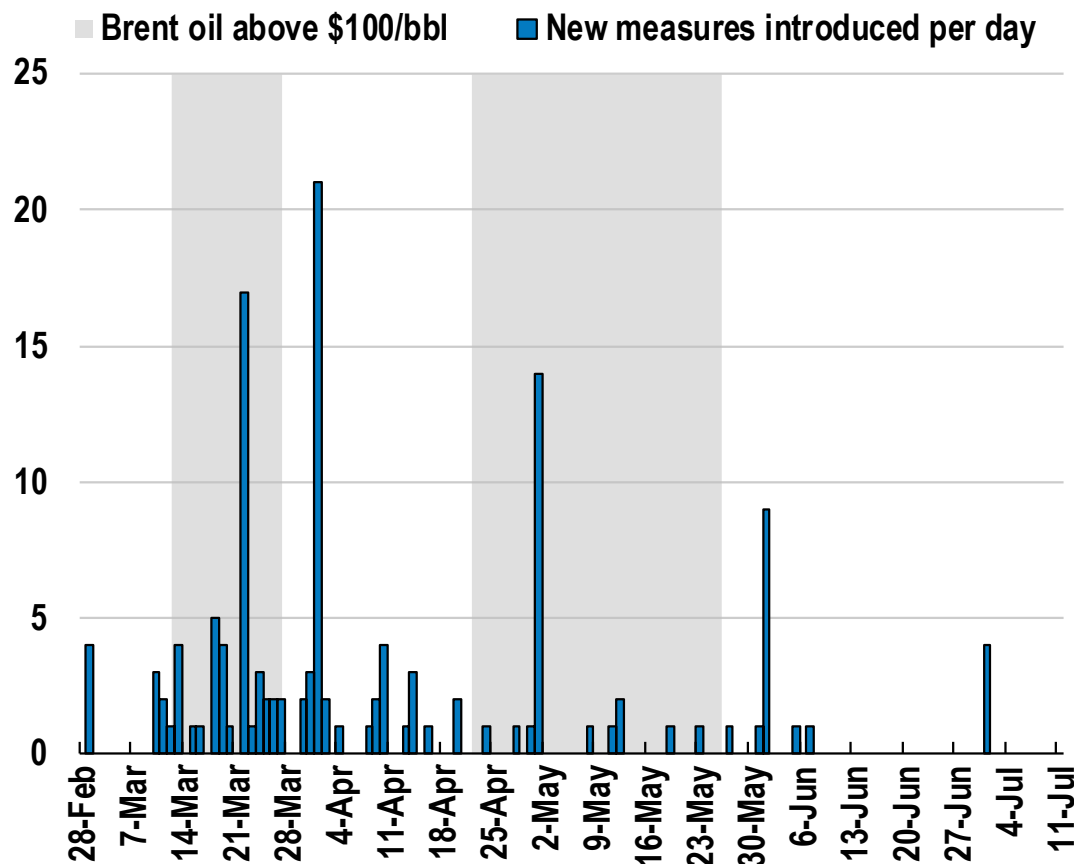
MP3

YH2

New energy crisis support measures adopted per day

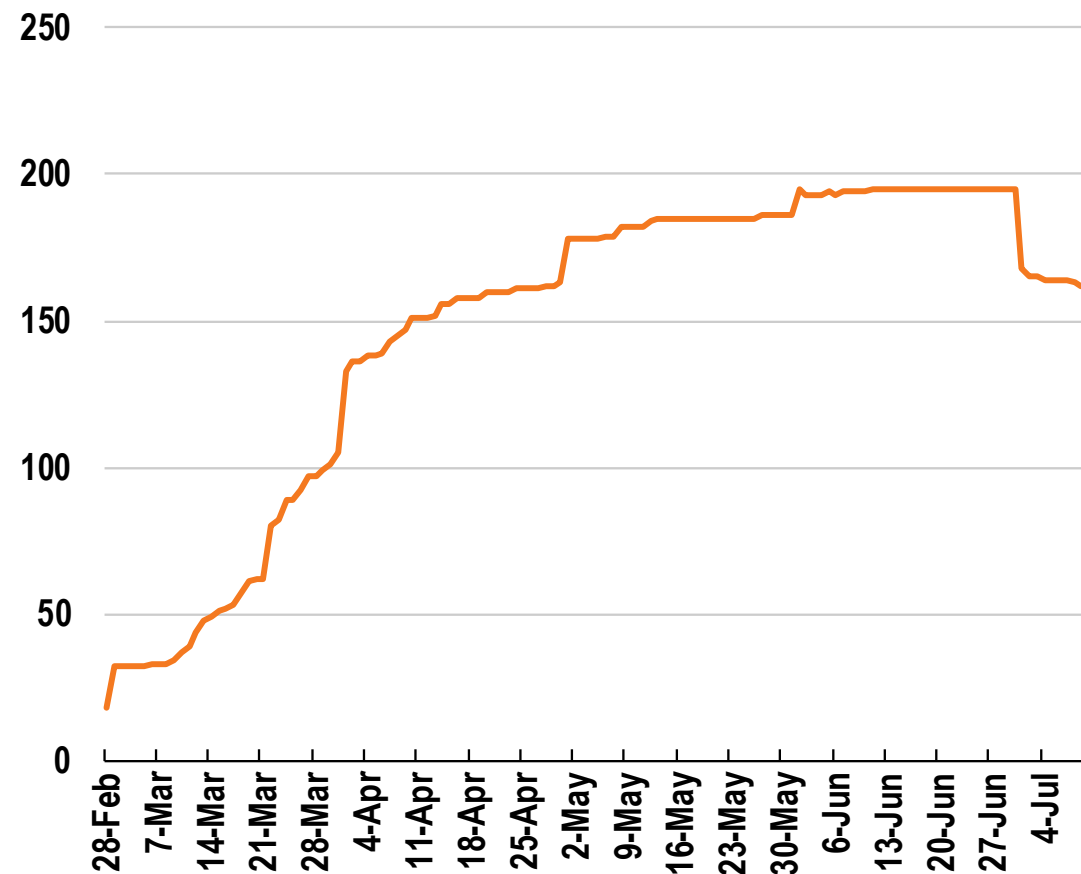
Count, over the period 28 February to 10 July 2026

CC1



Stock of active energy crisis support measures

Count, over the period 28 February to 10 July 2026



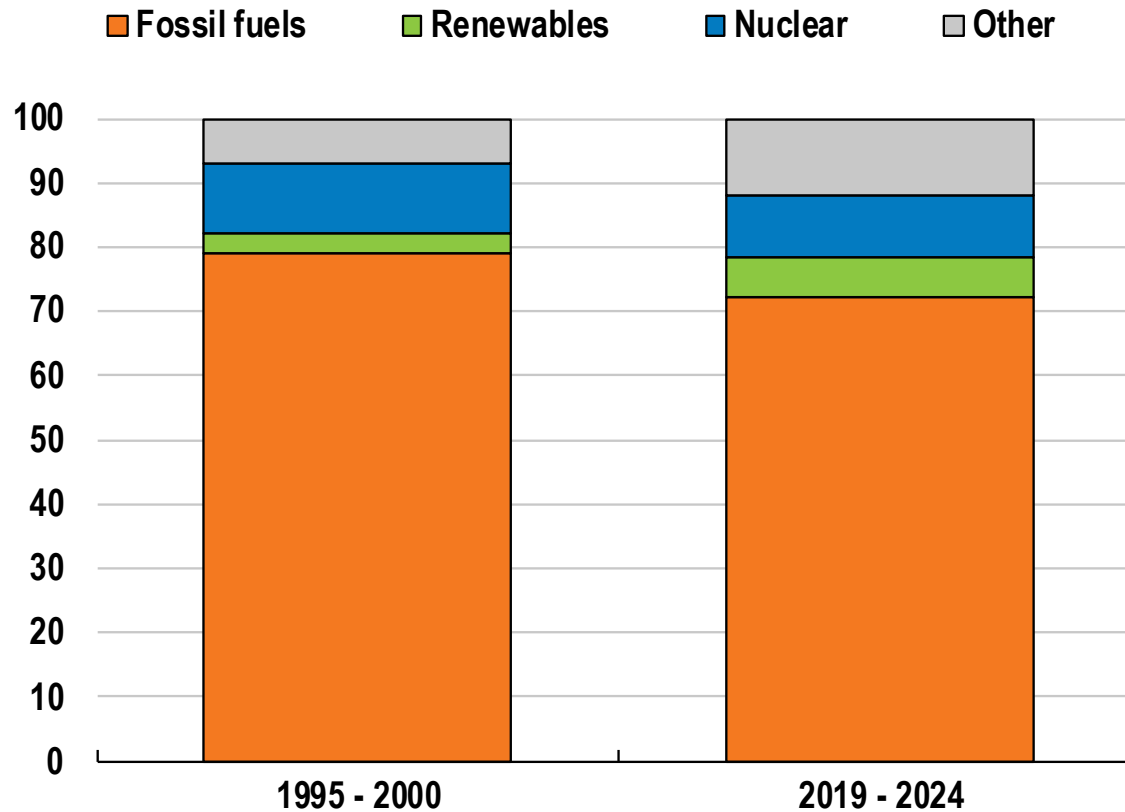
Note: The left panel shows the number of new energy support measures entered into force each day across OECD countries over the period 28 February to 10 July 2026. Shaded areas indicate periods when Brent crude oil exceeded \$100/bbl. The right panel shows the cumulative number of measures active on each date; open-ended measures with no explicit end date are counted as active throughout. Both panels include fiscal measures (such as subsidies and tax reductions) and non-fiscal measures (such as regulatory reforms and export restrictions). Data as of 17 June 2026.

Source: Energy Support Measures Tracker 2026, LSEG; OECD calculations.

Diversifying energy supply can reduce vulnerabilities to energy supply shocks

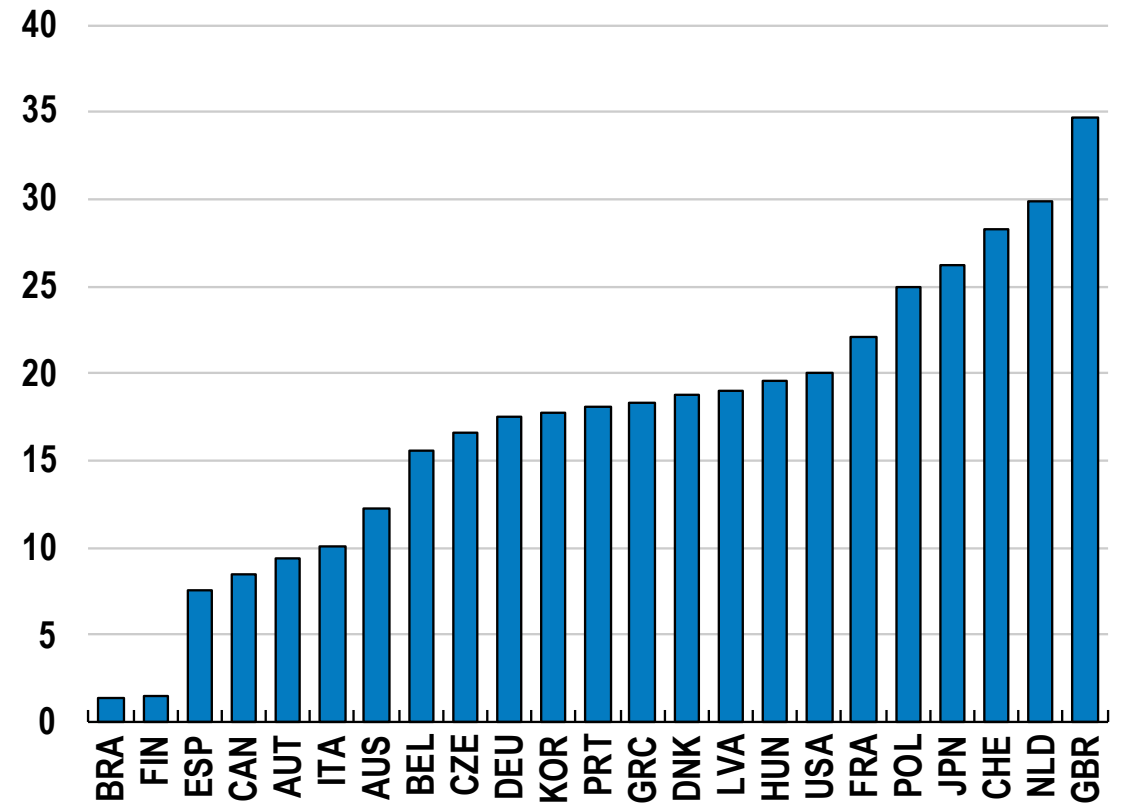
Composition of total energy supply

Share of total energy supply, OECD average



Energy savings from efficiency gains since 2000

Share of energy consumption avoided



Broad fuel-price support should give way to targeted relief and greater resilience

Key takeaways

1 Prices have eased, but risks remain

Energy prices are close to pre-crisis levels, but geopolitical tensions keep disruption risks alive.

MP2

2 Crisis responses have been mostly broad-based

Many recorded measures have not been targeted at vulnerable households or firms.

3 Price-relief tools have weakened energy price signals

Tax cuts and price caps lowered marginal prices, often for diesel and gasoline.

Policy message

Withdraw support as conditions normalise

Use of sunset clauses and benchmark-based triggers facilitate support withdrawal .

Protect people and firms, not prices

Prefer temporary, targeted income support over broad fuel-price reductions.

Build resilience to future energy supply shocks

Improve government capacity to respond to shocks, diversify energy supply, and improve energy efficiency

Supplementary material

A **prolonged disruption** would cause longer-lasting damage to growth

Real GDP growth
Year-on-year, %

2025

2026

2027

World

3.4

2.8

2.1

3.1

1.8

OECD

1.8

1.5

0.9

1.7

0.5

Non-OECD

4.7

3.8

3.0

4.2

2.8

Note: World and OECD aggregates use moving nominal GDP weights at purchasing power parities.

Source: OECD Economic Outlook 119 databases; and OECD calculations.

Time-limited disruption scenario

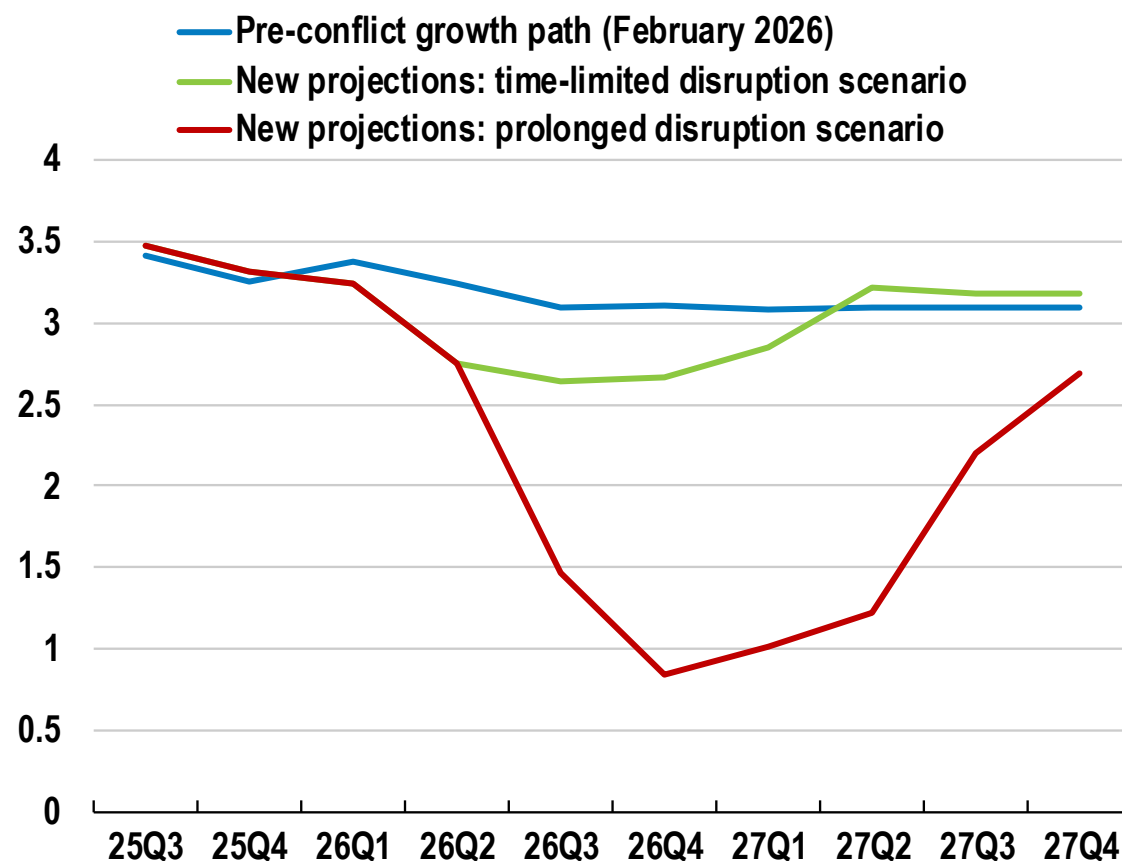
Prolonged disruption scenario

The Middle East conflict continues to shape the global outlook

MP2

Global GDP growth

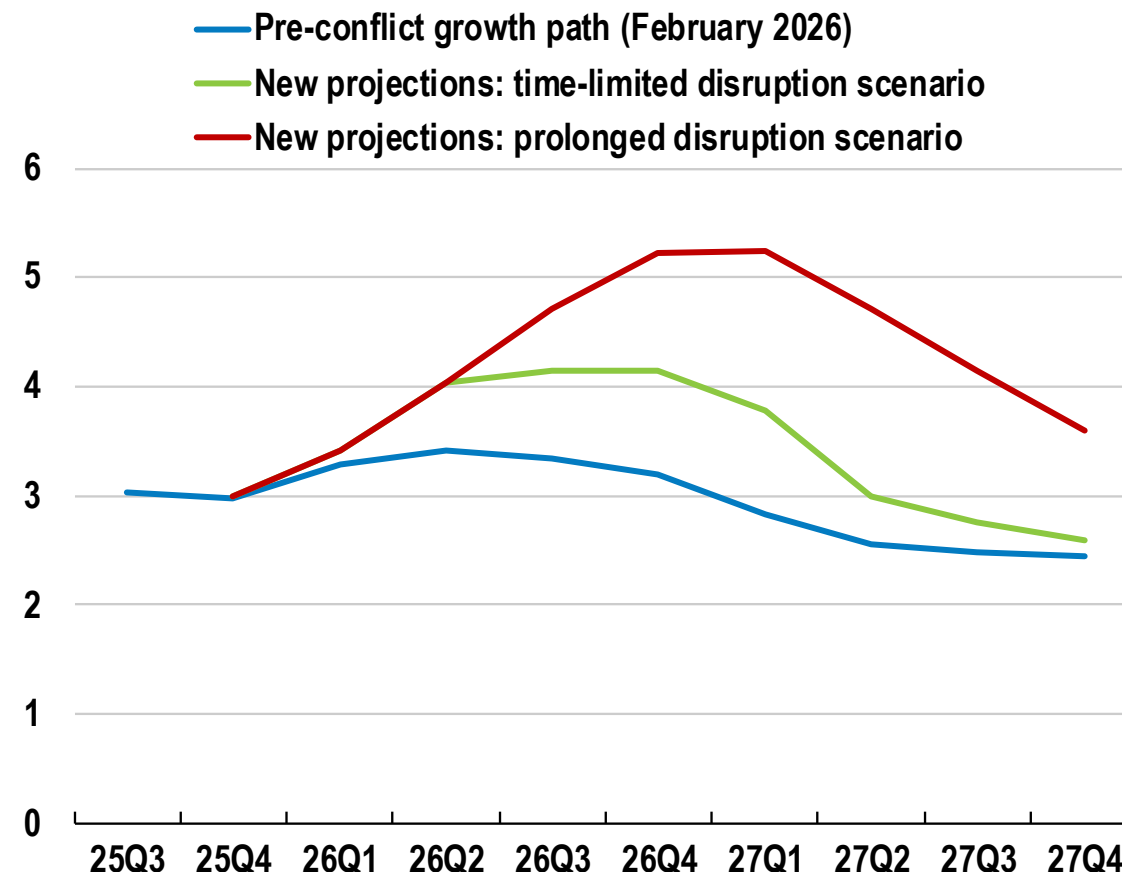
%, year-on-year



G20 Headline inflation

%, year-on-year

CC1



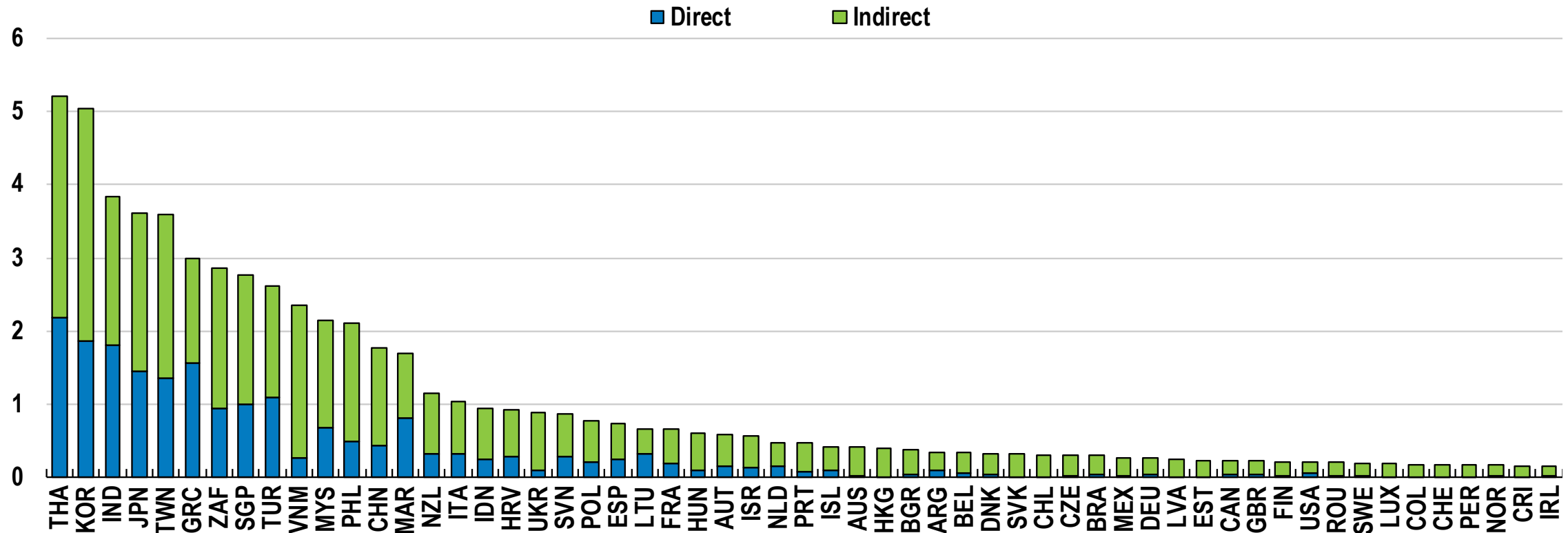
Note: The prolonged disruption scenario assumes oil, gas and fertiliser prices rise by 50% relative to the time-limited disruption scenario till Q3 2027, followed by a gradual decline as supplies recover. The scenario also assumes lower technical efficiency due to energy rationing and supply-chain disruptions, higher household saving and tighter financial conditions, including a 15% decline in equity prices, higher investment risk premia (75-100 basis points) and a 50 basis point increase in long-term government bond term premia.

Source: OECD Economic Outlook 119 database; and OECD calculations.

Asia is among the most exposed to the Persian Gulf disruptions, but the rest of the world is not immune

Direct and indirect intermediate energy imports from the Persian Gulf

As a % of 2023 gross output



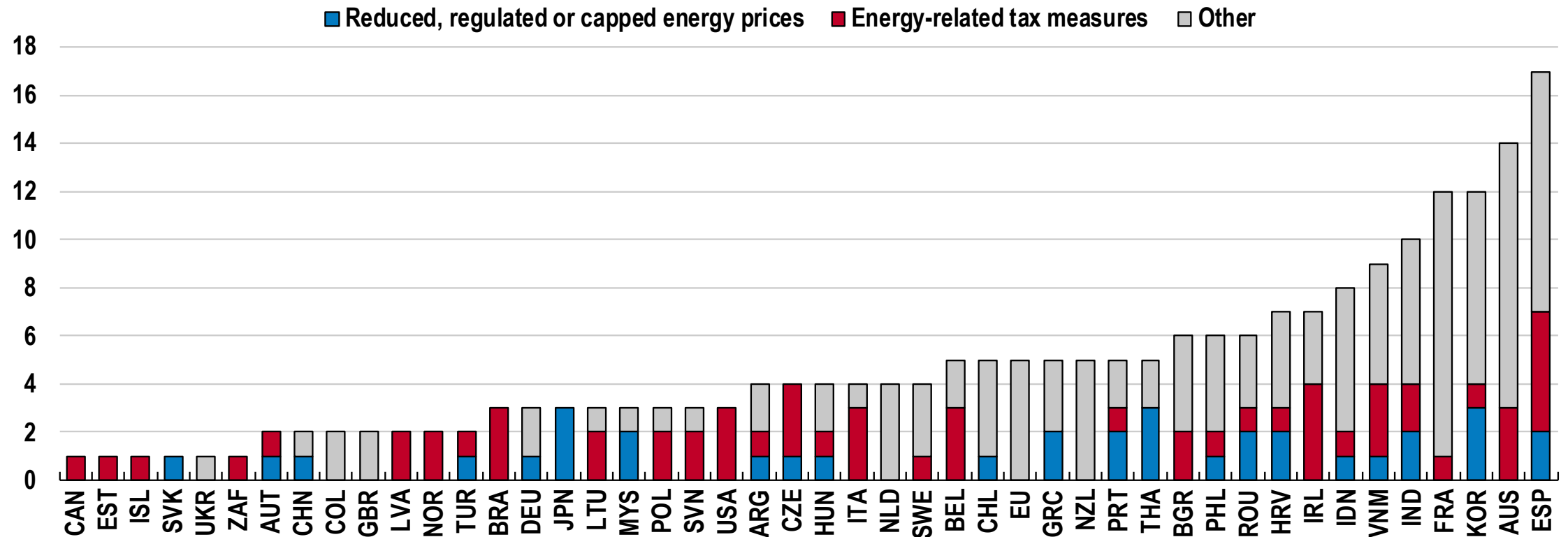
Note: Energy imports refer to intermediate inputs used in production and cover energy mining and coke and refined petroleum (ISIC Rev. 4 divisions 5, 6, and 19). The Middle East countries identified separately in the data are the United Arab Emirates and Saudi Arabia. Direct imports from selected other Middle East economies included within the Rest of World (Iran, Iraq, Kuwait, Qatar, Oman, and Bahrain) are estimated by applying their share of Rest of World (ROW) energy—derived from OECD BIMTS—to ICIO energy imports from ROW. This adjusted direct exposure is used to compute total (direct and indirect) exposure via the Leontief inverse. Regional exposure is calculated as a gross output-weighted average across sectors, with exposure defined as energy imports from the Middle East as a share of gross output. Calculations are based on the 2023 ICIO table in current prices which are projections based on available national accounts data.

Source: OECD PYP ICIO dataset (edition 2026, forthcoming); OECD Balanced International Merchandise Trade Statistics (edition 2024).

Tax cuts and price caps were the two main tools governments used

Energy support measures across countries and by mechanism

Count, data as of 17 June 2026



Note: The stacked bars sum to the total number of energy support measures per country. "Energy-related tax measures" refers to tax reductions, delays, or exemptions that directly change the price paid per unit of energy (e.g., excise duty cuts on petrol and diesel). It excludes non-energy-related tax measures that do not affect the price of energy, such as vehicle ownership/circulation tax cuts or income support delivered via tax credits, which are captured under "Other." "Other" also includes budgetary transfers, credit and equity support, regulatory measures, and export restrictions. Data as of 17 June 2026.

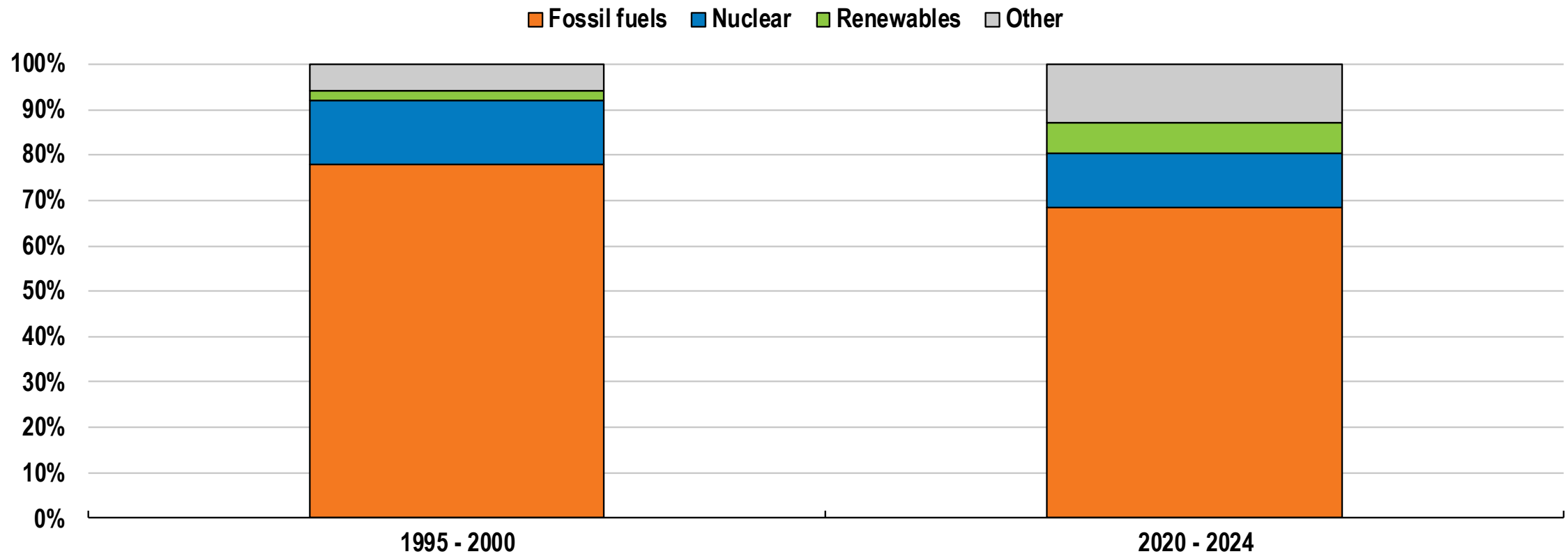
Source: OECD Energy Support Measures Tracker 2026

Diversifying energy supply can reduce vulnerabilities to energy supply shocks

Average share of each energy source in total energy supply

Share of total, EU27 average

MP3



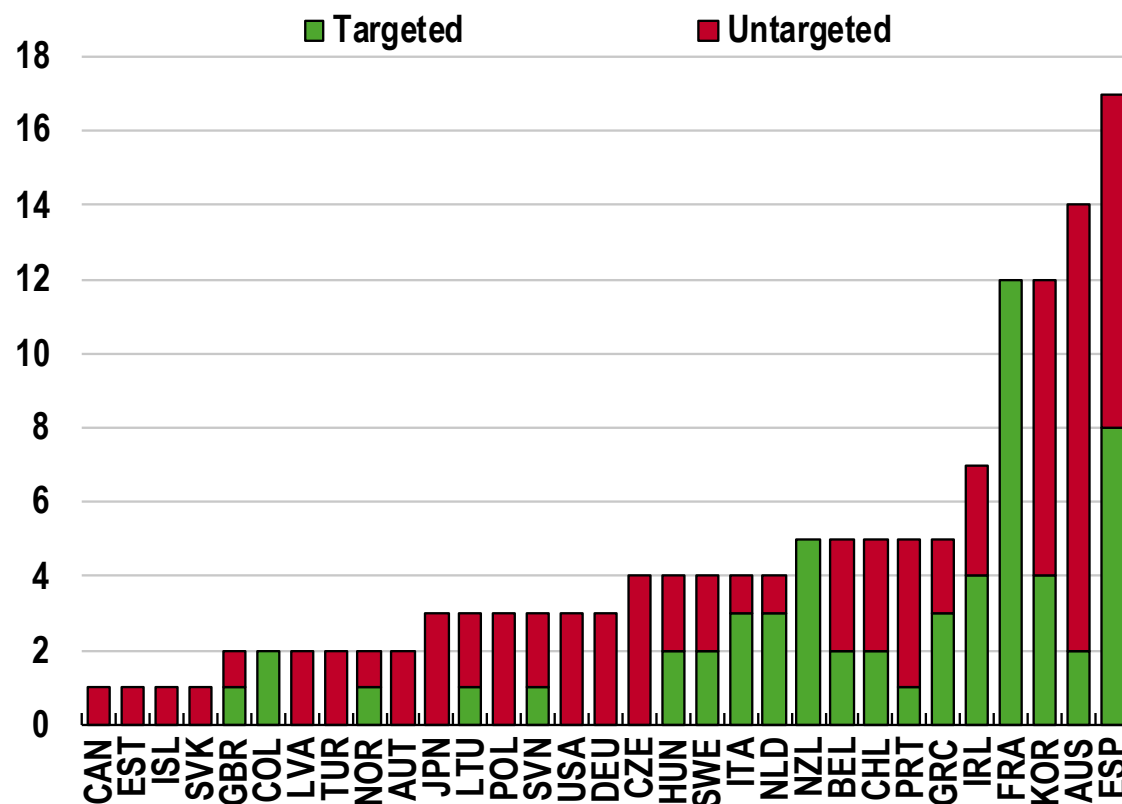
Note: Energy source classifications are based on the United Nations International Recommendations for Energy Statistics (IRES, 2018). "Fossil fuels" includes oil products, natural gas and coal. "Other" includes biofuels and waste, electricity, heat, natural gas liquids, peat, refinery feedstocks, derived gases, and other minor energy sources.

Source: International Energy Agency (IEA) World Energy Balances 2025; and OECD calculations.

As in the previous crisis, energy price relief tends to be broad based

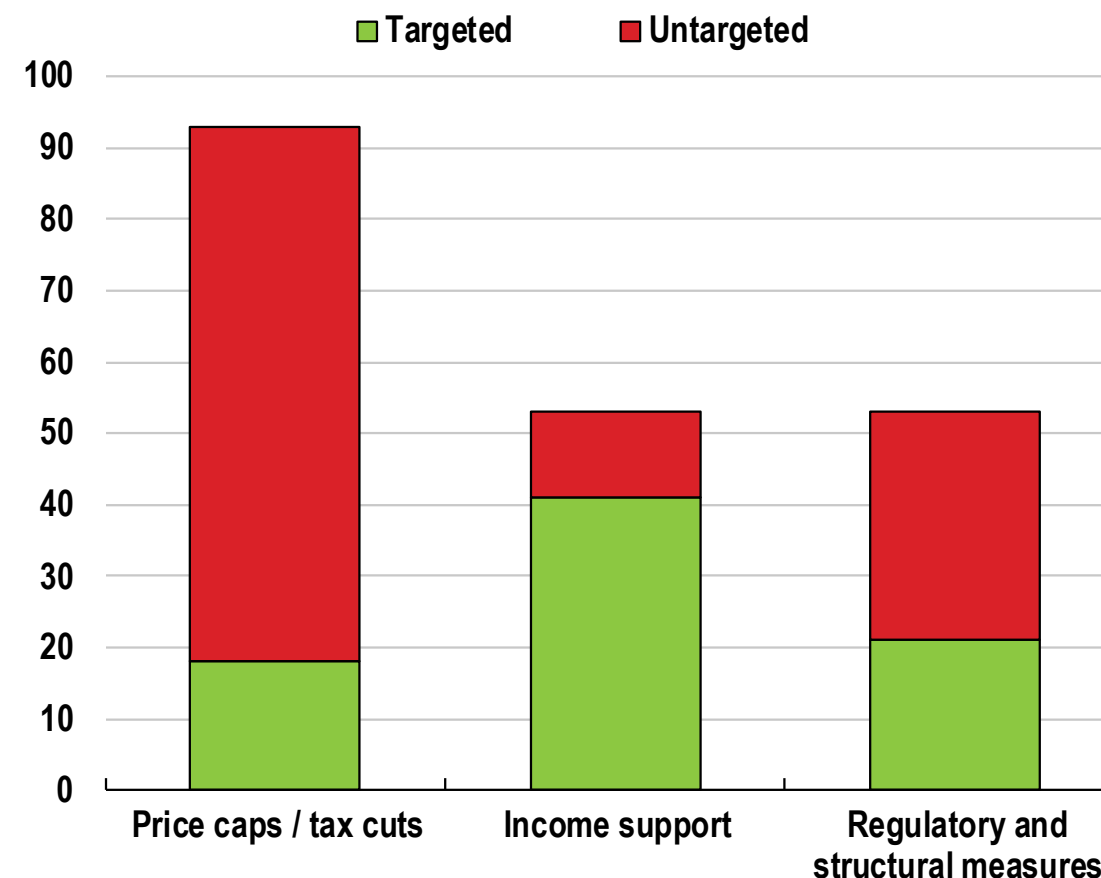
Energy policy responses by country

Cumulative count of energy support measures, OECD countries



Energy policy responses by country

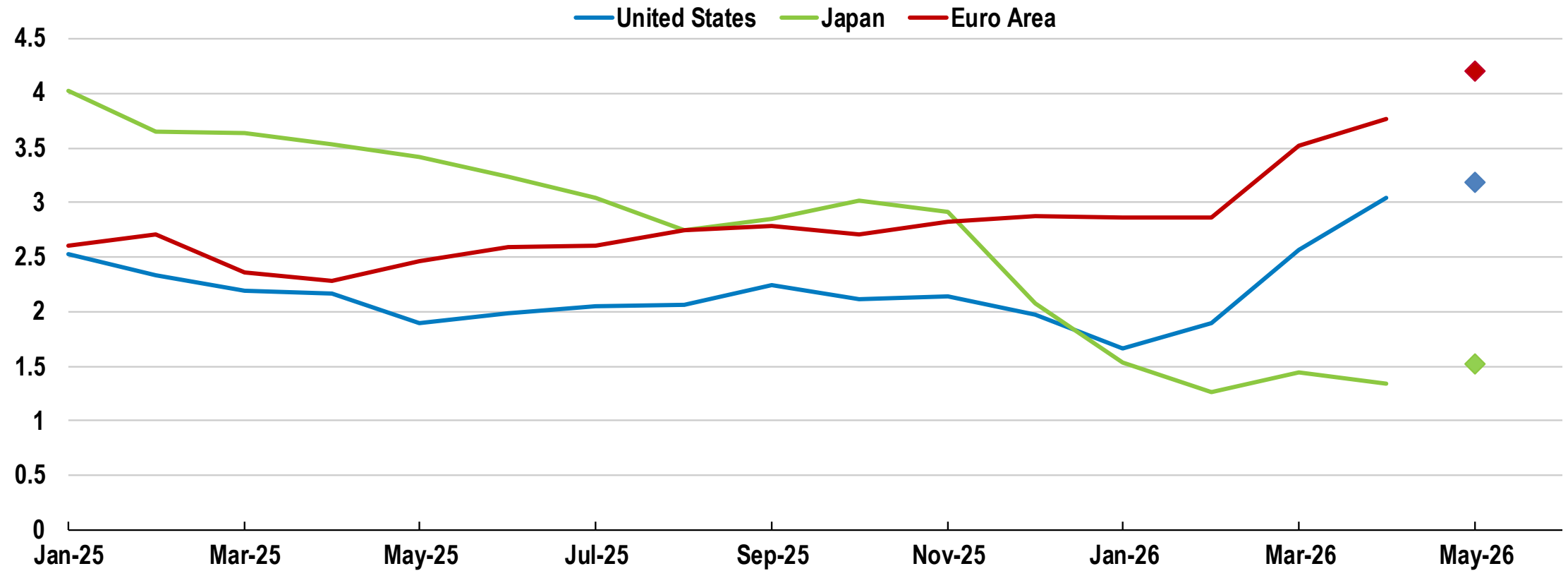
Cumulative count of energy support measures, OECD countries



Recent inflation data continue to signal upward pressures

Headline inflation

%



Note: All categories contain the most up to date data available (monthly data from February 2025-May 2026).

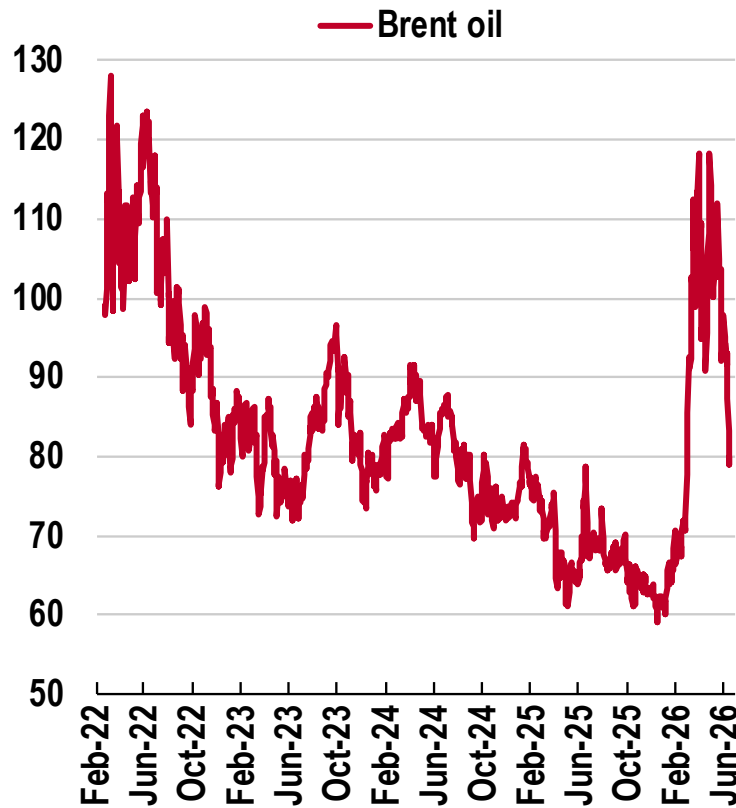
Source: OECD STI database; and OECD calculations.

Global energy prices have returned close to pre-crisis levels

Option 1

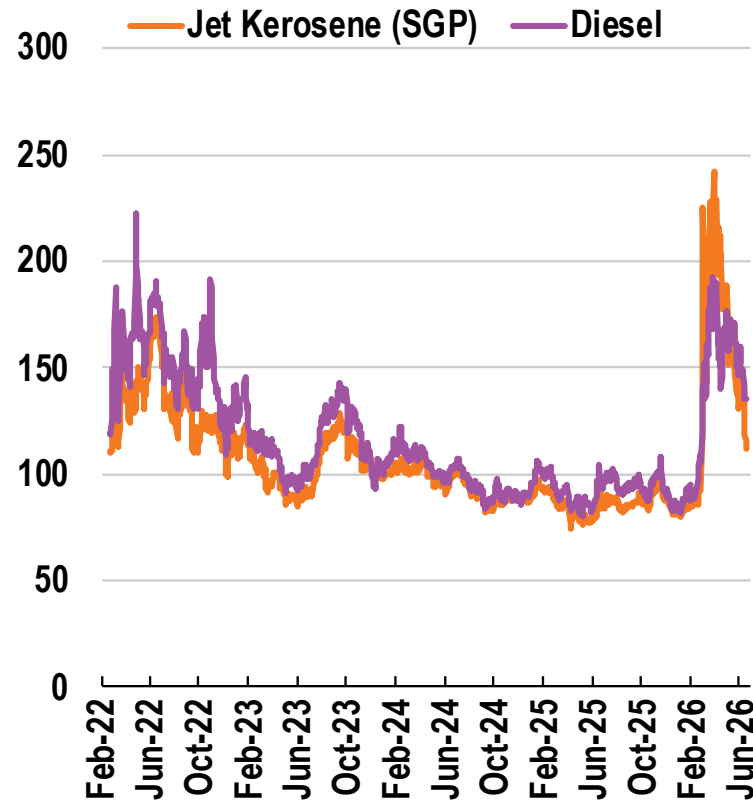
Crude oil

USD/barrel



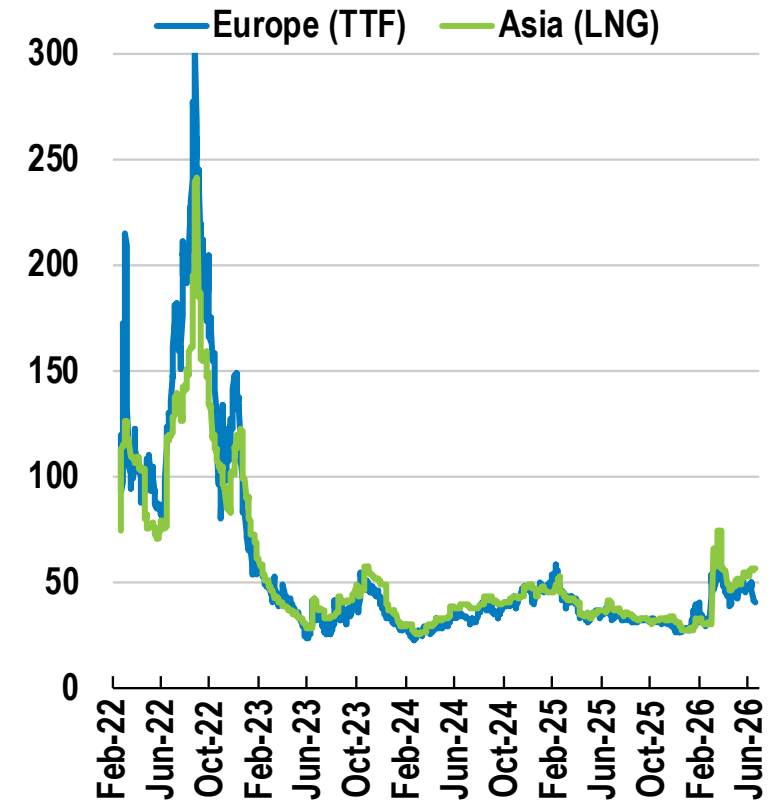
Oil distillates

USD/barrel



Gas

USD/barrel



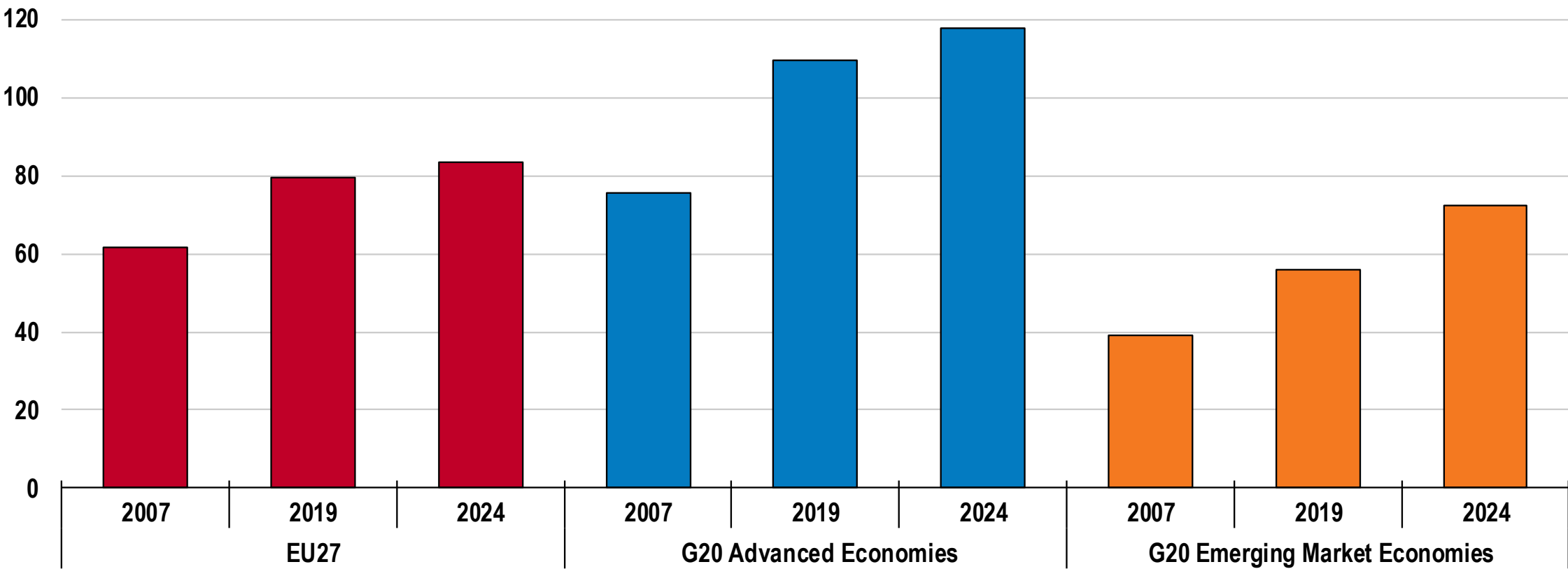
Note: Shows the evolution of Crude Oil-Brent FOB; Oil, TTF Natural Gas Price for Europe, LNG for Asia. Latest data for Brent Oil, Jet Kerosene and Diesel refers to 18 June.

Source: LSEG; OECD calculations.

High public debt limits the room for broad-based energy support

Gross public debt

% GDP



Note: Debt in the Maastricht sense for European Union (EU) countries. EU aggregate excludes Cyprus and Malta due to a lack of data.

Source: OECD Economic Outlook database; IMF Sovereign Debt Investor Base database; and OECD calculations.

Diversifying energy supply can reduce vulnerabilities to shocks

Average share of each energy source in total energy supply

Share of total, EU27 average

