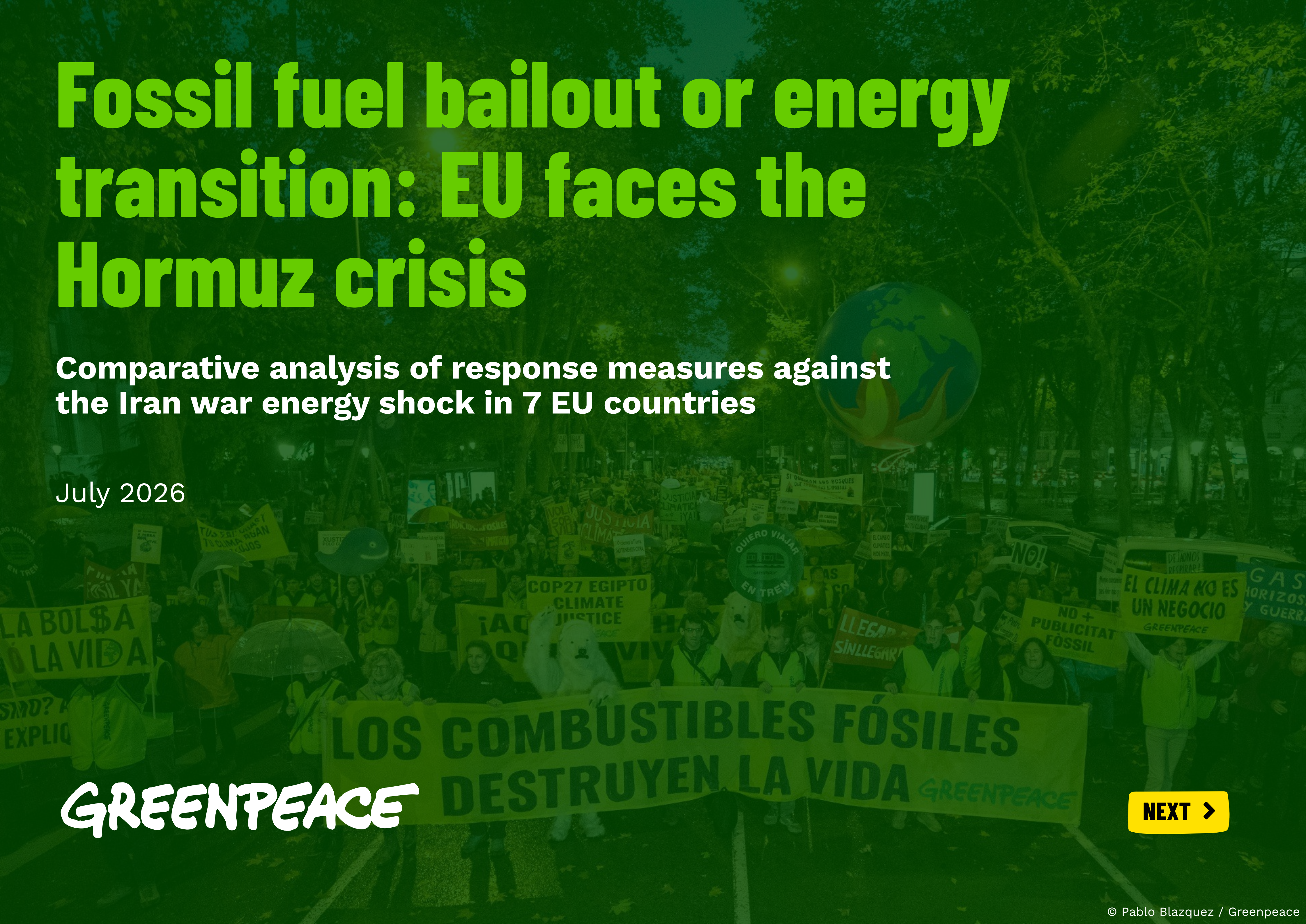
Fossil fuel bailout or energy transition: EU faces the Hormuz crisis

Comparative analysis of response measures against the Iran war energy shock in 7 EU countries

July 2026



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Introduction

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The illegal war in Iran instigated by the United States and Israel has not only resulted in a terrible toll of lost lives but has also, in the words of the International Energy Agency, led to the worst energy crisis since the 1970s. More than 100 days after the start of the armed conflict in the region, the economic cost to European Union countries now stands at around 60 billion euros.[1]

Given the gravity of this situation, the regulatory response from these countries has revealed profound contradictions. Beyond Úrsula von der Leyen's fine words, in which she stated that *"we must reduce our dependence on fossil fuels and boost our own production of clean and affordable energy"*, the reality is that **86 per cent of the funds spent in fiscal policies incentivise greater consumption of fossil fuels,**[2] rather than focusing on income transfers to the most affected groups and measures to advance the green transition as a means of structurally overcoming the geopolitical volatility linked to oil, gas and their derivatives.

It is paradoxical that, at the start of the year, the European Union decided to relax its strict fiscal rules in order to prioritise national military spending, yet has not shown the same political determination to secure its energy sovereignty by accelerating the transition towards energy efficiency and renewable energy. On the contrary, this lack of determination is compounded by **greater dependence on fossil fuels resulting from the controversial trade agreement with the United States.** The commitment to purchasing US liquefied natural gas and oil worth 750 billion dollars only serves to exacerbate Europe's energy vulnerability, subordinating the continent's security to the priorities of the Trump administration.[3]

In this report, Greenpeace analyses the response plans of seven EU member states, which account for most of the total aid.[4] These countries have been selected on the basis of the economic significance and political representativeness of their measures in response to the war in Iran.

[1] War in Iran: 100 days in, €60 billion out – Institut Jacques Delors
[2] 2026 European energy crisis fiscal response tracker
[3] Greenpeace, EU Parliament backs Trump's deal
[4] In order of importance by volume of resources: Spain (5 billion), Germany (1,62 billion), the Netherlands (967 million), Greece (800 million), Ireland (725 million), Portugal (450 million) and Sweden (427 million). Source: Bruegel,
Note: Bruegel's report was last checked on 4th of June 2026, data might be subject to updates since then. The measures by governments analysed in this report have temporary character, with the majority expiring at the end of the first semester of 2026. e

Introduction

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The results of this comparative examination of measures are conclusive: all countries analyzed have to large extent subordinated their emergency plans to maintaining fossil fuel consumption. In fact, only three countries— Netherlands, Spain, and Sweden—have gone beyond "fossil fuel lock-in" measures and included guidelines aimed at the energy transition. This duality reveals a structural inconsistency that perpetuates the bloc's vulnerability to external geopolitical shocks. On the other hand, the economic burden has fallen on indiscriminate measures, as opposed to direct income transfers to families or aid to professional sectors, mainly due to the enormous volume of such resources mobilized by Spain and Germany, and to a lesser extent, Ireland.

In terms of major investments (above €1 billion), there are three major players: Spain, Germany, and The Netherlands, in this order. Spain's case is the most emblematic because it contains both the largest fossil fuel bailout — or measures that accentuate dependence on imported fossil fuels — and the second largest investment in the transition, after the Netherlands and ahead of Sweden.

In general, although Spain's firm commitment to renewables in recent years has protected the country from the increase in energy bills that has occurred in other countries,[5] the €5 billion plan approved in March (about 42% of the European total) has suffered from significant contradictions.[6] In The Netherlands, the 967 million euro support package focuses heavily on providing financial relief to low-income households while also acting as a catalyst for the transition and energy independence in the country. Consequently, in Greenpeace's analysis of the measures in the seven countries, Spain, Ireland and Germany receive the worst score on the list, with a medium fossil fuel dependency (<380), within the overall balance, while The Netherlands performs the best (210).

[5] Renewables shield Spanish consumers from elevated gas prices | Ember
[6] Reactivo a la aprobación del Gobierno de medidas sociales por la Guerra de Irán
Enerdata, The Netherlands announces 967 million euro plan to mitigate rising fuel prices

The Energy Shock hits Europe

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Against a backdrop of energy prices tending towards stabilisation,[7] in March 2026 the European Union has adopted a plan with the aim of delivering affordable energy for all and setting actions for lower energy bills for households and tackling energy poverty. The EU plan to deal with the crisis, however, does little to solve its structural fossil fuel dependence.[8] European governments — which domestically allocated large budgets for untargeted fiscal measures such as general energy excise duty or VAT tax cuts — will need to decide on the future of the bulk of the reductions in gas and fuel prices and consider adopting new measures in response to the current volatility.

Greenpeace is calling for a complete phase out of Trump's oil and gas, and the protection of European citizens from the energy price shock combined with climate ambition in Europe and national policies to help us break free from fossil fuels once and for all. Radical solutions are needed to protect the populations and the economy from the greed of the fossil fuel industry, by committing to long-term measures such as income protection — particularly in rural areas —, energy-efficient refurbishment of buildings, and the strengthening of public transport, the accelerated and inclusive energy-efficient refurbishment of buildings, and support for the agricultural sector to break free from the fertiliser trap. It is essential to promote alternatives such as smart and inclusive electrification, to ban fossil fuel advertising, and to increase taxes on the companies' profits that pollute and have benefited the most from speculation in recent months.

The war on Iran has shown us once again that dependence on oil is a recipe for living in a state of perpetual crisis. We must use the coming months to devise a bolder and more original approach and to build our well-being and sovereignty on a lasting basis, by breaking away from the Strait of Hormuz once and for all. This is an unmissable opportunity to speed up the transition towards renewables and ensure the resilience of the global economy.

[7] According to Greenpeace's analysis, although some prices are stabilising temporarily – and even with the reopening of the Strait of Hormuz – they will remain above pre-war levels, and the scenario of instability in food and energy prices is expected to continue for months.
[8] Greenpeace: EU Commission light touch too little to turn energy crisis around

Are European countries moving forward or are they stuck in the fossil-fuel model?

In the wake of the global energy crisis triggered by the armed conflict in Iran, various EU Member States have implemented regulatory response mechanisms aimed at mitigating the impact of the blockade of the Strait of Hormuz on energy prices and related products, both for households and the productive sectors. This range of public interventions extends from tax incentives and fuel price caps to direct subsidies for households and the energy and industrial sectors, alongside short-term or structural incentive policies aimed at the energy transition.[9]

In Spain,[10][11] the government adopted a multi-faceted package of emergency measures, which is the most comprehensive plan with the largest resources among countries — accounting for 45 per cent of the total European budget. As such, it also represents one of the strongest commitments to responding to the shock by accelerating the energy transition while also placing the greatest restrictions through the 'fossil fuel lock-in' measures. In terms of large fiscal measures, Spain is followed by Germany, ranked second in terms of the largest budget allocation, responsible for 1.6 billion euros in general excise duty/VAT cuts. Germany had a set of untargeted measures reduced to fuel tax cuts and price caps, with absolutely no measure aimed at reducing fossil fuel dependency and/or fostering the country's advancement towards the energy transition.

Spain, The Netherlands, and Sweden had substantially mixed packages of measures.[12] In Spain, the set of policies comprising 80 measures, and valued at 5 billion euros prioritised a massive reduction in energy taxation combined with social measures. These include the renewal of the ban on cutting off basic utilities and the strengthening of the social electricity and heating subsidy, with support for professional sectors in transport and agriculture, and support for energy-intensive industries — an 80 percent reduction in electricity tolls and 300 million in compensation for the cost of emission allowances. The package of measures also included a set of incentives and more strategic measures to accelerate and democratise the energy transition, such as tax exemptions for renovation, electric mobility and the installation of heat/cooling pumps, as well as measures to promote self-consumption, energy communities and the roll-out of renewables and storage across the country.

[9] Analysis of the measures adopted in EU countries by Bruegel and the Jacques Delors Institute
[10] BOE-A-2026-6544 Royal Decree-Law 7/2026 of 20 March
[11] The Government approved a second decree introducing measures to cap residential rent prices (RDL 8/2026), which was in force between 22 March and 28 April; this was rejected by the Congress of Deputies following votes against it by the PP, Vox, Junts and UPN, and an abstention by the PNV, a move that was condemned by Greenpeace
[12] A summary of the main measures adopted in Annex 1

Are European countries moving forward or are they stuck in the fossil-fuel model?

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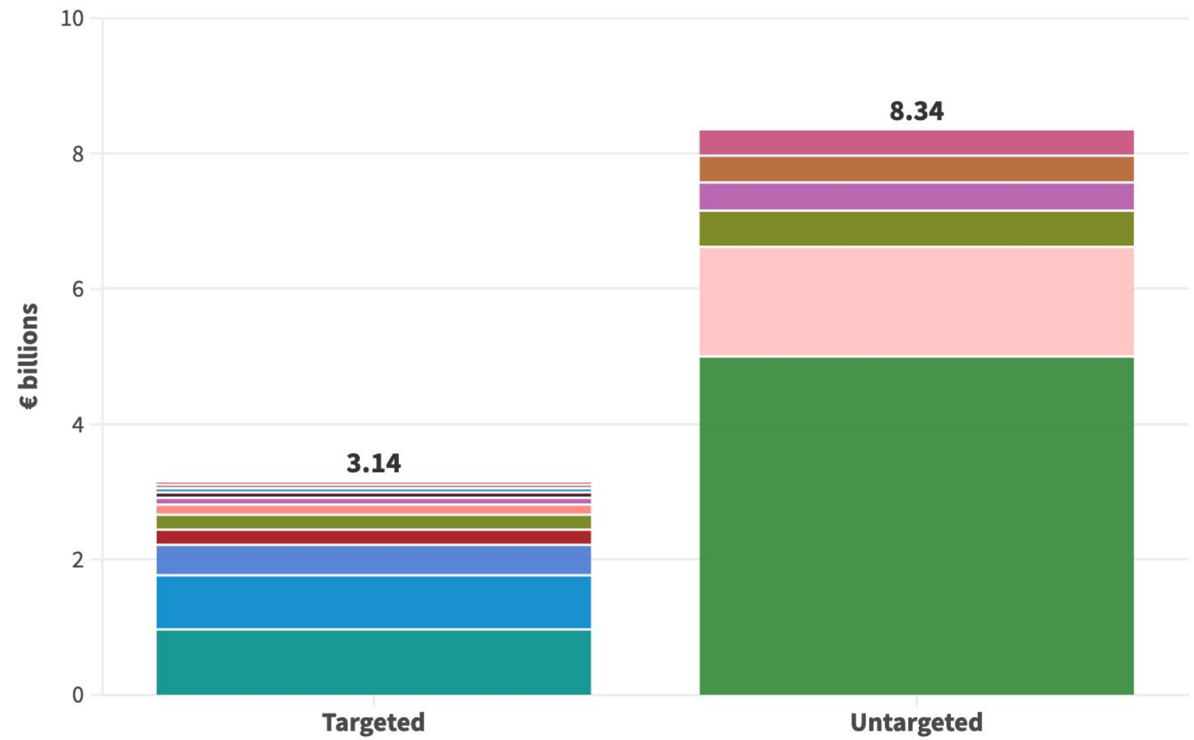
In The Netherlands, the country whose package is the most comprehensive in terms of policies that foster the energy transition, the government combined a couple of regressive measures, such as tax cuts of 340 million euros and fossil fuel subsidies, with a large Energy Emergency Fund support package (195 million euros), a National Heat Fund support package (180 million euros), an Energy Fixers support package (80 million euros) and several other targeted measures.

Sweden follows suit, with a set of measures that includes petrol and diesel tax cuts (SEK 1.64bn, ~€151m), electricity and gas price compensation (SEK 2.4bn, ~€221m), increased electric car premium (SEK 100mn, ~€9m), support for the electrification of public vehicle fleet and reduction of the price of monthly public transport passes.

Greece adopted measure with a strong social connotation, which include consumer and farmer support (326 million euros), support for low-income pensioners (200 million euros), income support to low-income families (240 million euros) and the residential rent subsidy (25 million euros). At the same time, the country did not adopt any substantial measures favoring the energy sector transition towards renewables. Portugal follows a similar pattern based on targeted measures to provide relief from fossil fuel prices.

In this present Greenpeace's analysis, Spain, Ireland, and Germany appear as having the highest exposure to fossil fuel dependency, while The Netherlands emerges as a country that, despite some regressive measures, in other aspects moves faster towards energy transition in the aftermath of the energy shock caused by the war.

Budget overview: country-specific measures and budget allocation. Bruegel



Source: Bruegel.

Spain, Germany and The Netherlands are responsible for approximately 62% of the total resources allocated for measures in the Europe Union and the United Kingdom (11.8 billion). Spain alone has allocated almost half of the total. The amount set aside for general fiscal measures — that is, those measures which lack a clear target group or conditionality (including general reductions in excise duties or VAT) — stands out, followed by Germany, in comparison with other European countries.

Belgium
Bulgaria
Croatia
France
Germany
Greece
Ireland
Italy
Netherlands
Poland
Portugal
Spain
Sweden
United Kingdom

[2026 European energy crisis fiscal response tracker]

Key takeaways: an inconsistent policy direction

The methodological analysis carried out by Greenpeace[13] reveals a profound structural inconsistency in the response to the energy crisis caused by the war in Iran on the part of the EU countries examined. None of the countries analysed has plans that are fully aligned with the energy transition; on the contrary, they are allocating greater resources to 'fossil fuel bailouts'. In fact, from the seven countries assessed, only the Netherlands, Spain and Sweden have incorporated measures aligned with the energy transition.

The results of the comprehensive assessment make it clear that the Netherlands is the only country to pass the test, topping the table with a positive score of +210 ('medium green' level). At the opposite end of the scale, we find Spain, Ireland, and Germany with less than -300 points, placing them in a 'medium' risk rating for fossil fuel dependency. The main explanation lies in the scale of general, untargeted 'fossil fuel bailout' subsidies, which are the highest in the entire EU. The other countries, including Greece (-240) and Portugal (-270), remain stuck at a medium risk level of fossil fuel dependency, where measures are more targeted toward vulnerable groups. Sweden scores slightly better (-100, low fossil fuel dependency), due to its energy transition measures.

In general, the tendency to incentivize polluting energy sources is a common factor across almost the entire continent. While the Asia-Pacific region — highly dependent from oil and gas from the Middle East — has adopted the largest majority of policies targeting rationing measures and the reduction of consumer demand, Europe was trapped in fiscal measures that put further pressure on the already tight public budgets.

Virtually, all countries fully agree on the application of the most regressive tools: widespread energy tax breaks and direct subsidies for fuels and fertilizers. Support measures for energy-intensive industries have been concentrated in Spain and Germany, and price caps in Germany and Greece. General support — such as reductions in VAT and other energy taxes — dominates in Spain, Germany, and Ireland, the countries that allocate the most resources. Only Greece, the Netherlands, and Portugal have plans with support surgically targeted to protect the most vulnerable sectors and families.

[13] For details on the methodology, please check page 17 of this report.

Transition-related measures and notable absences

Despite their contradictions, the Netherlands, Spain, and Sweden[14] are countries that stand out having rolled out the most ambitious packages aimed at the energy transition and electricity cost relief, recording scores of +330, +280 and +180 points respectively on the specific transition indicators. These countries are aligning their agendas on measures such as consumer support through a reduction in VAT on electricity, as well as on driving forward permanent structural reforms for the roll-out of renewable energy, sustainable mobility and energy storage.

However, Greenpeace's report shows that **the major shortcoming in the response of European member states lies in policies to reduce demand for fossil fuels and in agricultural subsidies for not to rely on imported fertilisers.** There is a widespread lack of plans aimed at energy saving — or tackling waste —, promoting remote working, and providing greater incentives for energy savings in buildings through thermal refurbishment, the awareness campaigns, the introduction of speed limits, the replacement of imported fertilisers and progress towards agroecological transition.[15]

Similarly, sustainable mobility has been sidelined: with the sole exception of Sweden, which introduced direct discounts on public transport, **no other country has prioritised clean transport over the massive subsidisation of private vehicles,**[16] the main driver of dependence on imported fuel consumption on the continent. Finally, none of the seven countries analysed have adopted specific measures to impose permanent or windfall taxes on fossil fuel companies.

[14] Annex at the end of this report sets out some of the details of the transition measures adopted

[15] Only the Netherlands is considering measures to structurally reduce its dependence on fertilisers.

[16] The extension of transport discount schemes in Spain and the approval of the *Abono Único* took place at the start of the year, before the war began, and are therefore not taken into account for the purposes of this study.

Table 1. Policies and measures adopted by EU countries.* Greenpeace

Fossil fuel lock-in

1. Tax cuts on fuel:
Spain (which has by far the largest budget allocated to tax cuts) · Austria · Belgium · Croatia · Cyprus · Czech Republic · Estonia · Germany · Hungary · Ireland · Italy · Latvia · Lithuania · Slovenia · Netherlands · Poland · Portugal · Romania · Sweden

2. Price caps:
Croatia · Czech Republic · Germany · Greece · Hungary · Lithuania · Poland · Romania · Slovakia · Slovenia

3. Fuel and/or fertiliser subsidies:
Belgium · Bulgaria · Spain · French · Greece · Ireland · Italy · Portugal · Netherlands

4. Subsidies for households or SMEs for the use of fossil fuels**
Belgium · Bulgaria · Croatia · French · Greece · Ireland · Netherlands · Portugal · Spain

5. Other forms of support for consumers, e.g. subsidies and tax breaks for energy-intensive sectors:
Bulgaria · Croatia · Cyprus · French · Spain · Greece · Ireland · Italy · Netherlands · Romania · Sweden

Transition

Consumer support:

6. Reduction in VAT on electricity
Cyprus · Spain · Netherlands

7. Flexibility in electricity contracts
Croatia

8. Solidarity levy / Tax on extraordinary profits
Romania

9. Household support for electricity bills or a subsidy for alternative energy sources
Sweden · Netherlands · Spain

Energy saving:

10. Public transport benefits
Bulgaria · Lithuania · Sweden

11. Structural policies / energy efficiency
Netherlands · Sweden · Spain

12. Encourage or require energy-saving behaviour (cooling, speed limits, campaigns, etc.)

Structural Policies:

13. Incentives for solar energy installations and electrification measures
Spain · Netherlands

14. Financial incentive for the expansion of renewable energy systems
Croatia · Spain

15. Reforms to the energy system to enhance grid flexibility, improve efficiency and accelerate the uptake of renewables
Spain · Netherlands · Sweden

* The categorisation of policies corresponds to that defined by the International Energy Agency in its Tracker of Policy Responses to the 2026 Energy Crisis.
**Whilst it is recognised that measures of this kind benefit vulnerable households and are therefore positive from a social justice perspective, such actions reinforce dependence on fossil fuels, which is why they are included in this category. Greenpeace considers that, in most European Union countries, there are alternatives aimed at facilitating the transition or through direct social transfers.

Table 2. Assessment of measures in the context of the Iran war. Greenpeace

Q1 Does it help to reduce the demand for oil and gas?

Q2: Is our dependence on fossil fuels increasing?

Q3: Does it specifically help to mitigate the impact on vulnerable or low-income households and make life more affordable for people?

Q4: Does it specifically help to mitigate the impact on SMEs and make management more affordable?

Q5: Does it favour large fossil fuel companies and increase the profits of international fossil fuel companies?

Q6: Does it promote the energy transition?

Objective	Fossil fuel lock-in						Transition										
	Consumer support						Consumer support				Energy conservation			Structural policies			
	1	2	3	4	5		6	7	8	9	10	11	12	13	14	15	
Measures	Fuel tax cuts	Price caps	Fuel or fertilizer subsidies	Support houses or SMEs	Other measures	TOTAL FF	Reduction in electricity VAT	Flexibility in electricity contracts	Solidarity levy/Windfall taxes	Support for households w/ electricity bills	Descuentos transporte público	Structural and energy efficiency policies	Energy-saving measures	Solar energy and electrification incentives	Financial incentives for the renewables expansion	Grid flexibility, efficiency and REN acceleration	TOTAL ET
Spain	60	0	60	50	60	-460	40	0	0	50	0	40	0	40	50	60	280
Germany	60	50	0	0	0	-220	0	0	0	0	0	0	0	0	0	0	0
Greece	0	50	60	30	30	-340	0	0	0	0	0	0	0	0	0	0	0
Netherlands	40	0	40	30	0	-220	60	0	0	60	0	50	0	60	50	50	330
Ireland	60	0	60	40	0	-320	0	0	0	0	0	0	0	0	0	0	0
Portugal	60	0	60	40	0	-320	0	0	0	0	0	0	0	0	0	0	0
Sweden	60	0	40	40	0	-280	0	0	0	40	50	40	0	50	0	0	180
Average	48.57	14.29	45.71	32.86	12.86	-308.57	14.29	0.00	0.00	21.43	7.14	18.57	0.00	21.43	14.29	15.71	112.86

Legend FF: P1. 0 = yes; 10 = No; P2. 10 = Yes; 0 = No; P3. 0 = Yes; 10 = No; P4. 0 = Yes; 10 = No; P5. 10 = Yes; 0 = No; P6. 0 = Yes; 10 = No; N/A = 0;
Legend ET: P1. 10 = Yes; 0 = No; P2. 0 = Yes; 10 = No; P3. 10 = Yes; 0 = No; P4. 10 = Yes; 0 = No; P5. 0 = Yes; 10 = No; P6. 10 = Yes; 0 = No; N/A = 0;
Targeted measures: 0 = 0; 10 to 100 million = 10; 100 million to 500 million = 50; 500 million a 2 billion = 100; >2 billion = 200
Untargeted measures: 0 = 0; 10 million to 100 million = -10; 100 million to 500 million = -50; 500 million to 2 billion = -100; >2bil.= - 200

	COMPLETE EVALUATION			
	FF lock-in + Energy Transition	Untargeted measures + targeted	Final result	
Spain	-180	-200	-380	Med
Germany	-220	-100	-320	Med
Greece	-340	100	-240	Med
Netherlands	110	100	210	Med
Ireland	-320	-50	-370	Med
Portugal	-320	50	-270	Med
Sweden	-100	0	-100	Low
Average	-195,71	-14.29	-210	Med

1. Notes: Please consider the limitations of this assessment; only seven out of twenty seven European countries were analysed in the scorecard. Note that it is also important to take into account that countries have different levels of exposure to oil and gas from the Gulf and/or certain policies do not apply to their specific context. In addition, the current assessment is limited due to the non-inclusion of other relevant context-specific factors and implications, such as, for example, whether the country implements nationwide free and electrified public transportation policies.
2. A number of policies - especially those that imply fiscal changes - are temporary, while others are long-term and/or structural. The factor of the temporality was not incorporated in this assessment; however, it is important to consider the temporality to understand the long-term dimension of the fiscal impacts of certain measures. In addition, other externalities that reflect in the fiscal sustainability of the policies, for example, the country's level of sovereign debt and/or the budget ratio allocated to the policy in comparison to the country's GDP. These factors are left out of the adopted methodology.

Categories

Transition - High 400/600

Transition - Medium 200/400

Transition - Low 0/200

Fossil fuel lock-in - Low 0/-200

Fossil fuel lock-in - Medium -200/ -400

Fossil fuel lock-in- High -400/- 600

Table 3. Assessment of measures in the context of the Iran war. Greenpeace

Figure 1. Overview of fossil fuel bailout and transition measures. Greenpeace

Figure 1

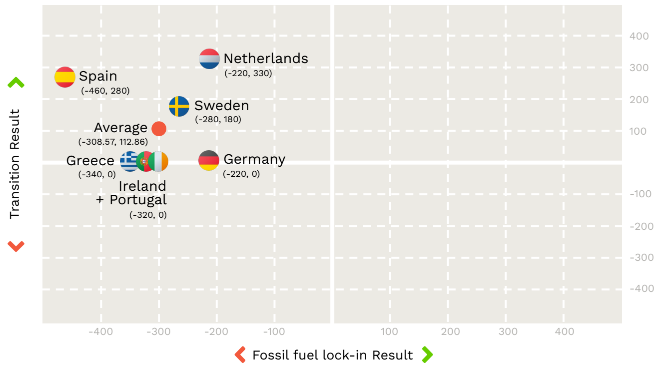


Figure 1	FF lock-in Result	Transition Result
Spain	-460	280
Germany	-220	0
Greece	-340	0
Netherlands	-220	330
Ireland	-320	0
Portugal	-320	0
Sweden	-280	180
Average	-308.57	112.86

Figure 2. Balance between measures and the level of focus on resources. Greenpeace

Figure 2

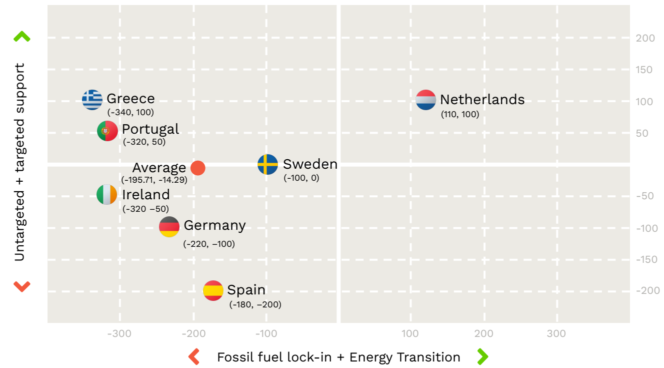


Figure 2	FF lock-in + Energy Transition	Untargeted measures + targeted
Spain	-180.00	-200
Germany	-220.00	-100
Greece	-340.00	100
Netherlands	110.00	100
Ireland	-320.00	-50
Portugal	-320.00	50
Sweden	-100.00	0
Average	-195.71	-14.29

Figure 3. Comprehensive assessment. Greenpeace

Figure 3

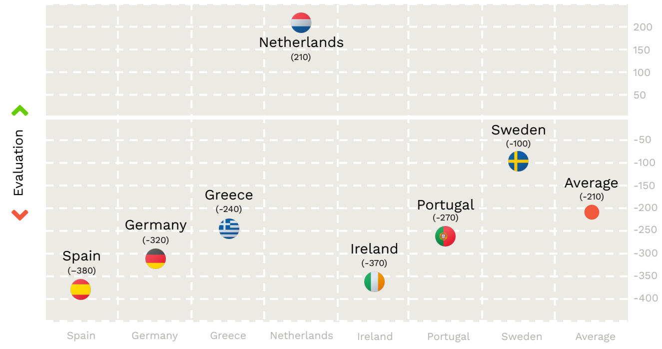


Figure 3	Evaluation	
Spain	-380	🔴 Medium
Germany	-320	🔴 Medium
Greece	-240	🔴 Medium
Netherlands	210	🟢 Low
Ireland	-370	🔴 Medium
Portugal	-270	🔴 Medium
Sweden	-100	🔴 Low
Average	-210	🔴 Medium

Ending dependence on fossil fuels: accelerating the transition and building resilience

With every war and energy crisis, our dependence on fossil fuels makes us more vulnerable, and our economies less resilient in the long term. The current inflationary crisis has a clear cause: our dependence on fossil fuels, which compels us to take coherent measures with our present and future well-being in mind. The reality is that there is no shortage of sunlight or wind that threatens our well-being or energy sovereignty. If we have learnt anything from the support measures introduced since 2022, it is that, in times of rising living costs, we must uphold four basic principles:

- Focus on efficiency and put an end to energy wastage or unnecessary consumption.
- Avoid indiscriminate and inefficient aid and provide effective protection for those who really need it most, especially low income households.
- Prevent opportunists from taking advantage and distribute the costs and benefits fairly.
- To reduce our dependence on fossil fuels and make progress towards a just transition.

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Some progress has been made at the EU level over the past few years through, for instance, the Energy Performance of Buildings Directive[17] and the European Grids Package[18], the latter currently under discussion. The upcoming EU Electrification Action Plan is a pivotal opportunity to replace imported fossil fuels with local renewables, ensuring an affordable and climate-neutral energy future. However, much more is needed. Europe must slash its transatlantic gas dependence, tax obscene fossil profits to relieve energy poverty and accelerate a transition toward smart, wellbeing-focused solutions that reinforce social and ecological resilience in a volatile world.

[17] European Commission, Energy Performance of Buildings Directive
[18] European Grids Package

Ending dependence on fossil fuels: accelerating the transition and building resilience

There are green transition solutions that benefit both people's pockets and the planet, and which perfectly address current vulnerabilities whilst investing in long-term resilience. This requires responsible and effective public investment and a qualitative leap forward from the transition measures already adopted. We must not lose sight of those most affected by fossil fuel instability and climate change. We must also strengthen controls on speculative markets, whilst structurally reducing our dependence on imported fossil fuels and accelerating the transition. We have excellent alternatives to break free from the trap of oil, gas, agrochemicals and, more broadly, corporate capture. Here are a few:[19]

1. Fairness in transport and public safety:

Introduce a **tax on VIP flights[20]** and eliminate unnecessary air travel where sustainable alternatives are available. Introduce a **single, universal, affordable and permanent public transport pass (e.g. climate ticket)** within countries to reduce emissions and private car use, along with measures to promote work-life balance and remote working. Strengthen the EU rail connections and night trains between countries.

2. Decentralised energy and green storage:

To increase the number of local energy communities by redirecting fossil fuel subsidies towards them, and to organise the roll-out of renewable energy across the countries whilst effectively ensuring that social and environmental safeguards are in place. It is proposed that governments create a **Strategic Green Storage Reserve** (large-scale batteries, pumped-storage hydroelectricity, smart grids and distributed demand management) to replace the old oil or gas reserves. It is essential to **set up tax relief measures that encourage participation in the transition** (electricity, renovation, sustainable mobility, installation of self-consumption systems, etc.).

3. Large-scale renovation of homes and the removal of gas from buildings:

Curbing speculation, regulating holiday lettings and implementing plans to renovate homes targeting energy sufficiency, with a particular focus on the most vulnerable groups. This involves using taxation to favour electricity over gas and implementing economic measures such as a housing fund to help channelling savings and investment into building insulation and the complete phasing out of gas boilers, thereby transforming buildings into climate-resilient havens within green and healthy towns and cities.

[19] Six radical ideas we need right now to end fossil fuel dependence and protect people from the war on Iran price shock, Greenpeace
[20] New taxes on premium flyers and private jets: Greenpeace comment

Ending dependence on fossil fuels: accelerating the transition and building resilience

There are green transition solutions that benefit both people's pockets and the planet, and which perfectly address current vulnerabilities whilst investing in future resilience. This requires responsible and effective public investment and a qualitative leap forward from the transition measures already adopted. We must not lose sight of those most affected by fossil fuel instability and climate change. We must also strengthen controls on speculative markets, whilst structurally reducing our dependence on imported fossil fuels and accelerating the transition. We have excellent alternatives to break free from the trap of oil, gas, agrochemicals and, more broadly, corporate capture. Here are a few:

4. Support for the countryside in the face of agribusiness:

To break the agricultural sector's dependence on gas (used to manufacture fertilisers) by promoting agroecology. The measures include creating a **monthly "climate voucher" for small-scale farmers**, boosting local markets, and using public procurement to supply school canteens and hospitals with organic and locally sourced food, thereby improving the health of both people and the countryside. In general, implementing measures to ensure that organic and locally sourced produce is accessible to the public and is not a luxury reserved for the few.

5. Tax justice against the 'inflation of greed'

End toxic public subsidies and tax cuts for fossil fuels and introduce a **permanent tax on the super-rich** (the Zucman tax), also to address their climate debt,[21] and, in particular, increasing permanent taxes on oil companies to finance a Green Social Contract.

6. An end to fossil fuel propaganda, plastic and weapons:

Completely ban advertising and corporate sponsorship of fossil fuels (following the model used for tobacco). Eliminate subsidies to the petrochemical plastics industry by promoting returnable packaging, and pass a **Comprehensive Arms Embargo Act** at the EU level to prohibit the arms trade with countries that systematically violate human rights.

[21] Understanding the Climate Debt of Extreme Wealth, Greenpeace

Sources and methodology

This report is based on data from the following sources:

IEA 2026 Energy Crisis Policy Response Tracker, Bruegel's 2026 European Energy Crisis Fiscal Response Tracker, Instituto Jacques Delors Tracking European Responses and CaixaBank "La crisis en Irán: cuánto puede afectar a la economía española"; Sources were last checked: 4 June 2026, data might be subject to updates.

Based on the available information, the methodology assesses the performance of seven European countries in the face of the energy shock using a double-weighted matrix analysed in **TABLE 3**. The model operates according to the following scoring criteria and in three steps:

1. **Policy Focus (+-600 points):** Fifteen measures are assessed, in line with the International Energy Agency's definition, divided into two categories: five 'Fossil Fuel Lock-In' measures (negative score) and ten 'Energy Transition' measures (positive score). Each measure is assessed against six strategic control questions (Q1 to Q6, detailed in the table legend), with a binary score of either 0 or 10 points assigned. Both groups are weighted equally to balance their specific weight in the final balance indicator.

2. **Assignment of the resource allocation score (±200 points):** The net budgetary contribution made by each Member State is assessed on the basis of a scale set out in the table. Allocations for general aid result in a deduction of points, whilst resources directed towards highly targeted aid result in an addition of points.

3. **Final result:** The net assessment consolidates the final scores from steps 1 and 2 into a comprehensive evaluation. This result is associated with a risk label (red or green) and policy direction on a six-level traffic-light scale, ranging from a level of **High Positive** (>400, green) to **High Negative** (<-400, red), enabling a rigorous classification of each country's degree of vulnerability and the coherence of its response to the energy shock resulting from the war in Iran.

Annex

Key points of some of the measures adopted by Governments

Spain:

Tax and Energy Package (Short-term Relief)

Validity of tax relief: until June 2026. Direct aid: until the end of 2026.

- **Total budget:** A multi-faceted package of 80 measures worth 5,000 million euros to curb 'fossil fuel inflation'.
- **VAT reduction:** Reduction from 21% to 10% on electricity, natural gas, motor fuels (petrol and diesel), wood pellets and firewood.
- **Special Tax on Electricity:** Reduced from 5.11% to 0.5% (the EU's legal minimum).
- **Generation Tax (IVPEE):** Suspension of the 7% tax on electricity generation.
- **Commercial fuels:** Direct subsidy of 20 céntimos per litre for hauliers, farmers, livestock farmers and fishermen.
- **Regulated prices:** Freeze on the maximum price of butane and propane gas cylinders.
- **Large energy-intensive industry:** An 80% reduction in electricity charges and €300 million in compensation for CO_2 emission allowance costs.

Self-consumption, renewables and local decentralisation

Nature: Permanent, focused on democratising energy and preventing industrial monopolisation.

- **Social excellence projects and guarantees for Renewable Energy Acceleration Zones in suitable locations:** Formal establishment of this scheme to encourage projects that promote greater community involvement and environmental benefits within the region
- **Shared self-consumption:** Extension of the maximum permitted distance for collective self-consumption via the grid from 2 km to 5 km.
- **Grid capacity:** Releasing 10% of the capacity at reserved nodes for use exclusively for local self-consumption and energy communities.

Structural Measures and the Green Transition

Status: Permanent and without expiry date.

- **National Energy Efficiency Fund (FNEE):** A regulatory change to require gas and electricity suppliers to set aside larger savings reserves (effective from 1 January 2027).
- **Energy Saving Certificates (CAE):** Expansion of the range of eligible measures to accelerate industrial decarbonisation and the installation of heat and cooling pumps.
- **Data centres:** New ongoing obligations regarding sustainability, energy efficiency and the use of waste heat.
- **Tax exemptions:** Direct grants for home renovation, the installation of energy-efficient air-conditioning systems and electric vehicles.
- **Deduction in IRPF:** A 15% tax relief on the purchase of electric vehicles and the installation of charging points (up to €3,000).

Netherlands:

- Support package for the emergency energy fund for the most vulnerable households (€195 million)
- Support package for the National Heating Fund for refurbishment, heat/cooling pumps and solar panels, amongst other measures, with interest-free loans for low-income families (€180 million)
- Support package for energy solution installers – local professionals who visit the most vulnerable households to help them reduce their bills by carrying out assessments, installing free energy-saving measures and providing advice (€80 million).
- Support package for homes with poor insulation (energy labels D, E, F or G) to assist 750,000 families via local authorities (€15 million)
- Support package for the fisheries sector, including energy efficiency measures and sustainable technologies (€25 million)
- Support package for agriculture and horticulture, aimed at reducing their reliance on synthetic fertilisers and promoting a structural shift in the sector (€25 million)
- Support package for homeowners' associations for energy-efficiency refurbishment and the phasing out of gas use (€25 million)
- A package of tax relief measures for the transport sector, including an exemption from road tax for lorries in 2026, a 50 per cent reduction in road tax for commercial vans for six months, and improved tax arrangements for sustainable vehicles (€340 million)[23]

Sweden:

- Compensation in the form of direct payments made by the Swedish Social Insurance Agency to cover the cost of electricity and gas, with a focus on the areas most affected by price rises (2.4 billion Swedish kronor, ~221 M€)
- Increase in the subsidy for electric cars in low-income households and more remote regions (100 million Swedish kronor, approximately €9 million)
- As part of the plan to achieve net-zero emissions by 2045, support is being provided to public authorities to phase out the procurement of fossil fuels and promote electric alternatives (500 million Swedish kronor, ~€46 million)

[23] This measure combines an element that supports the transition with one that does not, but with a specific eligibility criterion.