**Recovering from the pandemic while facing the**

**climate and energy crisis**

The energy crisis triggered by the war in Ukraine has further exposed the risk posed by dependence on fossil fuels and an undiversified energy mix. While a number of OECD countries use renewable energy to meet around a third of their power demand, the overall role of fossil fuels in the total energy supply remains elevated at around 80% on average. This leaves many OECD countries highly exposed to geopolitical and market volatility. Following the invasion of Ukraine, the shock to oil and gas prices has been remarkable in countries that are particularly dependent on Russian oil and gas. In Europe, gas prices reached levels 10 times higher than a year ago, and the price of oil has almost doubled.

**Staying on track towards net-zero in the face of war**

While governments rightfully aim to address urgent public concerns about the energy price increases, they need to be careful not to scale back the green ambitions of their recovery plans. In fact, increased adoption of renewable energy and higher energy efficiency would help to reduce dependence on fossil fuels and, at the same time, decrease emissions of greenhouse gases. This is well underlined in the International Energy Agency’s 10-point Plans to reduce oil demand and the European Union’s reliance on Russian gas, which highlight that adoption of electric vehicles, renewable power technologies and energy efficiency measures can help lower demand for fossil fuel imports and emissions