SE Europe Energy Outlook 2025: The Oil Sector

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Introduction

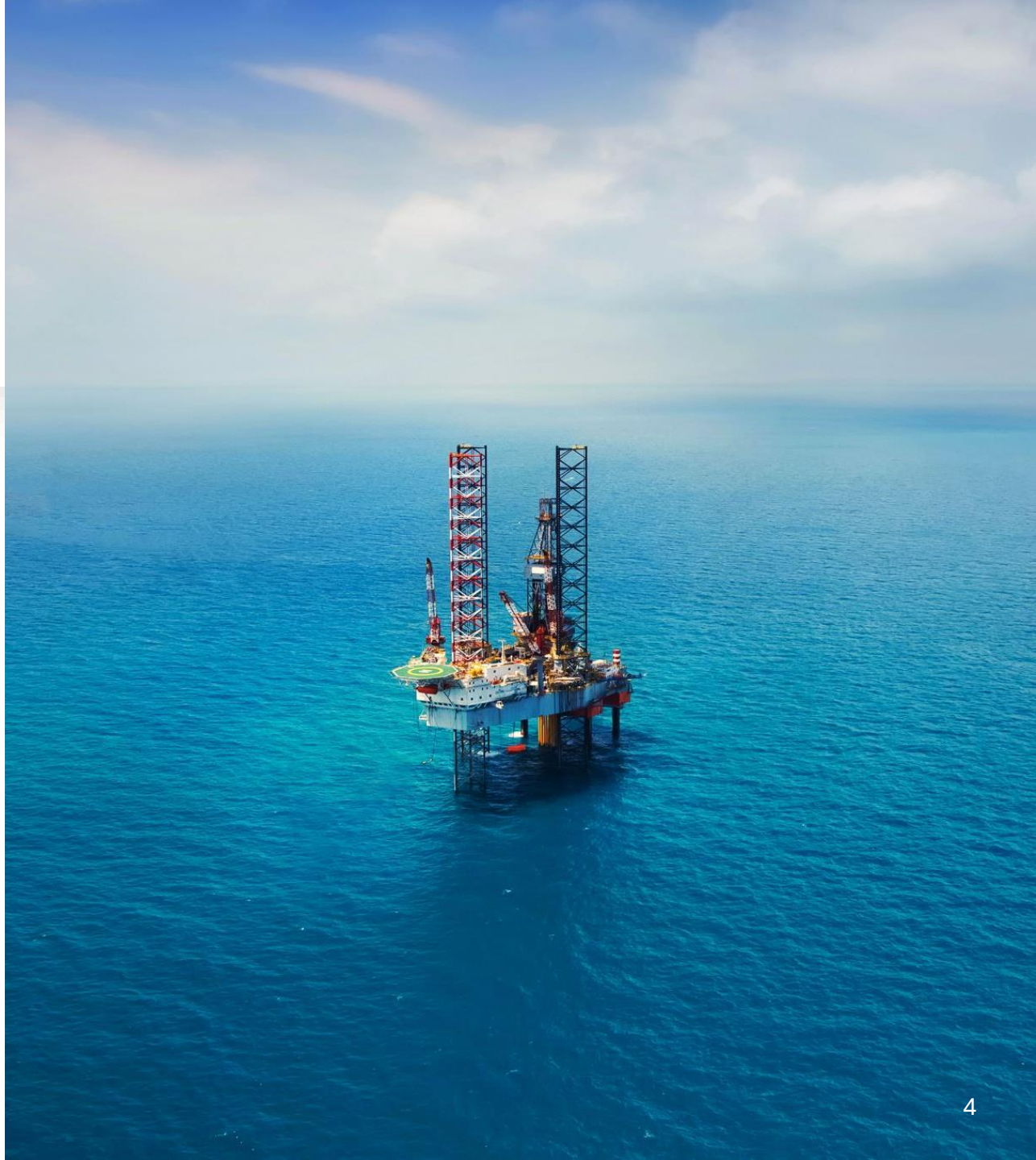
- Energy discussions today often gravitate toward electricity, grids, renewables, and the promise of green hydrogen.
- Yet liquid fuels remain the backbone of mobility, logistics, and large parts of industry—not only in Southeast Europe, but globally.
- They shape trade balances, energy security, household costs, inflation dynamics, and the competitiveness of entire sectors.
- In Southeast Europe liquid fuels are a strategic topic.

Oil Demand and Supply

- Oil demand worldwide is expected to increase, but at the same time slowing progressively.
- The rebound seen in global oil demand post-pandemic has been over, and at the same time new natural gas and renewable electricity generation are playing a key role in wider energy transition policies.

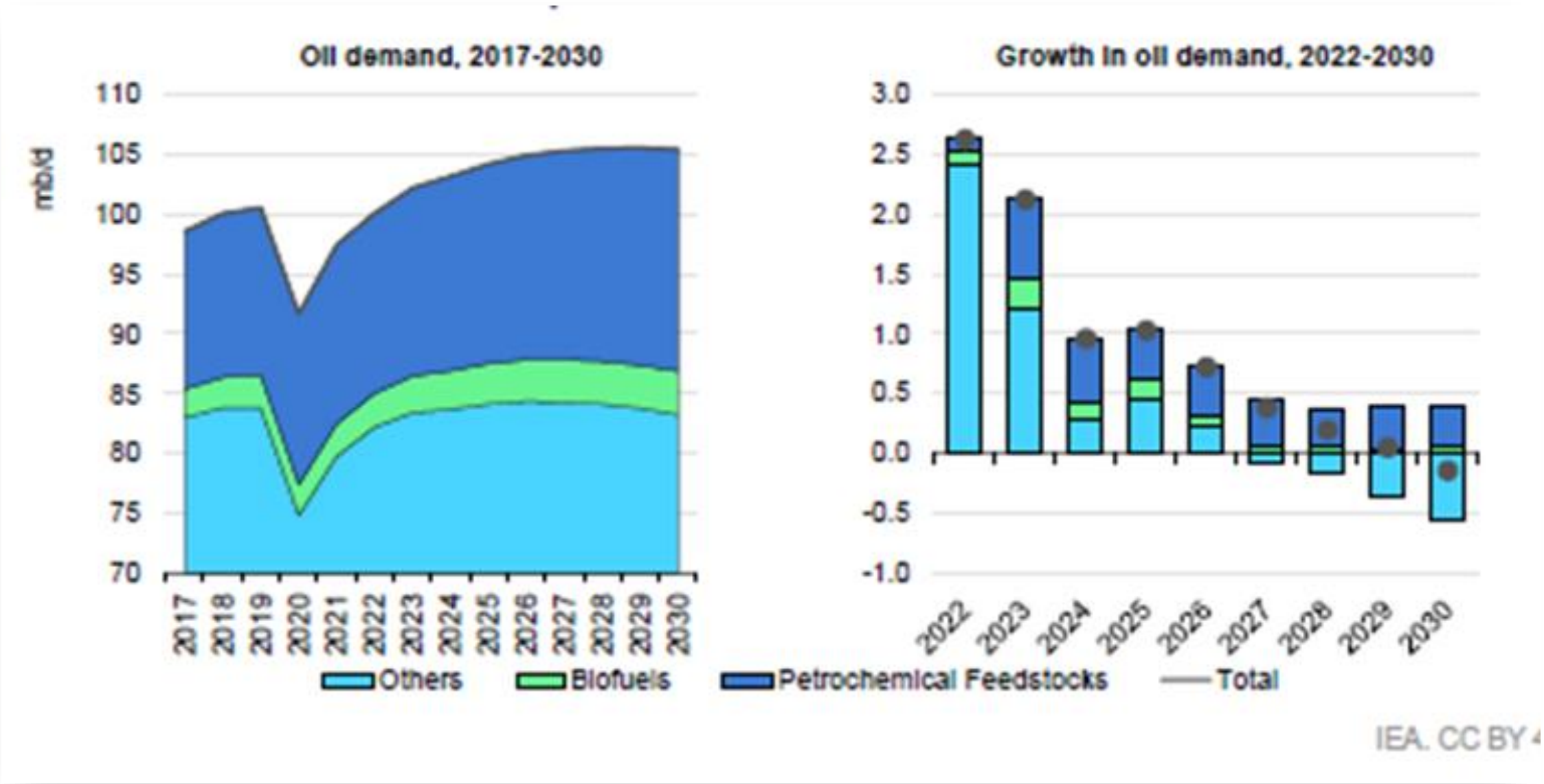
Oil Demand and Supply Forecast

- Road fuel demand is expected to be approaching its peak mainly due to EVs and teleworking with total demand expected to decrease by 0.8 mb/d by 2030.
- Concerning marine fuels (comprising marine bunkers and domestic navigation) demand is expected to hover around 5.3 mb/d throughout the forecast period, as below-par growth in trade and seaborne freight combines with tighter standards imposed by the IMO to reduce the carbon intensity of shipping.



Demand for petrochemical feedstocks

- Rising demand for petrochemical feedstocks will be the largest force for growth in oil demand during the projection time period.
- Projected 2023-2030 gains of 2.8 mb/d would be equivalent to about three-quarters of the overall increase in oil consumption.
- China will remain far and away the most important region for higher petrochemical activity.
- Feedstock use is forecast to go up by 1.3 mb/d between 2023 and 2030, having risen by 2.6 mb/d from 2017 to 2023.


Oil demand, 2017-2030
mb/d
110
105
100
95
90
85
80
75
70
2017
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
Others
Biofuels
Petrochemical Feedstocks
Growth in oil demand, 2022-2030
3.0
2.5
2.0
1.5
1.0
0.5
0.0
-0.5
-1.0
2022
2023
2024
2025
2026
2027
2028
2029
2030
Total
IEA. CC BY

SEE countries oil production

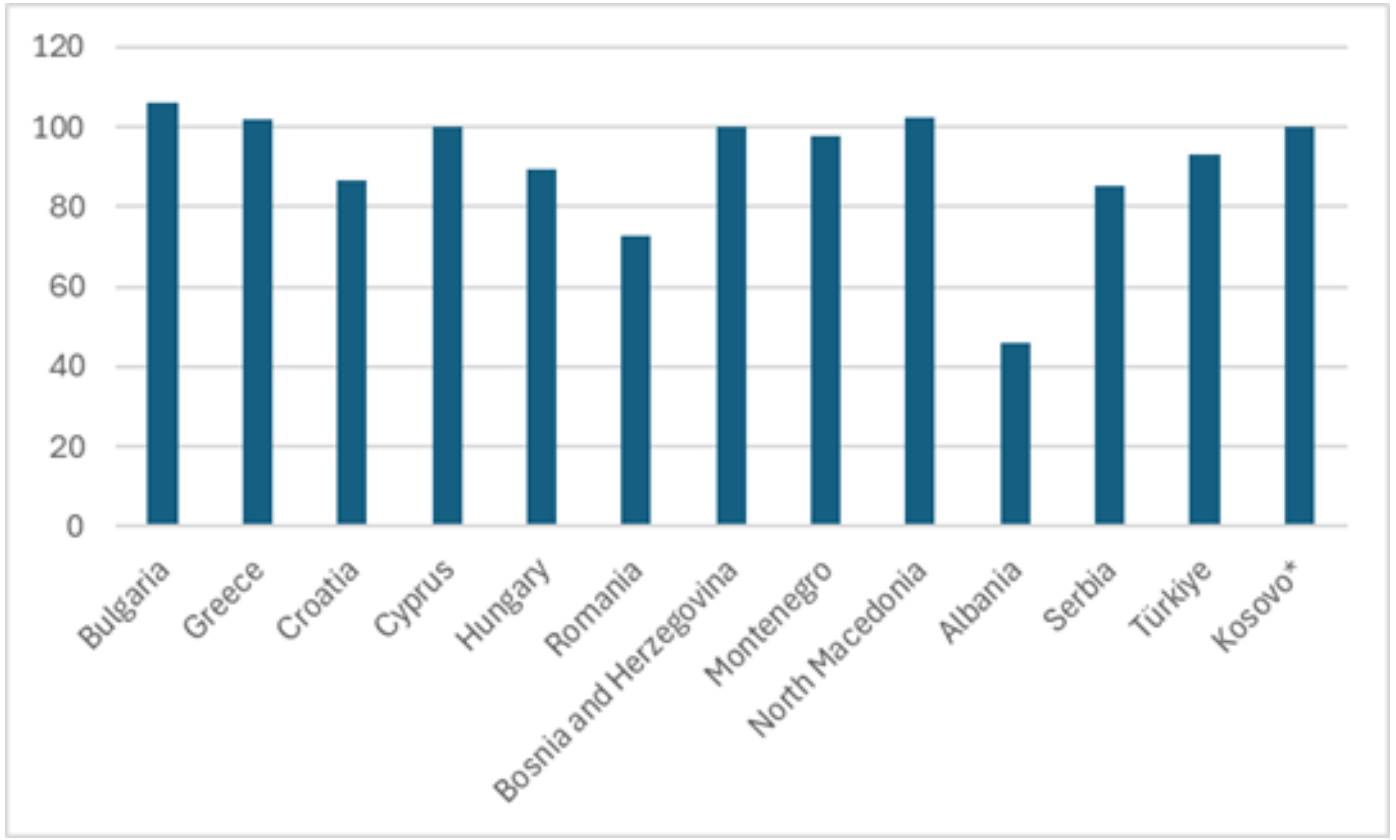
SEE countries have on the whole very limited domestic oil reserves and are largely net importers of crude oil.

Only 11% of the oil refined in SEE refineries originates from oil fields within the region.

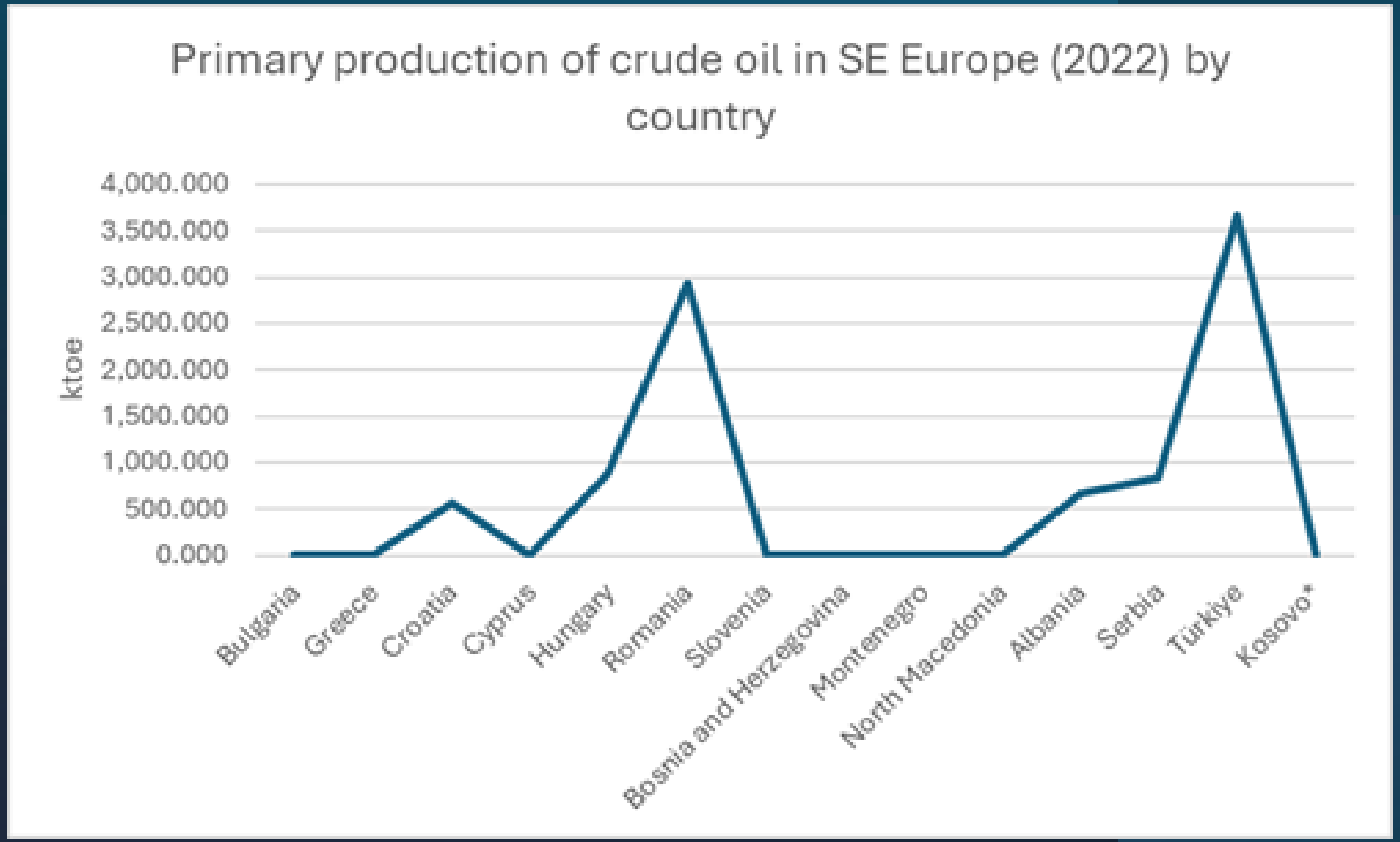
This dependence on imports is primarily the result of depletion of existing oil reserves with few opportunities for new exploration.

Some SEE countries have significant reserves of shale rock suitable for oil production, but so far, they have not acquired the technology or developed a business case to exploit these resources.

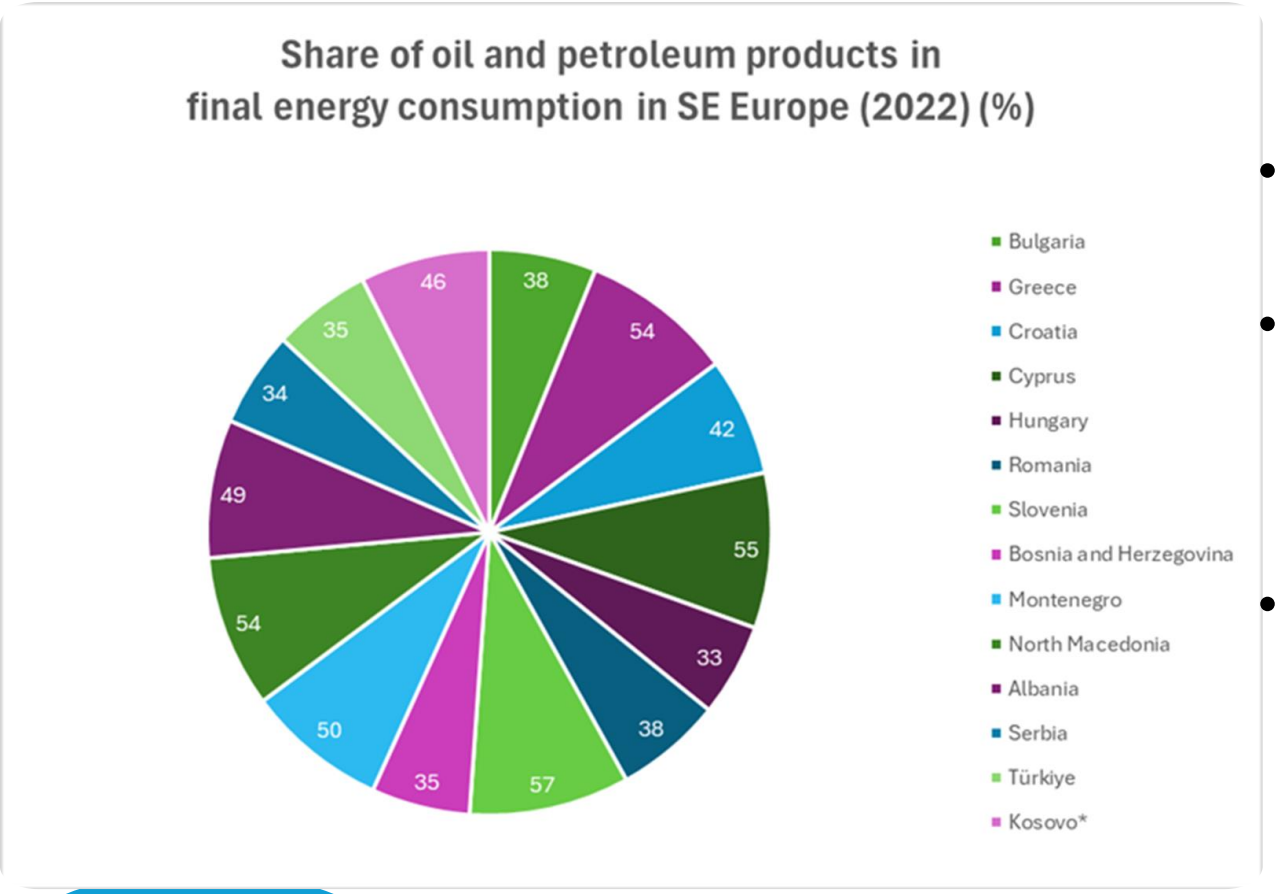
Oil import dependency in SE Europe in 2022 (%)



Source Eurostat


Primary production of crude oil in SE Europe (2022) by country
ktoe
4,000.000
3,500.000
3,000.000
2,500.000
2,000.000
1,500.000
1,000.000
500.000
0.000
Bulgaria
Greece
Croatia
Cyprus
Hungary
Romania
Slovenia
Bosnia and Herzegovina
Montenegro
North Macedonia
Albania
Serbia
Türkiye
Kosovo*

Share of oil and petroleum products in the final energy consumption



- The average is 44.3 % in the selected SE Europe countries.
- Slovenia possesses the highest percentage among these countries with 57% followed by Cyprus (55%), North Macedonia (54%) and Greece (54%).
- On the other hand, Hungary relies on oil and petroleum products for 33% of its final consumption, along with Serbia (34%), Turkey (35%) and Bosnia and Herzegovina (35%).

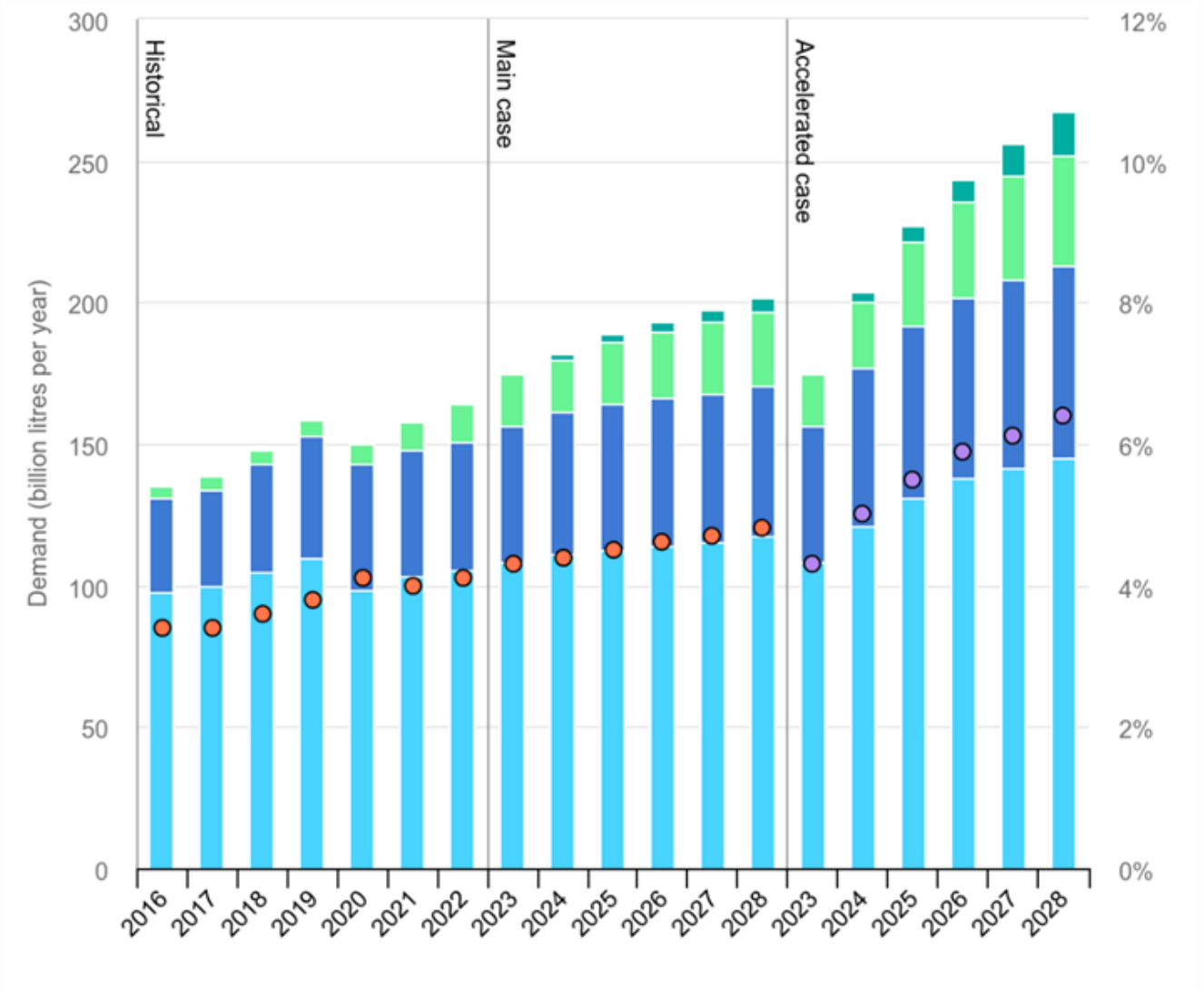
The most widely consumed petroleum product in the SEE

- As far as petroleum products are concerned, gas oil and diesel oil were the most widely consumed petroleum product in the SEE countries for the period 2012-2022.
- In the period shortly after the economic crisis (2010-2016) most countries followed a decreased consumption pattern of petroleum products, while the next three years saw a resurge with some fluctuations, before the Covid-19 outbreak led to a new decrease in the 2020-2022 period.

Biofuels in SE Europe

- In 2023, global biofuel production reached 960 thousand barrels of oil equivalent per day, in stark comparison to the 12 thousand barrels of oil equivalent per day that were produced in the year 2000.
- Growth has largely been driven by policies that encourage the use and production of biofuels due to the perception that it could provide energy security and reduce greenhouse gas emissions in relevant sectors.

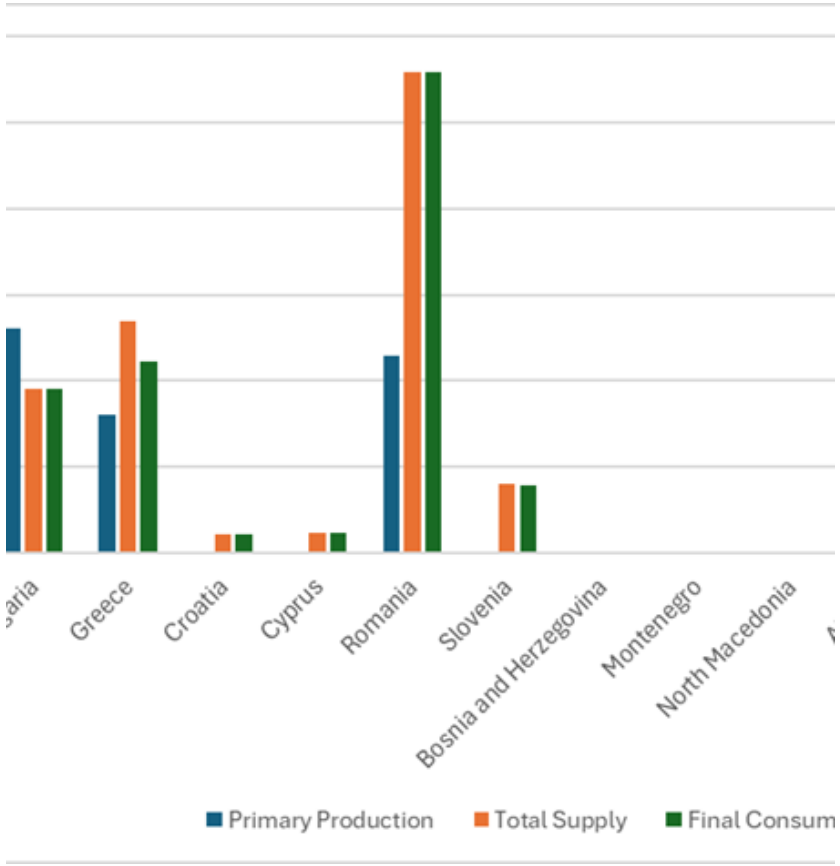
Global biofuel demand, historical, main and accelerated case, 2016-2028



Source IEA

SE Europe primary production of liquid biofuels

- In SE Europe, primary production of liquid biofuels (pure biogasoline, blended biogasoline, pure biodiesel, blended biodiesel, pure biojet kerosene, blended biojet kerosene, other liquid biofuels) is detected in Bulgaria, Greece, Romania and Turkey.
- Bulgaria is accountable for the greatest production of 260 ktoe, followed by Romania with 229 ktoe, Greece with 160 ktoe and Turkey with 156 ktoe.



The future of Biofuels

Biofuels are no longer limited to “first-generation blends” as a checkbox obligation.

We are moving into an era where advanced biofuels, waste-based feedstocks, renewable synthetic components, and increasingly strict sustainability criteria shape both availability and pricing.

The market turns from a volume-driven blending regime toward quality-, carbon-, and compliance-driven.

Low Carbon fuels: a critical point for Southeast Europe

- Low Carbon Fuels can be a transition accelerator precisely because they work within the existing liquid fuels infrastructure.
- They can reduce emissions in the current fleet without requiring replacement of assets.
- If we want immediate emissions reductions in transport and certain industrial uses, low-carbon liquid fuels have an important role.

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Thank you!