

Contents

Acknowledgements	13
Preface	14
Study Contributors	16
Authors per Chapter	17
Contributor Resumes	19
Peer Reviewers	28
Executive Summary	32
1 Introduction	38
2 Regional Economic Outlook	58
2.1 The European Economy and the SEE EU Member States	60
2.2 The Western Balkan Economies: Serbia, North Macedonia, Montenegro, Bosnia and Herzegovina, Albania and Kosovo	71
2.3 Türkiye and Israel: The Economies of the East Med Countries	77
2.4 Discussion	80
3 EU Energy and Environmental Policies and Regional Priorities	82
3.1 2030 EU Climate and Energy Targets	87
3.2 Key EU Climate and Energy Challenges	88
3.3 The Introduction of CBAM	89
3.4 Trump's Comeback and the Impact on EU Climate and Energy Policy	90
3.5 The Case of SE Europe	91
4 Key Regional Energy Issues	98
4.1 Minor Change in the Region's Energy Mix	100
4.2 High Energy Import Dependence	101
4.3 The Important Role of Energy Security	102
4.4 Decarbonisation Remains a Serious Challenge	104
4.5 The Vital Role of Natural Gas	106
4.6 Hydrogen as a Future Fuel	107
4.7 A Nuclear Power Renaissance?	107
4.8 RES Emerges as a Major Supply Source	108
5 Country Profiles	118
5.1 Albania	120
5.2 Bosnia and Herzegovina	152
5.3 Bulgaria	172
5.4 Croatia	192
5.5 Cyprus	218
5.6 Greece	250
5.7 Hungary	290
5.8 Israel	330
5.9 Kosovo	344
5.10 Moldova	370
5.11 Montenegro	386
5.12 North Macedonia	406
5.13 Romania	448
5.14 Serbia	498
5.15 Slovenia	536
5.16 Türkiye	570
5.17 Peripheral Countries	630
• Austria	632
• Azerbaijan	633
• Egypt	635
• Italy	637
• Jordan	639
• Lebanon	640
• Slovakia	641
• Syria	643
• Ukraine	646

6	Energy Security	650
6.1	Key Factors affecting Energy Security in SE Europe	651
6.2	Oil Supply and Oil Pricing	653
6.3	Gas Supply and Market Volatility	654
6.4	Electricity Supply and Prices	656
6.5	Enhancing Energy Security through Renewables and Nuclear	658
6.6	The importance of indigenous Gas Resources	659
6.7	The importance of a balanced Energy Mix	659
6.8	Conclusion	661
<hr/>		
7	Energy Demand and Supply Projections for SE Europe and the East Med	664
7.1	Methodology	665
7.2	Summaries of Projections per Country	667
7.3	Discussion	725
<hr/>		
8	Hydrocarbon Exploration and Production in SE Europe	732
8.1	Regional Overview	734
8.2	Country Updates	738
<hr/>		
9	The Oil Sector	756
9.1	Oil Midstream and Downstream	757
9.2	Oil Prices	775
9.3	Oil Infrastructure	778
9.4	Oil Stocks	787
9.5	Oil Refining	791
9.6	Biofuels in SE Europe	807
9.7	The Retail Oil Market	823
<hr/>		
10	Natural Gas	832
10.1	Introduction	833
10.2	Overview of SE Europe Gas Markets	836
10.3	Gas Supply and Demand	843
10.4	Natural Gas Flows in SEE	848
10.5	Gas Prices	850
10.6	Gas Infrastructure	852
10.7	Gas Storage	860
10.8	The Growing Importance of LNG	861
10.9	The role of natural gas in the energy transition efforts in SE Europe	868
<hr/>		
11	The Electricity Sector	872
11.1	Introduction	873
11.2	Electricity Infrastructure in SE Europe	874
11.3	Electricity Demand	879
11.4	Electricity Generation and Supply	886
11.5	Electricity Generation Mix in SE Europe: Trends and Pathways to 2050	889
11.6	Power Transmission	901
11.7	The Transmission Systems of SE Europe on the Energy Transition Path	904
11.8	The Regional Coordination Centres and SEleNe-CC in Thessaloniki	920
11.9	Electricity Markets in SE Europe	923
11.10	Electricity Prices	930

12	Nuclear Power	954
12.1	Mapping Nuclear Power in SEE – Overview of Current Status	955
12.2	Technical and Non-Technical Obstacles for Greater Nuclear Power Utilisation in SEE	963
12.3	Outlook for Higher Nuclear Power Penetration in SEE's Electricity Mix (Examine the Role of SMR's)	964
12.4	Investment and Production Cost Considerations	966
13	Renewable Energy Sources	970
13.1	Overview of Renewable Energy Sources (RES) in SE Europe	971
13.2	RES for Power Generation	975
13.3	RES for Heating and Cooling	1047
13.4	Financial Instruments for RES Development	1074
14	Cogeneration of Heat and Power in SE Europe	1096
15	District Heating and Cooling in SE Europe	1108
15.1	District Heating	1109
15.2	District Cooling	1111
16	Energy Efficiency in SE Europe	1114
17	Energy Poverty in SE European Countries	1128
18	Decarbonisation through Hydrogen and CCUS in SE Europe	1138
18.1	The Role of Hydrogen in SE Europe	1139
18.2	CCUS	1150
19	Special Topics	1168
19.1	Electromobility in SE Europe	1169
19.2	Energy Cybersecurity in SE Europe	1173
19.3	AI & Energy in SE Europe	1174
20	Investment Potential in the Energy Sector of SE Europe	1178
20.1	Cost Assumptions for Energy Projects in SE Europe	1179
20.2	Energy Investment Outlook per Country and per Sector	1181
20.3	Total Investment Estimates	1190
20.4	Business opportunities	1192
Key Messages		1194
Appendices		1200
I.	List of Acronyms and Unit Abbreviations	1200
II.	Energy Balances of Countries	1203
III.	Bibliography	1219
Sponsors' and Supporters' Profiles		1222