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## Oil & Gas Exploration and Production in SE Europe and Energy Security

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## A region under pressure

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- ❑ Structural dependence on imported hydrocarbons
- ❑ Post-2022 reality: security of supply > cost optimization
- ❑ Russian gas phase-out reshaping flows and contracts
- ❑ Infrastructure bottlenecks still constrain flexibility
- ❑ Energy transition is uneven and non-linear
- ❑ Conflicts



## Regional upstream overview

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- ❑ Upstream activity has diverged sharply across sub-regions
- ❑ East Mediterranean driving growth through offshore gas
- ❑ Investment supported by geology, licensing, and diplomacy
- ❑ Black Sea advancing cautiously with recent discoveries
- ❑ SE Europe facing declining exploration interest
- ❑ Regulation, transition policy limit SE Europe upstream
- ❑ Region critical to Europe's diversification strategy



# Oil and gas exploration and production

## □ Israel

- Gas reserves 1,087 bcm (2022)
- Production: 24.7 bcm/y (2023)
- 47% exported (2023)
  - 8.7 bcm → Egypt
  - 2.9 bcm → Jordan

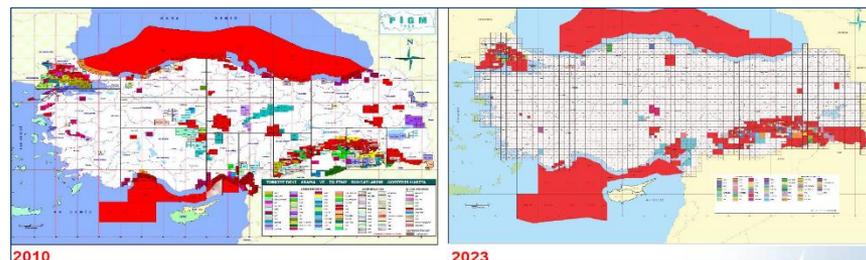
## □ Egypt

- Oil production: 610,000 b/day (2023)
- Gas production: 57.1 bcm/y (2023), **-11% from 2022 (64.5 bcm/y)**
- 65 new discoveries (2023)
- 87 wells drilled (2023)
- Oil reserves: 3.3 billion barrels (2021)
- Gas reserves: 1.8 tcm (2021)



## □ Turkey

- 414 exploration licenses (2024)
- 156 production licenses (2024)
- 194 wells drilled (2024)
- Gas production: 807.3 mcm/y (2023)
- Oil production: 110,000 b/day (2024)
- Oil reserves: 600 million barrels (2023)
- Gas reserves: 710 bcm (2023)



## □ Cyprus

- Gas reserves estimated at 210-400 bcm
- Several discoveries since "Aphrodite" (2011)
- "Aphrodite" development approved (Feb 2025)

# Oil and gas exploration and production

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## □ Romania

- Long history (150 years, first crude oil producer, first refinery)
- 398 petroleum agreements
- Gas exporter (2.26 bcm, 2024) with substantial potential for further exports
- OMV's Neptune Deep project will almost double exports (100 Bcm recoverable reserves)
- 1-Spineni discovery (July 2025, 180,000 m<sup>3</sup>/day, 1,300 boe/day production potential)

## □ Croatia

- Currently 1,200 oil and gas wells
- 37 oil fields
- Oil production: 561.5 thousand tons/y (2023)
- Gas production: 691.3 mcm/y (2023)
- Energean-INA: FID for Irena field (July 2025, 30 Bcf recoverable reserves, €71M investment)

## □ Albania

- Long history (1918)
- 9 active licences (2025)
- Oil production: 621,000 tons/y (2024), **-55% from 2014 (peaked, ~1.4 Mt)**
- All oil is exported, due to lack of refinery
- No new commercial oil discovery to date, Shell withdrew in 2025 (Block 4)

# Oil and gas exploration and production

## □ Greece

- from 13 concessions (2020)
- 8 active concessions today (ExxonMobil, Energean, HelleniQ) and 1 under force majeure (Sea of Thrace block)
- 4 Blocks ratified in parliament (March 2026, Chevron)
- TotalEnergies and Repsol have left
- 1<sup>st</sup> well expected in February 2027 in Block 2 (Ionian Sea, 200 Bcm)
- Further drilling planned for 2027/2028 (offshore Crete)
- Reported potential of Greece 680 Bcm (2024)



## □ Bulgaria

- 4 active concessions (2025)
- Gas fields mainly onshore
- 2 offshore blocks: Han Asparuh (Block 1-21), Han Tervel (Block 1-26)
- No successful offshore wells drilled yet



# Challenges and Priorities

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## **Challenges:**

- ❑ Geological risk and long lead times
- ❑ ESG pressures and financing constraints
- ❑ Regulatory complexity and licensing delays
- ❑ Price volatility affecting investment decisions

## **Strategic Priorities:**

- ❑ Stable and competitive fiscal regimes
- ❑ Streamlined licensing and permitting
- ❑ Integration with CCS and low-carbon strategies

## Why domestic production still matters

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- ❑ Reduces import dependency and exposure to external shocks
- ❑ Enhances security of supply through diversification of origin
- ❑ Supports infrastructure utilisation (pipelines, LNG, storage)
- ❑ Provides fiscal revenues and strategic optionality
- ❑ Even modest discoveries can have disproportionate regional impact

Domestic production  $\neq$  self-sufficiency, but it strengthens resilience

Upstream activity is a strategic pillar, not a legacy sector



# Conclusions

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- ❑ Hydrocarbons remain central to global energy supply
- ❑ SE Europe will remain import-dependent in oil and gas for the foreseeable future
- ❑ Energy transition is uneven and regionally fragmented and does not eliminate the need for secure hydrocarbon supply
- ❑ Natural gas and LNG have become a key geopolitical instrument
- ❑ Domestic resources are limited but strategically important
- ❑ East Med leads regional growth
- ❑ SE Europe lags, constrained by modern political realities
- ❑ Even modest E&P activity can materially improve resilience
- ❑ Underinvestment in upstream risks increasing external vulnerability
- ❑ Future ultimately depends on political choices made today



# ENERGY SECURITY IN SOUTH EAST EUROPE

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## Thank you for your attention!

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