

Energy Security and the Black Sea

A debate hosted by New Strategy Center

The visible deterioration of the regional security after the annexation of Crimea and the beginning of the conflict in eastern Ukraine has affected the stability in the region, a fact that can influence the volume of investments, including the energy field. Romania is in a relatively good position in terms of energy security as compared to most of its neighbors in Central, Southeastern and Eastern Europe. The low dependency on imported energy resources and structural changes in the economy leading to the downsizing and relative decline of energy-intensive industries have helped Romania to avoid major disruptions during the recurring European energy crises.

However, in the upcoming years, Romania is going to face considerable challenges in the energy sector that call for massive investments and technological upgrading in a coherent national framework. Considering the highly inertial nature of investments in the energy business, Romania has to make hard choices in order to keep abreast of the dynamic developments in the world markets, technological innovation, mainstream options in the EU energy policies and the specific conditions and requirements of the country.

Romania has the second largest gas market in Central and Eastern Europe. Historically, it was the first country in the region to use natural gas for industrial purposes. In the early 1980s, following the implementation of government policies aimed at eliminating import dependences, natural gas production and distribution reached record levels. Intensive exploitation of domestic resources resulted in the depletion of known reserves and current decline of production. Developing new production sources is an economic and energy security imperative.

The role of the debate hosted by the New Strategy Center is to make an assessment of how the security environment in the region is influencing the energy security and the volume of investments and of the way relevant authorities are acting to keep existing investments or are trying to raise the current level of investments in the energy sector. The debate is aiming to assess the interdependencies between energy security and new investments and what Romania can do in the near future to achieve both energy security and new projects that can generate growth and economic development for the country.