

Romania's energy security and encouraging investments in this field
- Debate organized by New Strategy Center -

New Strategy Center continues the series of debates on energy security, a segment with a crucial impact on Romania's national security. The visible deterioration of security in Black Sea region affected the stability in the area, which could influence the volume of investments, including in the energy field. Compared with most of its neighbors from Central and Southeast Europe, Romania is today in a relatively advantage position regarding the energy security.

The domestic production and the structural changes in the Romanian economy, which led to significant restraining of the big energy-consumer industrial segments, have led together to a low level of imports and helped Romania overcome the recurrent energy crisis from this part of Europe.

However, in the near future, Romania will have to deal with some considerable challenges for its energy segment which, in order to maintain its favorable position through the domestic production, needs massive investments and technological modernization within a coherent national plan.

Considering the great investment inertia from the energy industry, Romania will have to make some important decisions in a short time in order to keep up with the dynamic of the global energy markets development, with the technological innovations in this field, with the European options and policies and with the specific development needs of our country.

The impact of energy investments on the overall economy is major. A study released in 2016 by the Romanian Associations of Oil Production and Exploitation Companies (ROPEPCA) – “The Impact of Onshore Oil and Natural Gas Exploration and Production Industry on the Romanian Economy” – reveals that an investment of one billion euro in the onshore oil industry generates a significant direct and indirect impact on the country's economic development. Basically, an investment of one billion euro translates into a segment's contribution of 3.2 billion euro in the GDP and approximately 45,900 jobs, newly created or maintained in the economy, representing some 15,000 jobs in the year of the investment and an average of about 3,000 jobs in each of the ten years of production.

One aspect to be mentioned is the economic development potential that could be generated by the future offshore exploitation, as the most significant discovery from the past few years is the natural gas deposit from the deep sea perimeter of the Black Sea.

The role of this debate proposed by New Strategy Center is to generate an image of how the security in the region influences Romania's energy security and the volume of investments, of how the authorities in charge take action to preserve the energy investments and even to increase their level.