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# 2025 Sector Overview Report

## Energy, Renewables, and Industrials (ENRI) in South-Eastern Europe

Cyprus • Greece • Romania • Bulgaria • Moldova

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# Contents

# Executive Summary

This report provides a comprehensive analysis of the Energy, Renewables, and Industrials (ENRI) sector across five key South-Eastern European markets: **Cyprus, Greece, Romania, Bulgaria and Moldova**. It synthesizes market data, policy developments, investment trends, and infrastructure projects for the year 2025.

## Key Findings

The region is attracting record investment, estimated at €18–22 billion in 2025, driven by energy security concerns and EU alignment.

Renewables are experiencing exponential growth, with solar PV leading in all markets. Greece now generates over 50% of its electricity from renewables.

Infrastructure modernization (grids, interconnectors) and energy storage are emerging as critical sub-sectors to manage volatility and curtailments.

Hydrogen strategies are being formalized, with Romania launching a detailed plan and regional cooperation (e.g., HI East corridor) gaining traction.

Strategic Recommendations: Investors and stakeholders should focus on (1) hybrid renewable projects with storage, (2) grid modernization opportunities, and (3) monitoring regulatory frameworks for emerging technologies like green hydrogen and carbon, capture, usage and storage (CCUS).

01

# Regional Macroeconomic & Policy Context

# Regional Macroeconomic & Policy Context

### EU Integration and Energy Policy

1. The EU Green Deal and REPowerEU plan continue to drive the agenda, pushing for accelerated decarbonization and diversification away from Russian fossil fuels.

2. The "SEE Europe Energy Outlook 2025/2026" by IENE highlights the region's critical role, covering all five focus countries in its analysis.

### Regional Investment Climate

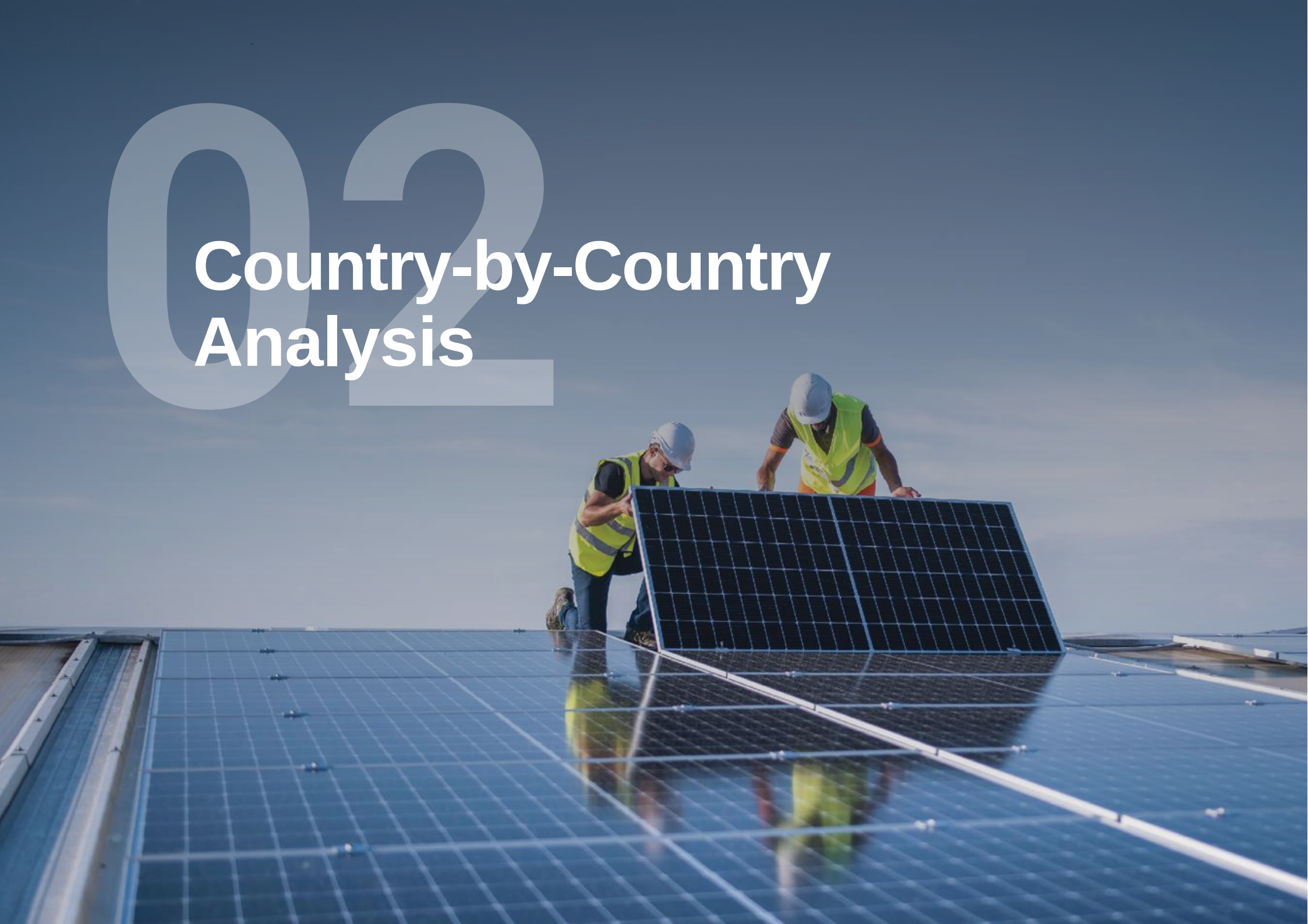
1. Southeast Europe has matured into an investment destination for the sector, with total disclosed energy-sector commitments estimated at €18–22 billion in 2025.

2. Financing is shifting from pure merchant exposure to hybrid revenue models (Corporate PPAs, Contracts for Difference), broadening the investor base to include pension funds and institutional capital.

3. Green bond issuance in the region exceeded €4 billion in 2025.

02

# Country-by-Country Analysis



# Greece

Greece is the regional leader in the energy transition. Renewables accounted for over 50% of electricity generation in 2025.

1. **Capacity**
   Installed wind and solar capacity exceeds 17 GW (up from 12 GW in 2024).

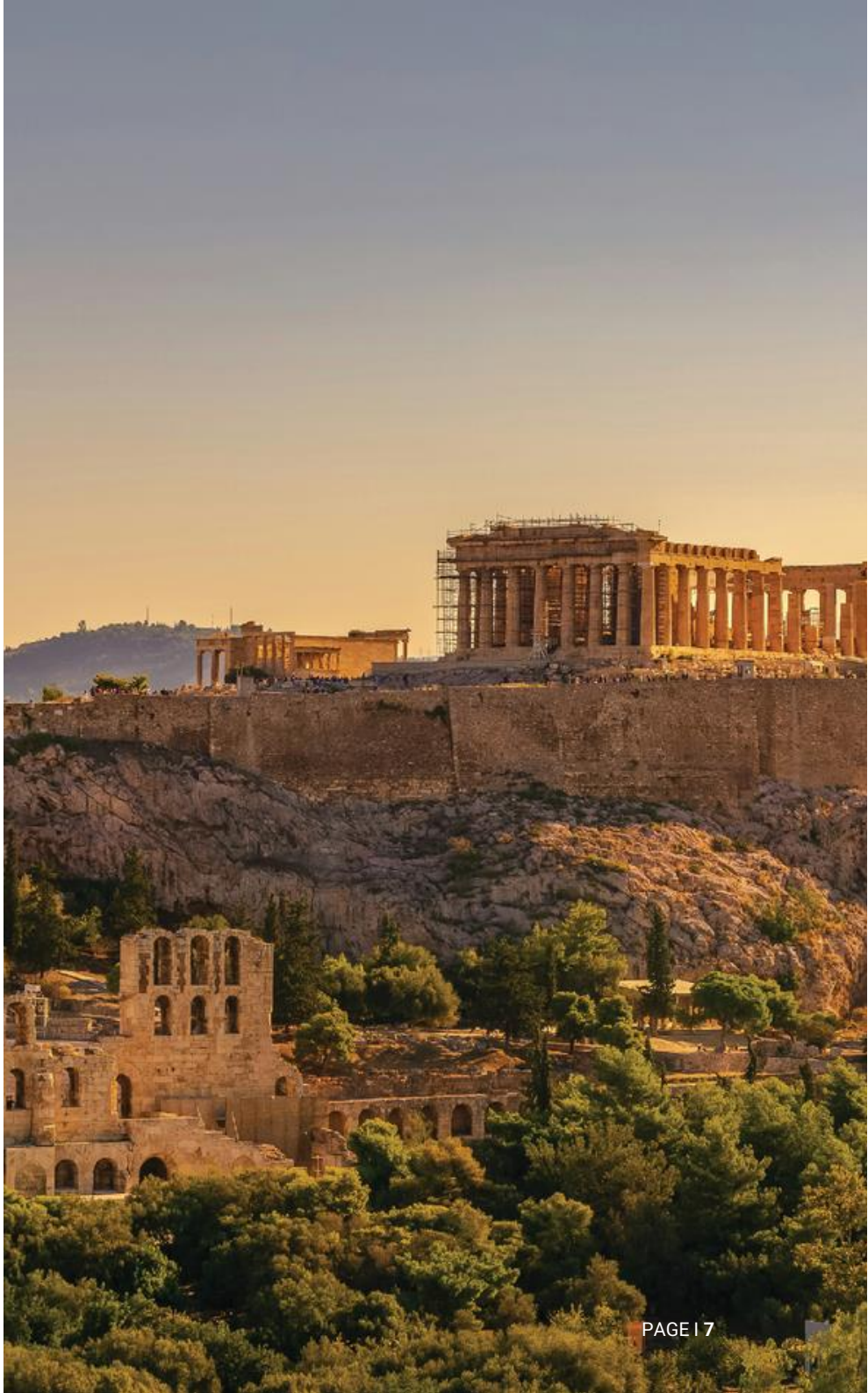
2. **Market Dynamics**
   Greece has transitioned from being the most expensive wholesale market in Europe (2019) to the 9th cheapest (2025). However, a "Greek paradox" persists where consumer bills remain high due to balancing costs and intra-day volatility.

3. **Trade**
   Greece is a net electricity exporter in 2025. The country's net exports broke the 3TWh barrier in 2025, exceeding the volume of net exports in 2024 by almost 10 times.

4. **Curtailments**
   Managing excess renewable generation is a challenge, with significant RES curtailments recorded in 2025.

5. **Key Players**
   PPC (Public Power Corporation), Mytilineos (Protergia), Motor Oil, Elpedison, Heron.

6. **Future Outlook**
   Focus on offshore wind potential, grid-scale battery storage, and interconnections.



# Romania

A rapidly growing market with strong potential in solar, wind, and a formalized hydrogen strategy. It is considered part of the top tier for deployment volumes in SEE.

1. **Solar**
   PV capacity surged from 1.8 GW (2022) to an estimated 7 GW (2025). The national target of 10 GW by 2030 is considered easily achievable.

2. **Wind**
   A regional leader with over 3 GW of installed capacity, supplying ~12% of national power. A pipeline of 1.5 GW of new projects is underway.

3. **Hydrogen**
   Launched a National Hydrogen Strategy in 2025, targeting 2.1 GW of electrolysis capacity by 2030, requiring 4.2 GW of new renewable energy. The estimated implementation cost is €4.75 billion.

4. **Key Players**
   Significant interest from international and Chinese investors (e.g., Shanghai Electric, China Three Gorges, Sinoma), though they face competition from European developers.

5. **Investment Risks**
   Grid infrastructure saturation, complex permitting (FDI reviews for non-EU investors), land rights issues, and currency (Romanian Lei) fluctuation risks.

6. **Future Outlook**
   Focus on offshore wind potential, grid-scale battery storage, and interconnections.

# Bulgaria

A developing clean energy market with significant growth forecast. It is identified as a key destination for utility-scale solar and wind.

1. **Market Size**
   The "Bulgaria Clean Energy Market" is projected to grow substantially from 2024 to 2031.

2. **Import Dynamics**
   In 2024, Bulgaria's clean energy imports saw a high concentration of supply from Poland, Netherlands, UK, China, and Italy. The market experienced volatility with a sharp decline in import growth rates, suggesting a challenging landscape.

3. **Segments / End-Users**
   The market is segmented into Renewable Energy, Energy Efficiency, Electrification, and Hydrogen.

4. **Future Outlook**
   Opportunities exist in all major clean energy segments, but success will require strategic planning to navigate the volatile supply chain and import dynamics.

# Cyprus

An island market with unique challenges and opportunities, heavily reliant on imports but with a strong push for new energy sources.

1. **New Energy Market**
   The Cyprus new energy market (solar, wind, hydrogen, biomass, geothermal) is forecast to grow through 2031. Solar PV is the dominant technology from the renewable energy sources (even though the country is still relying heavily on fossil fuels).

2. **Import Reliance**
   Key energy import partners include Greece, Germany, China, Italy, and Israel. Import shipment values showed a negative CAGR (-1.5%) from 2020-2024, reflecting a challenging market environment. For the commercial and industrial sector, imports come from Greece, Israel, Saudi Arabia, and Libya.

3. **Segments / End-Users**
   The market is segmented across Residential, Industrial, Commercial, and Power Utilities.

4. **Curtailments**
   Managing excess renewable generation is a challenge, as there are significant RES curtailments (Solar PV energy).

5. **Future Outlook**
   Growth is expected, but the market is adapting to shifts in supplier concentration and recent slowdowns in import activity. Energy storage and interconnections will be vital for future stability.

PAGE I 10

# Moldova

An emerging market undergoing rapid acceleration in renewable energy, driven by energy security needs and EU integration.

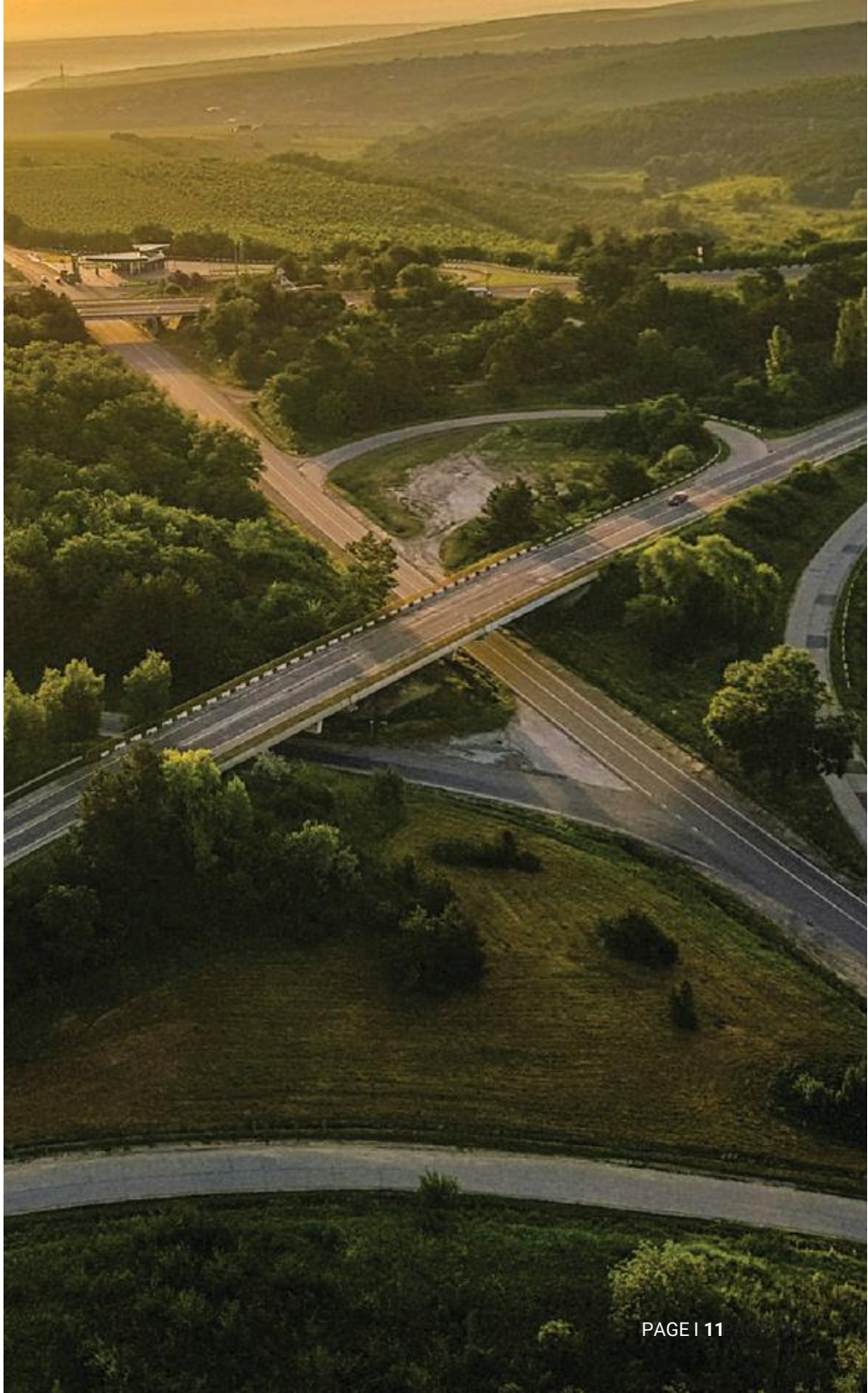
1. **Capacity Growth**
   Total installed renewable capacity reached ~580 MW at the end of 2024. This represents a tripling of capacity since 2022 and an eight-fold increase since 2020.

2. **Share of Renewable Energy Sources**
   Renewables covered 16.72% of gross final electricity consumption in 2024, with a national target of 30% by 2030.

3. **Support Mechanisms**
   The government has launched auctions for 105 MW of PV and 60 MW of wind, with state-backed 15-year fixed-price guarantees to attract private capital.

4. **Infrastructure**
   Key interconnectors (e.g., Vulcănești–Chișinău high-voltage line and the Bălți–Suceava 400 kV line) are under development to integrate with the European grid.

5. **Key Players**
   Premier Energy is a major player with over 25 years of presence, having invested €362 million in grid modernization and owning 28.3 MW of renewable capacity.



# 03

# Cross-Cutting Themes & Sector Deep Dives

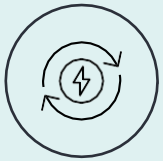
# Investing & Financing

**Investment & Financing**

- The investment landscape in 2025 is characterized by a "qualitative shift" in financing structures. Project finance now routinely combines senior debt, mezzanine tranches, and equity.
- Energy storage is the fastest-growing segment, attracting €1.5–2 billion in South East Europe in 2025.
- Grid upgrades are the second-largest capital sink, with €5–6 billion invested regionally in transmission, interconnectors, and digitalization.
- Industrial Energy Efficiency is an emerging theme, with €1.2–1.6 billion deployed, offering "quasi-infrastructure returns".

**Renewables & Grid Integration**

- The rapid growth of solar and wind is creating system imbalances. In Greece and Cyprus, curtailments remain a "big problem," highlighting the urgent need for storage and grid flexibility.
- The "merit-order effect" (i.e. reduction of wholesale electricity prices caused by the increased supply of renewable energy) is suppressing wholesale prices but not translating to lower retail bills due to balancing costs.



**Hydrogen Economy**

- Romania has the most advanced national strategy in the focus countries, targeting specific consumption in industry and mobility by 2030.
- Regional cooperation is taking shape through the "HI East" corridor (Romania, Bulgaria, Greece), which aims to connect to future supply from North Africa and the Middle East. Estimated hydrogen demand for this corridor is 53 TWh/year by 2030.

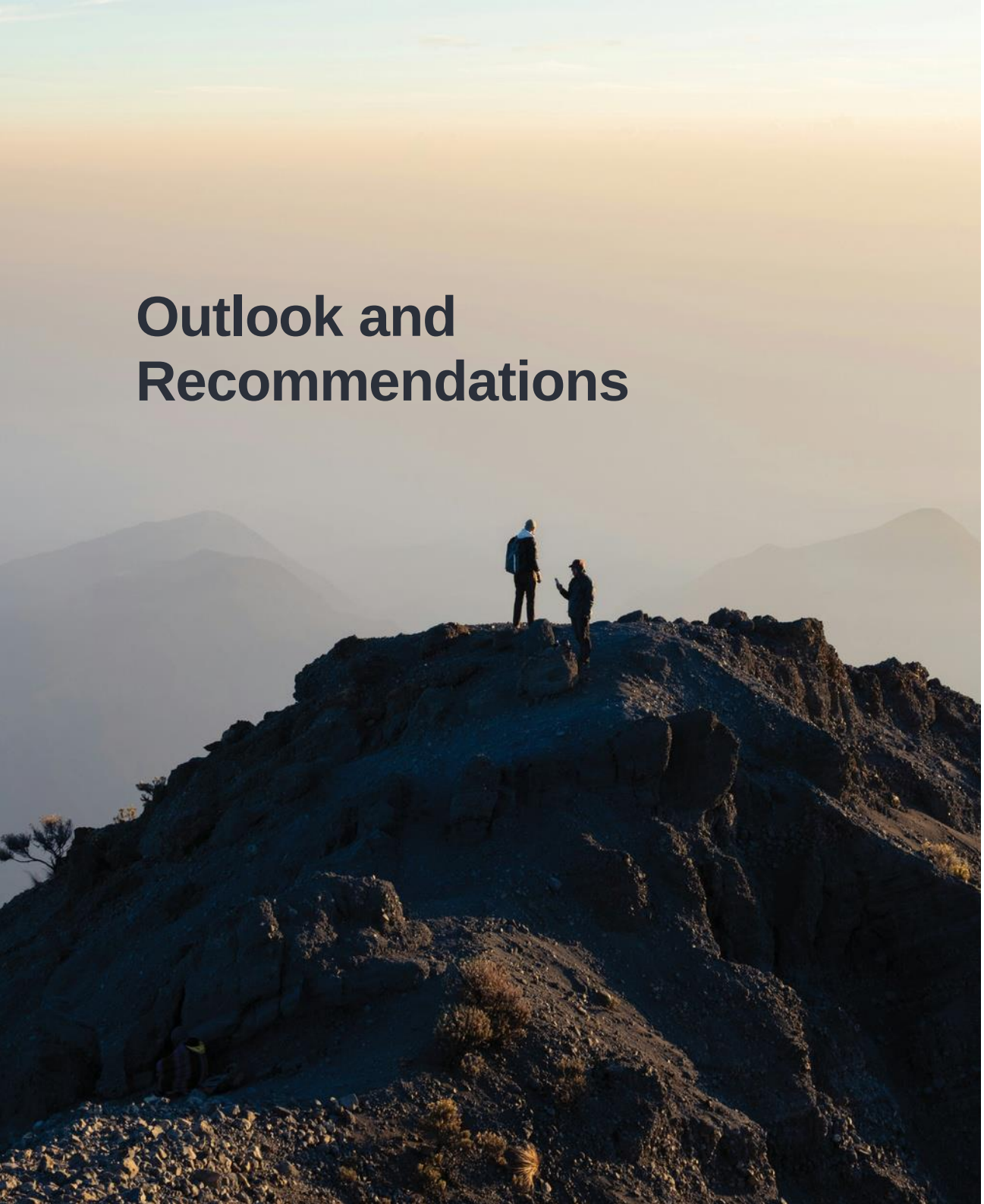
**Natural Gas & Infrastructure**

- Despite the renewable push, natural gas remains a critical part of the mix for some countries. In Greece, gas demand saw a noticeable increase in 2024.
- New LNG terminals and interconnectors are enhancing energy security and enabling regional gas trading, although specific infrastructure data for 2025 was limited in the provided results.

# 04

# Outlook & Recommendations

# Outlook and Recommendations



## 2026-2030 Projections

- The momentum of 2025 is expected to continue, provided that "regulatory execution, grid readiness, and permitting capacity keep pace with investor appetite".
- Romania is poised to exceed its 2030 solar targets, while Moldova will focus on integrating its newly built capacity and meeting its 30% RES target.

## Strategic Recommendations for Stakeholders

- For Investors: Look beyond pure generation. Focus on integrated value chains including storage, grid flexibility, and industrial efficiency. Utilize hybrid revenue models (PPAs + CfDs) to de-risk projects.
- For Policymakers: Prioritize grid modernization and streamlining of permitting processes. Implement regulatory frameworks that allow for revenue stacking in storage to unlock investment.
- For Corporates: Become active energy purchasers. Utilize forward markets for hedging and implement demand-side management to shift consumption to low-price, high-renewable generation hours.

# 05 Sources & Methodology

# Sources & Methodology

## Sources

This report synthesizes data from market research firms (6Wresearch), industry associations (IENE, HAEE), government investment guides (Moldova), consulting groups (NUS Consulting), and EU bodies (European Hydrogen Observatory) as of early 2026.

## Methodology

Data was collected via analysis of 2025 publications and reports. Where direct 2025 data was unavailable, 2024 year-end data and 2025 forecasts were used to establish the market baseline.

PAGE | 17

# Meet our Industry Leader

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**A message from our industry leader**

As we reflect on the state of the ENRI sector across Cyprus, Greece, Romania, Bulgaria, and Moldova in 2025, it is evident that this region has transitioned from a promising frontier to a cornerstone of Europe's energy future. The record €18–22 billion in investment flowing into the market is not just capital; it is a vote of confidence in the resilience and the strategic importance of the region.

The data in this report indicates that we are witnessing a fundamental transformation, driven by the exponential growth of renewables energy sources (particularly solar power). The real differentiator in 2025 and beyond will be how we manage this new energy landscape. The challenge is no longer just about generating clean power, but about storing it, transporting it, and ensuring that the industrial base remains competitive. The emergence of national hydrogen strategies, the race to deploy grid-scale storage, and the modernization of the grids in all countries are expected to be the next actions on the agenda.

The shift towards renewable energy sources provides promising investment opportunities for investors; however, careful planning is needed to mitigate risks and maximize returns. Baker Tilly South East Europe can assist with this, as we have significant expertise in the sector, which is something that provides added value to our current and prospective clients.