Albanian Oil Production

- Albania had an early start in the development of the oil industry.
- The earliest oil discoveries were realised in 1918 at Drashovicë and later in 1928, the Kuçovë and Patos fields were explored.
- Production increased up to 1.5 MTA by 1970 and 1974, it grew further up to 2.2 MTA.
- By 1990, the crude oil production had fallen to about 1.1 MTA. Up to now, it is still declining for several reasons, reaching a minimum in 2001 at 0.3 MTA.
Organisational Structure of the Petroleum Sector

The oil and gas sector in Albania is administratively headed by the newly established Ministry of Industry and Energy (MoIE) and commercially supervised by the Ministry of Economy. Under the MoIE, the National Petroleum Agency (NPA) is the responsible government entity for oil and gas licensing activities in Albania.

Organisational Structure of the Petroleum Sector

The institutions under direct control of the Minister like:
- Scientific Centre for Hydrocarbons (Oil and Gas Institute) in Fier as a scientific unit;
- National Energy Agency (NAE), responsible for the Energy Strategy;
- Institute for Pressurised Vessels and Institute for Product Quality as Inspection Authorities.
Organisational Structure of the Petroleum Sector

The Oil and Gas sector are split up into 3 companies:

- **ALBPETROL**, responsible for exploration and production;

- **ARMO**, responsible for refineries (Ballsh, Fier) as well as fuel wholesale and retail activities (based on indigenous resources);

- **SERVCOM**, supporting Albpetrol in the field of development and drilling affairs.

Dependency on imports
Development of by products Demand (Ktoe) 1995-2015

Total primary energy supply, 1999-2015 (1,000 toe)
**Privatisation of APC**

The Albanian Petroleum Corporation (APC) is the parent to the three companies ALBPETROL (extraction of oil), ARMO (refining and marketing of oil and fuels) and SERVCOM (technical services to the Group and other companies). They are undergoing restructuring with a view to the implementation of the Government policy for the **privatisation** of the petroleum sector.
Market Structure

As a matter of fact, in the Albanian petroleum sector all forms of businesses and technologies can be found, highly professional operation and new technology is going in parallel with small businesses thinking that they cannot afford meeting the regulatory standards and, as a result, are likely to face difficulties to continue operation in future.

Governmental Advisory Institutions

The most important advisory institutions are:

- National Agency of Energy (NAE), having expertise especially in energy policy issues, energy analysis, energy planning and data base development;
- Scientific Centre of Hydrocarbons Research (Oil and Gas Institute, located in Fier), a technical design and research institute for the hydrocarbon sector;
- National Petroleum Agency, responsible for the supervision of exploration and extracting activities;
- Inspectorate for Pressurised Vessels (IPV), technical inspectorate, dealing with safety aspects in handling of pressurised equipment used in the petroleum sector, etc.
- Inspectorate for Control of Oil and Lubricants (ICOL), a technical inspectorate responsible
- Institute of Transport, technical research and planning institute for the Ministry of Transport;
- Energy Regulatory Authority (ERE), officially entrusted with the regulation of the energy sector, but at present mainly concerned the regulatory task for the electricity sector
Alternatives Natural Gas interconnections