

Industry Report Petroleum

2022/23

KEY FACTS AT A GLANCE



AT A GLANCE

THE AUSTRIAN PETROLEUM INDUSTRY

		2022	2021	2020	2019	2018
Member companies, sold production, employees						
Number of association companies		26	26	27	27	28
Sold production	€ mn	10,871	8,529	6,145	9,688	10,170
Total employees		4,221	4,180	4,625	4,402	4,145
Of which blue-collar		833	789	833	828	796
Of which white-collar		3,337	3,328	3,719	3,493	3,261
Of which apprentices		51	63	73	81	88
Production, import, transport						
Domestic oil production (incl. NGL)	tons mn	0.53	0.57	0.61	0.64	0.68
Domestic natural gas production	m ³ n bn	0.61	0.65	0.74	0.89	0.97
Crude oil import	tons mn	5.13	7.64	7.46	8.59	8.31
Natural gas import ¹	m ³ n bn	11.43	4.51	6.13	10.74	7.49
Oil transport ²	tons mn	5.28	7.74	7.48	8.75	8.36
Oil refining ³	tons mn	5.8	8.3	8.7	10.0	9.8
Consumption, products						
Domestic oil consumption ⁴	tons mn	9.73	9.97	9.76	11.46	11.28
Petroleum imports – products ⁴	tons mn	6.99	6.06	6.22	6.64	6.67
Petroleum exports – products ⁴	tons mn	2.17	3.43	3.26	3.33	3.30
Domestic gas consumption (end consumers)	m ³ n bn	7.52	8.51	8.00	8.34	8.03
Filling stations, vehicles						
Number of filling stations ⁵		2,759	2,748	2,733	2,733	2,699
Of which major branded		1,316	1,322	1,352	1,353	1,357
Approved vehicles		7,269,414	7,214,970	7,098,814	6,996,222	6,895,596
Of which cars and station wagons		5,150,890	5,133,836	5,091,827	5,039,548	4,978,852

¹ Physical imports minus physical exports (import-export balance)

² Adria-Vienna pipeline

³ Until 2020 including semi-finished products

⁴ Without petrochemicals or in part without sole biofuels

⁵ Excluding 273 agricultural diesel outlets (2021: 273; 2020: 273; 2019: 286; 2018: 286)

FOREWORD



For the Austrian enterprises of the petroleum industry sector, the past year was certainly characterised by gigantic challenges: After Russia attacked Ukraine, the fuel market reverberated with supply bottlenecks and – consequently – rising prices at the filling stations. The situation was further aggravated in June 2022, when statutory maintenance works led to a mechanical incident that damaged the main column of the crude oil distillery at the OMV refinery of Schwechat.

Due to the resulting repair works, the refinery was reduced to producing at limited capacity for several months. During those difficult times, the companies of the petroleum industry sector managed to smoothly maintain the supply of petroleum products to our customers at the filling stations. Employing large-scale logistic efforts, it was possible to deliver additional fuel to Austria in order to continue supplying our customers. In addition, the mandatory contingency reserve, which is a key tool to ensure supply security in Austria, had to be tapped several times to bridge bottlenecks. The release of reserves (altogether 272,000 tons of diesel, 56,000 tons of petrol and 45,000 tons of semi-finished products) were approved by the steering committee of the Austrian National Council.

At this point I wish to explicitly thank the political decision-makers in Austria who, through their rapid action, have made a crucial contribution to our endeavours to supply the Austrian fuel market. Together, we were able to overcome these problems.

Next to fighting these extraordinary challenges, the sector has continued to intensify its ambitions with regard to climate protection.

A vital milestone that we could achieve was the successful introduction of E10 in Austria in the course of 2023. By transitioning to this fuel mixture we have made a major contribution to reducing CO₂ emissions as well as introduced another building stone for a more sustainable and environmentally friendly future. This success is the result of the committed cooperation by all involved parties in our sector, and we are confident that we will continue on this path towards even greater progress.

We are fully aware of the challenges posed by climate change and the urgent need to discover sustainable solutions and adapt our activities to the targets of the Paris Agreement and the provisions of the European Union's Green Deal. In 2022 and 2023 we have taken further crucial steps to reduce our CO₂ emissions, develop renewable energy carriers and optimise our processes and infrastructures to become more environmentally friendly. These endeavours are a sign of our commitment for a sustainable future and mirror our wish to undertake responsibility vis-à-vis the next generations.

The sectoral report sums up our joint achievements and provides a starting point for future challenges. I am convinced that the petroleum industry is capable of further advancing our sector and providing the impetus for innovations and pioneering technologies, with the aim to jointly continue our path towards a more sustainable and safer future.

I would like to take this opportunity to thank you all for your trust, support and cooperation. It is our common passion and determination that drive us and that have made us a strong and influential voice in our sector.

Martijn Arjen van Koten

Chairman of APIA

OUR TASKS



Hedwig Doloszeski, Managing Director

The Austrian Petroleum Industry Association (APIA) is the Austria-wide association of petroleum-based industries organised within the Austrian Economic Chamber, interacting in its capacity of statutory interest group between the industry and the public. Its members are companies that operate upstream (exploration and production of crude oil), midstream (transport in pipelines and storage) and downstream (processing at their own or associated refineries and sale of petroleum products).

CORE ISSUES RANGING FROM THE ENVIRONMENT TO SOCIAL POLICY

In the year under review, the focus of our work was primarily on supply security in the petroleum industry, due to the sanctions against Russia and a partial outage at the Schwechat refinery. In spite of these critical challenges, supply to the affected markets could be ensured at all times. Otherwise, the sector was criticised from all sides due to the high fuel prices. The Federal Competition Authority and the Commission on Prices investigated the situation but found no signs of market abuse or unusual price increases.

In spite of the energy crisis, the petroleum industry perceives itself as a pivotal driver of solutions for the future of energy supply and a reliable partner in implementing the energy turnaround. Our goal is to cope with the challenges of ensuring uninterrupted supply, competitiveness, sustainability and affordability. To manage this, it is necessary to

have a clear statutory framework, to which the APIA contributes through advisory opinions furnished to ministries and other government bodies within the industry-specific review of EU directives and national bills and draft ordinances.

The APIA covers industry-relevant issues regarding environment and energy – such as energy efficiency, climate strategy, emissions trading, regulations regarding (biomass) fuels, standards, waste water and garbage disposal and REACH, as well as taxation, commercial law and social policy issues, within its working groups in coordination with its member companies and other experts.

Industry-specific information and reports on general business issues are passed on to its members after they are harmonised with the relevant departments of the Austrian Economic Chamber.

COLLECTIVE BARGAINING, COOPERATION AND MONITORING

Each January, the Association on behalf of employers negotiates a new collective bargaining agreement with the Union of Private Sector Employees, Journalism and Paper (GPA) and the Production Workers Union PRO-GE for about 4,200 employees in the petroleum industry, which usually enters into force in early February.

The APIA office organises working group meetings, closely cooperates with other organisations in the field and provides assistance to *Österreichische Gesellschaft für Energiewissenschaften* (Austrian Society for Energy Sciences; ÖGEW), the main office of *Grubenrettungs- und Gasschutzwesen GmbH* (mine rescue and gas protection services) and the sectoral committee for SCC (Safety Certificate Contractors).

Next to legally representing its members' interest, one of the Association's priority responsibilities is the weekly poll of petrol station prices which is neutrally assessed by the APIA office and passed on to the EU Commission for an EU-wide comparison. Once a year, the APIA produces statistics on petrol stations, which reflect the number of petrol stations broken down by brands and Austrian Länder (states).

The Association perceives itself and its PR work as the mouthpiece of the petroleum industry. Press releases, newsletters, a new LinkedIn link and fact sheets on the petroleum market in Austria are typical examples of its work. In a similar vein, the APIA's annual report enables readers to track the development of the Austrian petroleum industry across many years.

BODIES OF THE INDUSTRY ASSOCIATION

OFFICIALS & EMPLOYEES

The Association Committee decides on the targets and strategies and is responsible for deciding on budgets and financial statements. Its members are appointed for a term of five years in the course of the elections for the Austrian Economic Chamber. The last election was held in 2020.

APIA ASSOCIATION COMMITTEE

Chairman

Martijn Arjen van Koten
Board Director Fuels & Feedstock
OMV Aktiengesellschaft

Deputy

Melanie Milchram-Pinter
Managing Director
BP Austria branch, BP Europa SE

Members

Ernst Burgschwaiger
Authorised signatory ONEO GmbH

Marco Damonte
Managing Director Eni Austria GmbH

Heimo Heinzle
Managing Director
RED Drilling & Services GmbH

Rainer Klöpfer
Chairman of the Management Board
Shell Austria GmbH

Michael Längle
Company representative
REP GmbH (formerly: RAG Exploration & Production GmbH)

Alessio Lilli
Managing Director
Transalpine Ölleitung
in Österreich Ges.m.b.H.

Nina Marczell
Authorised signatory
OMV Downstream GmbH

Markus Mitteregger
General Director RAG Austria AG

Christina Reichart
Authorised signatory
OMV Solutions GmbH

Wilhelm Sackmaier
Managing Director OMV Austria
Exploration & Produktion GmbH

Armin Springer
Managing director under commercial law
Eni Marketing Austria GmbH

Alfred Stern
General Director
OMV Aktiengesellschaft

Stefan Tomann
Managing Director
Erdöl-Lagengesellschaft m.b.H.

Hannes Wartbichler
Managing Director
JET Tankstellen Austria GmbH

Co-opted members

Martin Hussler
Managing Director
MOL Austria Handels GmbH

Peter Pirkner
Authorised signatory
OMV Aktiengesellschaft

APIA OFFICE

Hedwig Doloszeski
Managing Director

Susanne Gfatter
HSSE, SCC

Reinhard Thayer
Environment and energy

Gabriela Eder
APIA and SCC secretariats

Alessandra Fabro
APIA secretariat, statistics

Sabine Ravasz
ÖGEW secretariat

WE ENERGISE AUSTRIA

THE PETROLEUM INDUSTRY

The companies of the Austrian petroleum industry ensure individual mobility, thereby contributing substantially to value creation and tax revenues. Moreover, the industry creates jobs and offers future-proof training opportunities for the young.

In 2022, Austria's petroleum industry generated an annual turnover of about € 10,87 billion from producing, processing and selling petroleum and its products, substantially more than in the previous year (+27.4%; 2021: € 8.53 billion) due to the exploding price increases for fossil energy and a high inflation rate. The industry is closely interconnected in extensive networks which trigger massive consumption and investment effects both directly and indirectly. It is, furthermore, a major employer, giving employment to about 11,000, including its petrol station partners (excluding energy trading).

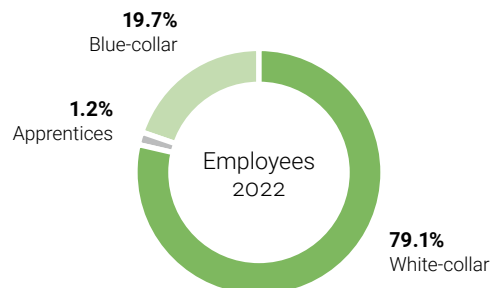
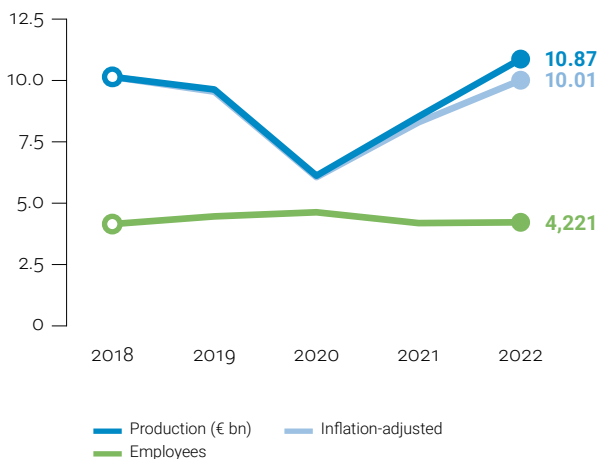
The petroleum businesses ensure sustainable supply security for all of Austria, year-round and 24 hours a day. In addition to supplying urban areas they cover peripheral places which require managing long transport routes and extensive storage capacities. The petrol stations sell much more than just fuels – they have turned themselves into regional service centres that offer a large range of products and services.

In the reporting year, domestic crude production delivered about 9% of the refinery's processing volume. Despite their relatively small share of the overall production, the local petroleum companies rank among the top European players, due to their excellent technological performance in exploration and production. In 2022, Schwechat's output was just 5.8 million tons (compared to 8.3 million tons in the previous year), due to a four-month partial outage, covering about 54% (2021: 71%) of the domestic consumption of petroleum products. The Schwechat refinery doubles as a major petrochemical location.

Supply security is the top issue of tomorrow's energy market, and is accorded even more importance given the global situation in the year under review. The petroleum industry has a dense Austria-wide network of storage tanks for petroleum products and natural gas at its disposal, thereby ensuring that seasonal variations and temporary supply shortages can be compensated.

Sold production and employees

APIA-associated companies



TRANSFORMATION OF ENERGY SYSTEMS

Over the past decades, the European energy industry has undergone a large-scale transformation towards renewable energy systems. Key issues are energy efficiency, reduction of greenhouse gas emissions and the use of regenerative energy sources. Notable progress and growth have been achieved in the field of renewables. Nevertheless, in the medium term their contribution to the primary energy mix will remain below that of fossil energy sources.

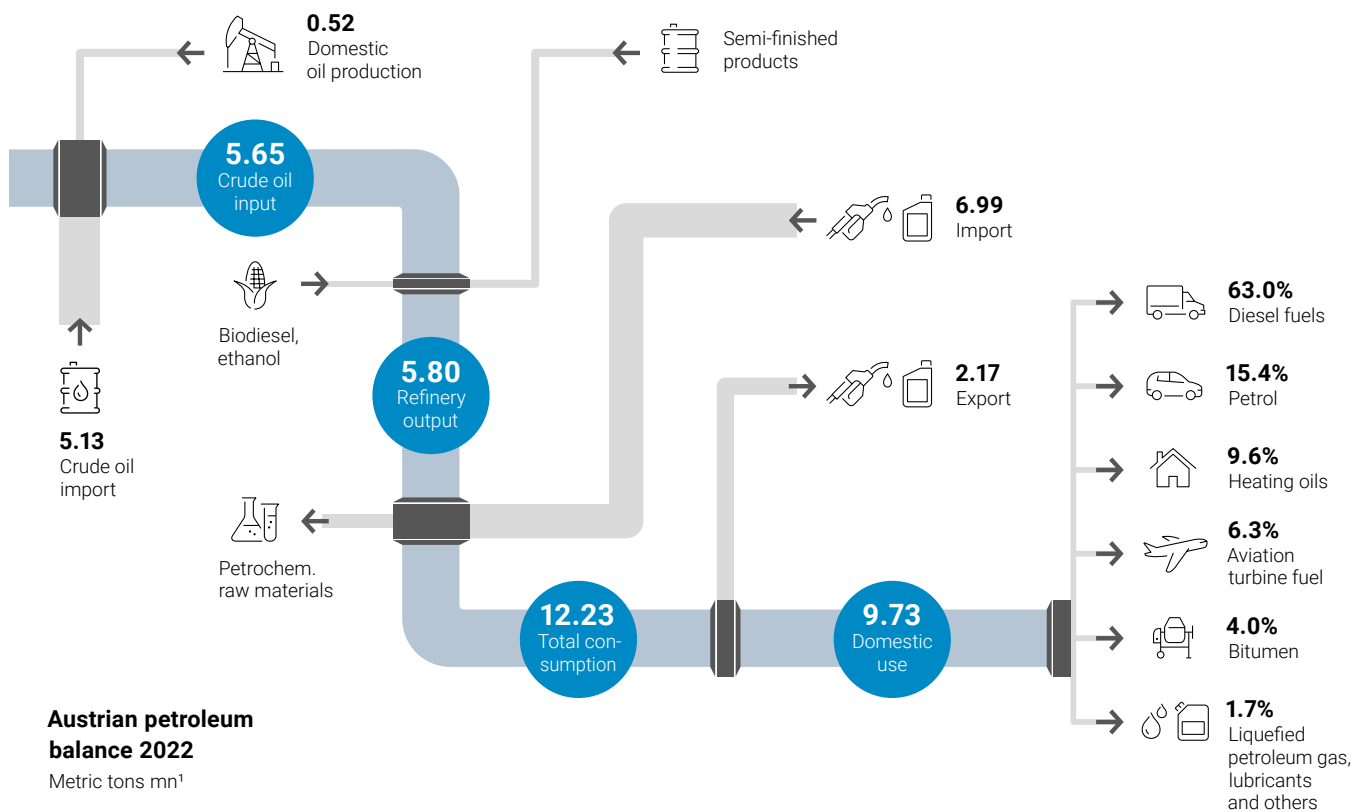
Fossil fuels, and especially natural gas and coal, will continue to be the main primary energy sources over the next decades. Still, North America and Europe, and particularly Germany after its exit from nuclear energy, experience a strong expansion of renewables, whereas coal will for the foreseeable future remain the central energy source in newly industrialised countries such as India and the Southeast Asian countries.

In this debate, central issues are energy efficiency, climate-friendliness and cost. The share of fossil fuels used to heat human dwellings is declining, and people are changing their mobility habits. As a result, demand for fossils is shrinking in many European countries while the importance of electricity as an energy source is soaring.

The petroleum industry is increasingly affected by large-scale transformation processes. Over the next years, wind power and solar energy will inexorably gain momentum. Similarly, grid stability, volatile availability of renewables and a spread of small decentralised energy systems will pose new challenges to the sector.

Electric mobility, hydrogen, biofuels and e-fuels, as well as geothermal energy, carbon capture, use and storage (CCU/CCS), innovative storage technologies, growing awareness of climate protection and more stringent climate targets, coupled with state-of-the-art measures to improve efficiency – they all combine to change the market environment. Furthermore, declining production costs will make the generation of alternative energy a more attractive proposition, propelling a pervasive transformation process away from traditional energy generation.

Fossil fuels will continue to be the mainstay in the emerging countries for a long time to come. In Europe, however, the ongoing change towards more renewables as a component of the energy mix will intensify, a trend that will be reflected in North America and, weaker and with a time gap, also in China and the Far East.



¹ Simplified chart; rounding errors from delimitation differences, double counts, release of contingency reserves and refinery consumption

**AUSTRIAN PETROLEUM
INDUSTRY ASSOCIATION (APIA)**

Wiedner Hauptstrasse 63
1045 Vienna, Austria

P +43 5 90900-4892
office@oil-gas.at

www.oil-gas.at



istockphoto / kontrast-fotodesign



www.oil-gas.at