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Introduction

The European Lubricants market is a substantial part of the global lubricants market.

Having market statistics is a vital part of understanding the evolution of this key industry. This information provides a baseline for policy makers, and market participants. EuropaLub was started as a project 25 years ago to fill the gap in the provision of European-wide statistics. After a pause following Jean-Claude Dufour's retirement in 2012, UEIL has supported the re-establishment of an information service.

Only a limited number of European countries collect lubricants market data. In a broad range of markets - eg: the UK, Netherlands and Belgium - there is no such requirement. This data is not maintained on a consistent basis and some organisations decline to share their figures with the national trade associations.

To address this problem EuropaLub retained a top statistical economic service, AIEE, to assist in preparing figures for markets where figures are not available via national sources. Building on the data provided by our core members, (Austria, France, Germany, Italy, Poland, Switzerland) and taking into account a variety of key factors AIEE has developed the best algorithm that could be devised for each market at this time.

In re-launching EuropaLub, we have been dependent on the core funding from our members and UEIL. To bring the project to this stage we have relied on the efforts of the Steering Group, (Francois Guegan, Nuno Loureiro, Rita Pistacchio, Marcin Sponder), those members who have provided local market commentaries, AIEE (Dr. Francesco Marghella and Prof. Carlo Andrea Bollino), Blaser Lubricants, UEIL, Interel, and our editors, supported by Lube Magazine, Suzy Jarman and Carol Noxon.

It has been a pleasure to experience such pan-European co-operation. Thank you all for your efforts.

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EuropaLub President

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UEIL President

EuropaLub is genuine European co-operative effort. Each of our members has contributed.





Market Commentary

Market Summary - Volume

The core 13 European Lubricant markets have fallen on average by 21% since 2004. Volumes for the key group of markets fell from 4.93 million tons in 2004 to 3.9m in 2014. This is despite an increase in population from 415 to 431 million people and GDP growth. Overall consumption per capita has reduced by 24%.

Given that these countries account for close to 85% of the European market of the total market for 30 countries is estimated to have fallen from 5.9m to 4.6m tons.

These summaries obscure several key stories:

- 2004 – prior to the financial crisis
- Post financial crisis
- German market performance

From 2004 to 2008, prior to the impact of the financial crisis, European GDP grew strongly by 9% supported by low interest rates for the peripheral countries and the impact of the development of emerging Eastern markets.

Only in 2014 did the region regain the same level of GDP. Even during this early period lubricant demand slipped behind GDP growth. Average demand (excluding Germany) slid by 2-3% per year.

Despite a 2% fall in population, the German market has outperformed across the period reflecting the success of the German industrial base, prior to 2007 and post 2010. From 2004-2007, lubricants demand in Germany bucked the general European trend and grew at slightly over 1% pa so that at the end of 2007, lubricants demand was up 7%; Only to fall by over 20% the following year, as the Capital goods cycle ended and the financial crisis impacted markets.

Post crisis, the German market has recovered sharply. By the end of 2014 it had stabilised and, unlike other territories, recovered to the 2004 level. Remarkably per capita consumption has actually risen over the period. Across the rest of Europe the pattern of recovery has been very different. Population has risen by 5.4% but the Core Lubricants markets are 27% down on the 2004 figure. In contrast to Germany, the per capita consumption is down 31%.