

THE ENERGETIC TRANSITION OF SNP

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Abstract : The paper "THE ENERGETIC TRANSITION OF SNP" synthesizes the green strategies that the company must apply, according to the European Green Pact, in order to avoid the expansion of environmental pollution.

Regarding strategic strategies and objectives, the paper will focus on presenting strategic directions such as the approach of the sulphur dioxide emission reduction strategy and the digital transformation strategy. As for the environmental policy, it follows the principles of precaution, prevention and correction of pollution at source and on the principle „the polluter pays”.

Also, within the paper we will analyse some graphs and statistics on the financial performance of OMV PETROM, highlighting the success that the company has in recent years precisely due to green investments!

Key words : green energy, energy transition, green investments, sustainability,

1. INTRODUCTION

We are at a crucial moment for the transformation of the energy sector, with the ongoing energy crisis highlighting the central role that biomass can play to ensure energy security, at the same time contributing substantially to the EU's climate and carbon neutrality objectives.

OMV PETROM is the largest company on the energy market in Romania, listed on the Bucharest Stock Exchange, having as object of activity the oil and gas industry. Performs activities in various areas such as exploration, production, marketing, refining and petrochemicals.

The transformation for a low-carbon future is one of the European green pact strategies that reflect the company's growth plans and its commitment to the energy transition. This strategy will transform OMV PETROM into an integrated, low-carbon energy company.

2. ENERGY TRANSITIONS

2.1 European Environmental Policy:

Energy production and consumption account for more than 75% of EU greenhouse gas emissions. In order to achieve our climate objectives for 2030 and climate neutrality by 2050, it is therefore imperative that we decarbonise the EU's energy system.

The European green agreement focuses on three aspects of the clean energy transition to reduce greenhouse gas emissions and improve our quality of life:

1. Ensuring a secure and affordable energy supply in the EU;
2. Developing a fully integrated, connected and digitised EU energy market;
3. Prioritising energy efficiency, improving the overall energy performance of our buildings and developing an energy sector predominantly based on renewable energy sources.

Romania will receive over 16 million euros from the EU for two developed projects: 432 charging stations for electric cars.

2.2 Environmental strategies of OMV PETROM :

The OMV PETROM project will be subsidised by 15 million euros and aims to introduce 408 recharging points of 150 kW in 98 existing locations dedicated to light commercial vehicles. Each recharging station will be equipped with a network connection of at least 600 kV.

Until the year 2030, OMV PETROM aims to have a significant impact on the transition to a lower carbon business and will reduce the intensity of emissions in all business segments.

The strategy of economic growth regarding environmental degradation is achieved by promoting eco-efficiency and interpreting high standards of environmental protection as a challenge to innovation, creating new markets and business opportunities.

The strategy on waste from the oil industry that cannot be stored indefinitely requires OMV to be based on the best available technologies.

3. EVOLUTION OF THE ENERGY MARKET IN ROMANIA

3.1 Evolution on the market of OMV PETROM

In Figure 1 we observe the evolution of expenses and revenues recorded by OMV PETROM in the period 2018-2022, according to the data published on the company's website [1], but also of the Bucharest Stock Exchange, as well, where the company is listed.



Figure 1 Evolution of expenditure and revenue [1]

On the chart we see an accelerated growth of both indicators starting with 2020, the value of the revenues increasing from 18544 millions RON (in 2020) to 66230 millions RON (in 2022), and the amount of expenses increased exponentially from 17040 millions RON (in 2020, 1 Euro= 4.778 RON) to 54303 millions RON (in 2022, 1 Euro= 4.93 RON).

In Figure 2 we observe the evolution of profit and turnover, the main indicators of the performance of financial profitability, recorded in the period 2018-2022 at OMV PETROM [2], [3], [4].



Figure 2 Evolution of Turnover and Profit [2]

Thus, in the light of the above graph, we observe a stability of the profit values between 2018 and 2021 and an exponential growth from 2021 to the end of the analysed period (from 2658 millions RON in 2021(1 Euro= 4.92 RON) to 10287 millions RON in 2022)[5], [6], [7]. The same thing (growth) we notice in the case of turnover, only here, only, there was a decrease between 2019 and 2020 (most likely due to the outbreak of the pandemic) followed by an increase in the following year (2021), the recorded value being superior to that of 2019 (from 19793 millions RON in 2019 at 23586 millions RON in 2021), and at the end of the analysed period followed an exponential growth of CA, similar in percentage to that of profit (the turnover value reaching 55939 millions RON in 2022).

Despite the decrease in the number of employees observed in Figure 3, SA OMV PETROM recorded an increase in labour productivity during the same analysis period (2018-2022) [8], [9].



Figure 3 Evolution of the number of workers at OMV PETROM [1]

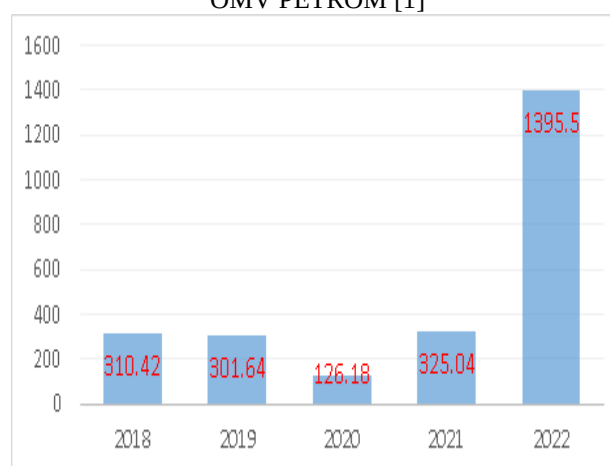


Figure 4 Productivity Evolution at OMV PETROM [6]

In Figure 4, however, we see a drop in productivity between 2018 and 2020, followed by not very significant growth in 2021, most likely due to the pandemic you throw when employees worked more online and that proved statistically more productive for the company, he said, so the OMV continued the restructuring until the end of the period so in 2022 the increase in labour productivity was exponential, but throughout this period the company continued to invest massively and this fact helps to the values recorded statistics of the above-mentioned performance indicator [6], [7], [9], [10].

3.2 Green investments of OMV PETROM

OMV PETROM approved the „Romania Efficient” program that promotes energy efficiency at national level through public information campaigns. The project has two major dimensions: on the one hand, there is the part of information, education and public awareness, and on the other hand, the execution of renovation works. [6], [9]

With a contribution of 5.7 million Euros, the “Romania planting program for tomorrow” is the largest privately funded planting initiative in Romania. Over 2,000,000 seedlings were planted on 450 hectares in the period 2020-2023.

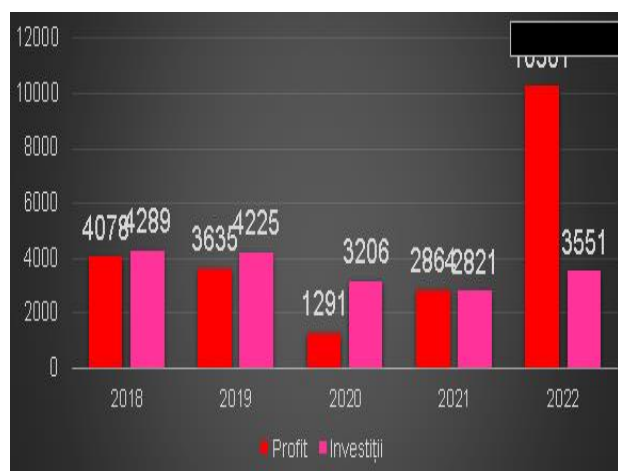


Figure 5 Profit-investment relationship [1]

In Figure 5 we can see the relationship between the investments made by OMV PETROM in the period 2018-2022 and the profit recorded in the same period [4], [5]. Following the chart above, we can see the value of investments superior to that of profit in the period 2018-2020, while starting with 2021, the profit exceeds the investment so we can say that the investment effect is a significant one given the value of the profit recorded at the end of the period analysed, we can say that, which is superior to investment (10301 millions RON - profit versus 3551 millions RON - the investment).

4. CONCLUSIONS

OMV PETROM, in order to remain a market leader, must analyse the expectations of its customers, the way in which its own performance and the degree of customer satisfaction are perceived.

OMV PETROM should continue to invest in the development and implementation of cleaner and more efficient technologies.

The company could work with non-governmental organisations and local communities to identify environmental issues and develop appropriate solutions.

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