

ENERGY COUNTRY REVIEW

Slovakia

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Country Review Slovakia

The Slovak Republic, along with the Czech Republic, formed Czechoslovakia in 1918. After the Velvet Revolution in 1989 overthrew the communist regime, Slovakia was created in 1993. Since dissolution its economy has expanded, especially after entry into the European Union in 2004. It adopted the Euro in 2009.

Slovakia is land-locked and produces small amounts of oil and gas from several fields lying in an extension of the Vienna basin of Austria. Investment in recent years has increased oil output significantly, albeit from very low levels, but production is unlikely to expand very much in the future.

The Slovak Republic does not have significant natural reserves of crude oil, with production averaging less than 500 barrels per day. Producing fields are located in the west of the country, in the Gbely area of the Vienna basin. Crude production is expected to continuously decline in the coming years, potentially ceasing after 2017. Total indigenous production, including additives and other hydrocarbons, averaged nearly 10 thousand barrels per day (kb/d), or 492 thousand tonnes, in 2010.

Nafta s.a. operates domestic crude oil production. Nafta is also involved in natural gas production and the building and operating of underground gas storage facilities. Two companies, Transpetrol and Slovnaft, operate the bulk of the oil market infrastructure of the Slovak Republic. Transpetrol is the sole operator of the crude pipeline network in the Slovak Republic, and its operations also include crude storage for both its commercial customers and the Administration of the State Material Reserves (ASMR). The company is once again fully state-owned, after the state's re-purchasing of the remaining 49% of the company shares in March 2009.

Slovnaft, a member of the MOL group of Hungary, operates the country's refinery and product pipeline network. Its operations also include petrochemical processing and

Country Key Facts

Official name:	The Slovak Republic
Capital:	Bratislava
Population:	5 432 265 (2016)
Area:	49,035 square kilometers (18,932 square miles)
Form of government:	Parliamentary Republic
Language:	Slovak
Religions:	Roman Catholic, Athiest, Protestant
Currency:	Euro
Calling code:	+421

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product storage as well as wholesale and retail distribution and product exports. It holds a dominant position on the domestic market, supplying nearly two-thirds of all transport fuels distributed in the country, one-third of this amount via its own network of 209 petrol stations in the country. The other main oil companies operating on the Slovak retail and wholesale oil market include Eni Slovensko, Jurki Hayton, Lukoil Slovakia, MOL-Slovensko, OMV Slovensko, Shell Slovakia, Unipetrol Slovensko, and Tesco stores.

The Slovak Association of Petroleum Industry and Trade (SAPPO) represents all of the main companies operating on the Slovak retail and wholesale oil market. Roughly 500 of the nation's 700 petrol stations are operated by members of SAPPO, which collectively represent over 80% of all oil products sold on the Slovak market.

Oil & Gas History

The first ever well was drilled on 28 October 1913 and at 163-168 meters, a reservoir of rare heavy crude oil was found. After successful pumping tests, the Austrian – Hungarian Empire started to produce oil commercially on 13 January 1914. This date is generally considered to be the beginnings of the oil industry in the Slovak territory.

As oil was very precious during the war and its price was continuously rising, 56 successful wells were drilled in Gbely in the following 4 years with an aim to increase production. Thanks to successful exploration, the volume of produced oil increased from 1,631 tons in 1914 to 9,146 tons in 1927. As a result of successful prospecting and intensive opening of new fields during the 50s of the 20th century, the production increased to 60 thousand tons of oil per year.

From the beginning of the 50s, processing of natural gas started, which was considered only a by-product of oil production by then. At that time, in addition to lighting train wagons and its usage in chemistry, it began to be used for household heating. Production of natural gas peaked between 1958 to 1962, when 1.1 - 1.3 bcm was produced annually, until the beginning of the 70s, when 900 - 700 mcm of natural gas was produced annually.

Over 100 years of the development in the Slovak territory, reservoirs with more than 25 bcm of geological stock of natural gas, 3.7 million tons of oil and nearly 0.4 tons of gasoline were found.

So far, approximately 2 860 wells have been drilled in the Vienna Basin and approximately 340 wells in the East Slovakian Basin by NAFTA (including original NAFTA group predecessors).

Source: NAFTA, Global Shift

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Slovak Gas and Oil Association

Slovak Gas and Oil Association (SGOA) is an independent association of companies and experts active in gas and oil sectors, registered with the Slovak Ministry of Interior.

The Association has been established in 1993 through the transformation of the Czechoslovak Gas and Oil Association, which has split up into two independent legal entities. As a successor of traditions and legacy established in 1919 by Czech and Slovak gas operators, in 30.09.1993 SGOA became a regular member of the International Gas Union.

SGOA represents its members in the following forums:

- technical
- economic
- legislative
- legal

SGOA represents renowned companies, which operate on the Slovak territory, and that are active in the gas sector, involved in the industrial and communal use of natural gas in Slovakia, as well as in research, conceptualising, design, construction, and operation of installations for the following operations:

- production and processing of gas
- underground storage of gas
- purchase and sale of gas
- transit transmission of gas
- gas distribution

Slovenský plynárenský a naftový zväz

(Slovak Gas and Oil Association)

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