Denmark

***Lars Gladov**, Business Development Manager, AVISTA OIL*

The Danish lubricants market is undergoing significant transformation, driven by stricter CO_2 regulations, sustainability targets, and an increasing demand for circular economy solutions. While global oil majors still dominate in terms of volume, sustainable alternatives are gaining ground, particularly among companies strategically committed to CO_2 reduction and ESG compliance. This report analyses market trends, key players, product segmentation, and competitive dynamics shaping the Danish lubricant industry.

Market Overview

The Danish lubricant market is characterised by intense competition between global oil majors, price-driven suppliers, sustainability-oriented producers, and a growing number of smaller brands seeking to establish themselves.

Global players (Shell, TotalEnergies, ExxonMobil, BP/Castrol)

These companies dominate the automotive, industrial, and marine segments, offering OEM-approved synthetic lubricants and maintaining strong market positions in high-performance oils. BP/Castrol, part of the BP Group, provides a wide range of high-quality lubricants, while ExxonMobil's Mobil 1 series of PAO-based synthetic oils is a leader in longevity, temperature stability, and energy efficiency.

Price-driven & niche suppliers (Fuchs, Q8, Gulf, OK)

These brands either focus on specialised lubricants (Fuchs, Q8, Gulf) or cost-optimised solutions (OK). OK plays a dual role in the market by distributing ExxonMobil products for the premium segment while also offering its own OK-branded lubricants, targeting price-sensitive customers.

Smaller producers & new brands

The market sees a constant influx of small-scale producers, launching low-cost brands as their primary competitive strategy. While these brands often struggle to gain long-term market share due to quality concerns, customers frequently use them as leverage to negotiate lower prices from their established suppliers.

Sustainability-focused producers (AVISTA OIL)

AVISTA OIL is one of the few Danish producers offering CO_2-certified lubricants. Through an advanced re-refining process, AVISTA reduces CO_2 emissions by up to 1,530 kg per ton compared to conventional base oil production, making it an attractive option for companies with ambitious ESG targets.

Market segmentation by lubricant Type

The Danish lubricant industry is divided into key segments:

Automotive lubricants (50-55%) – Still dominated by global brands, though fleet operators and transport companies are increasingly choosing CO_2-reducing alternatives.

Industrial lubricants (30-35%) – Hydraulic, gear, and compressor oils are widely used in industrial production, where sustainable alternatives are gaining market share.

Marine & heavy-duty (10-15%) – Stricter environmental regulations are driving demand for low-emission lubricants.

Agricultural lubricants – Agriculture accounts for over 60% of Denmark's land use and is a major sector for lubricants, where sustainability and longevity make eco-friendly solutions increasingly relevant.

Sustainability and the Growth of CO_2-Certified Lubricants – Denmark is one of Europe's most progressive markets in terms of sustainability. The EU Green Deal, CO_2 reporting, and circular economy requirements are forcing companies to rethink their lubricant choices.

Companies are increasingly opting for lubricants with proven CO_2 savings, making CO_2-certified products like those from AVISTA OIL more attractive. AVISTA's process ensures:

- Up to 1,530 kg lower CO_2 emissions per ton compared to conventional base oils
- Certified CO_2 reduction certificates for customers
- ESG-compliant solutions for transport, industry, and agriculture

At the same time, total cost of ownership (TCO) is becoming a key purchasing factor, as long-lasting, energy-efficient lubricants help reduce both consumption and waste.

Challenges and market dynamics: sustainability vs. price sensitivity
While sustainability is gaining traction, some customers still prioritise the lowest unit price over TCO.

Low-cost brands as negotiation tools
Many customers leverage smaller, price-focused brands as bargaining chips in price negotiations with their primary suppliers.

Regulatory shifts will reshape the market
The EU's CO_2 reduction policies will define future procurement strategies, putting pressure on suppliers that fail to prioritise sustainability.

Future trends

- Sustainability is no longer optional – ESG policies and CO_2 reporting will drive demand for low-emission lubricants.
- AVISTA OIL leads the transition with CO_2-certified solutions, but other players are increasingly incorporating sustainability into their portfolios.
- Long-lasting, energy-efficient lubricants will become standard, as extended drain intervals help lower both costs and environmental impact.
- Customers are shifting focus from price alone to TCO, making premium and sustainable lubricants more attractive in the long run.

Conclusion
The Danish lubricants market is evolving rapidly, as sustainability, regulations, and TCO concerns shape purchasing decisions.

While global brands continue to dominate in terms of volume, sustainable alternatives are gaining momentum, particularly in sectors facing stricter environmental requirements. Smaller producers will continue to drive price competition, but the most successful players will be those combining high performance, sustainability, and measurable CO_2 reduction.

www.avista-oil.dk