Minimum stocks of crude oil and/or petroleum products

2008/0220(CNS) - 14/09/2009 - Final act

PURPOSE: to impose an obligation on Member States to maintain stocks of crude oil and/or petroleum products.

LEGISLATIVE ACT: Council Directive 2009/119/EC imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products.

CONTENT: the Council adopted a directive requiring member states to maintain minimum stocks of oil or petroleum products. The new Directive - which replaces all existing Community legislation in this field (directives 2006/67/EC and 73/238/EEC and decision 68/416/EEC) - is intended to improve the functioning of the EU's oil stocks mechanisms so as to ensure the availability of oil in the event of a crisis.

The Directive is also intended to align intra-EU rules with International Energy Agency-led action on the release of emergency oil stocks.

The main points dealt with in the proposal are as follows:

Central stockholding entities: this Directive seeks to improve the regulatory framework and various aspects of stockholding practice, for example by encouraging Member States to set up central stockholding entities (CSEs) which shall take the form of a body or service without profit objective and acting in the general interest and shall not be considered to be an economic operator within the meaning of this Directive. The main purpose of the CSE shall be to acquire, maintain and sell oil stocks for the purposes of this Directive or for the purpose of complying with international agreements concerning the maintenance of oil stocks.

Emergency stocks: Member States shall adopt such laws, regulations or administrative provisions as may be appropriate in order to ensure, by **31 December 2012**, that the total oil stocks maintained at all times within the Community for their benefit correspond, at the very least, to **90 days** of average daily net imports or **61 days** of average daily inland consumption. Each Member State that has not made a commitment for the full length of a given calendar year to maintain at least 30 days of specific stocks shall ensure that at least one-third of their stockholding obligation is held in the form of products composed.

Specific stocks: each Member State may undertake to maintain a minimum level of oil stocks, calculated in terms of number of days of consumption. Specific stocks shall be owned by the Member State or the CSE set up by it and shall be maintained on the territory of the Community.

Availability of stocks: at all times, Member States shall ensure that emergency stocks and specific stocks are available and physically accessible for the purposes of this Directive. They shall establish arrangements for the identification, accounting and control of those stocks so as to allow them to be verified at any time.

Register of emergency stocks: each Member State shall keep a continually updated and detailed register of all emergency stocks held for its benefit which do not constitute specific stocks. That register shall contain, in particular, information needed to pinpoint the depot, refinery or storage facility where the stocks in question are located, as well as the quantities involved, the owner of the stocks and their nature.

Summaries of commercial stocks: Member States shall send the Commission **a monthly statistical summary of the levels of commercial stocks** held within their national territory. The Commission shall publish a monthly statistical summary of the commercial stocks in the Community on the basis of the summaries submitted by the Member States. The rules for submitting and publishing the statistical summaries, as well as for their frequency, may be amended in accordance with the committee procedure.

Reviews of emergency preparedness and stockholding: the Commission may, in coordination with Member States, carry out reviews to verify their emergency preparedness and, if considered appropriate by the Commission, related stockholding.

Biofuels and additives: biofuels and additives shall be taken into account only where they have been blended with the petroleum products concerned.

Coordination Group for oil and petroleum products: a Coordination Group for oil and petroleum products is hereby set up. The Coordination Group is a consultative Group that shall contribute to analysing the situation within the Community with regard to security of supply for oil and petroleum products and facilitate the coordination and implementation of measures in that field. It shall be made up of representatives of the Member States. It shall be chaired by the Commission.

Emergency procedures: Member States shall ensure that they have procedures in place and take such measures as may be necessary, in order to enable their competent authorities to release quickly, effectively and transparently some or all of their emergency stocks and specific stocks in the event of a major supply disruption, and to impose general or specific restrictions on consumption in line with the estimated shortages, inter alia, by allocating petroleum products to certain groups of users on a priority basis. Member States shall at all times have **contingency plans** to be implemented in the event of a major supply disruption and shall provide for organisational measures to be taken to allow those plans to be implemented.

Penalties: Member States shall lay down the rules on penalties applicable to infringements of the national provisions adopted pursuant to this Directive and shall take such measures as may be necessary to ensure that they are applied. Such penalties shall be effective, proportionate and dissuasive.

Review: by 31 December 2015, the Commission shall review the functioning and implementation of this Directive.

ENTRY INTO FORCE: 31/12/2012.

TRANSPOSITION: 31/12/2012. By derogation, Member States that are not members of the IEA by 31 December 2012 and cover their inland consumption of petroleum products fully by imports should transpose this Directive by 31/12/2014.