### Procedure file

Basic information		
CNS - Consultation procedure Directive	1998/0137(CNS)	Procedure completed
Crude oil and products: obligation on Member States to maintain minimum stocks (amend. directive 68/414/EEC)		
Repealed by <u>2004/0004(CNS)</u>		
Subject		
3.60.02 Oil industry, motor fuels		
3.60.10 Security of energy supply		

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	ENER Research, Technological Development and Energy		20/05/1998
	Lifelgy	PPE MOMBAUR Peter Michael	
	Committee for opinion	Rapporteur for opinion	Appointed
	ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	
	RELA External Economic Relations		
Council of the European Union	Council configuration	Meeting	Date
	Agriculture and Fisheries	2151	14/12/1998
	Energy	2132	13/11/1998
	Energy	2092	11/05/1998

Key events			
13/04/1998	Legislative proposal published	COM(1998)0221	Summary
11/05/1998	Debate in Council	2092	
27/05/1998	Committee referral announced in Parliament		
27/10/1998	Vote in committee		Summary
26/10/1998	Committee report tabled for plenary, 1st reading/single reading	A4-0379/1998	
05/11/1998	Decision by Parliament	T4-0634/1998	Summary
14/12/1998	Act adopted by Council after consultation of Parliament		
14/12/1998	End of procedure in Parliament		
31/12/1998	Final act published in Official Journal		

Technical information	
Procedure reference	1998/0137(CNS)

Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
	Repealed by <u>2004/0004(CNS)</u>
Legal basis	EC before Amsterdam E 103A-p1
Stage reached in procedure	Procedure completed
Committee dossier	ENER/4/10169

Documentation gateway				
Legislative proposal	COM(1998)0221 OJ C 160 27.05.1998, p. 0018	14/04/1998	EC	Summary
Economic and Social Committee: opinion, report	CES1142/1998 OJ C 407 28.12.1998, p. 0172	09/09/1998	ESC	
Committee report tabled for plenary, 1st reading/single reading	<u>A4-0379/1998</u> OJ C 359 23.11.1998, p. 0004	27/10/1998	EP	
Text adopted by Parliament, 1st reading/single reading	T4-0634/1998 OJ C 359 23.11.1998, p. 0012-0018	05/11/1998	EP	Summary

Additional information	
European Commission	<u>EUR-Lex</u>

#### Final act

Directive 1998/93

OJ L 358 31.12.1998, p. 0100 Summary

# Crude oil and products: obligation on Member States to maintain minimum stocks (amend. directive 68/414/EEC)

OBJECTIVE: to make improvements to Directive 68/414/EEC imposing an obligation on Member States of the Union to maintain minimum stocks of crude oil and/or petroleum products. SUBSTANCE: the Commission proposes making certain modifications to Directive 68/414/EEC with regard to security of supply for oil. These modifications do not aim to change the fundamentals of the Community stockholding system. Their aim is to improve and adapt the modalities of this system, mainly based on certain common basic stockholding criteria, and to clarify certain issues and simplify provisions where this is possible. The focal point of the proposed improvements is to ensure that security stocks are fully at the disposal of Member States in the event of supply difficulties and that Member States possess the legal and administrative powers to be in control of these stocks in order to draw on them when it is necessary. The proposal also provides the necessary improvements to Community storage arrangements within the internal market, without hindering supply security considerations. As far as the internal market is concerned, the focal point of the proposed modifications is the existence of transparent stockholding arrangements in every Member State in order to strengthen the level playing field in the Union. ?

# Crude oil and products: obligation on Member States to maintain minimum stocks (amend. directive 68/414/EEC)

Council Directive 86/414 requires Member States to maintain stocks of gasolines, middle distillates and fuel oils equivalent to 90 days inland consumption of the preceeding calendar year in order to guarantee continuity of economic activity, to reduce the risk of price speculation and to deter those who might be tempted to create, or speculate on, a supply crisis. Although the EU's security of supplies has increased significantly since the early 1970s, over 2/3 of known oil reserves still lie in potentially unstable regions. At the same time the world wide demand for available energy reserves is increasing. The European Commission notes that several Member States have been unable for several months running to show that they have kept the prescribed stocks. The Commission proposes, on the basis of Article 103a of the Treaty, that the current directive be improved, adjusted and simplified by a new directive. Rapporteur Peter Mombauer (EPP, D) endorses the proposal. No amendments were tabled. The key elements of the proposal: - it is still necessary to maintain stocks of oil on which the Member States can call in case of emergency; - stocks in the Member States should be measured on the basis of each state"s domestic consumption

including aviation fuel; - the proposal to raise from 15 to 25% the proportion of indigenous oil production which may be deducted from domestic production in the calculation of stocks should be endorsed; - to ensure that the stocks are actually available to the Member States in case of difficulties, accounting and control procedures are to be made efficient and penalties provided for those who fail to comply with the statutory stockholding requirement.?

# Crude oil and products: obligation on Member States to maintain minimum stocks (amend. directive 68/414/EEC)

In adopting without debate the report by Mr Peter MOMBAUR (PPE, D), the European Parliament approved the proposal for a Council Directive requiring Member States to maintain a common minimum level of stocks of crude oil and/or petroleum products.?

## Crude oil and products: obligation on Member States to maintain minimum stocks (amend. directive 68/414/EEC)

OBJECTIVE: to make improvements to Directive 68/414/EEC imposing an obligation on Member States of the Union to maintain minimum stocks of crude oil and/or petroleum products. COMMUNITY MEASURE: Council Directive 98/93/EC amending Directive 68/414/EEC. CONTENTS: the main purpose of the improvements is to ensure that security stocks are fully at the disposal of Member States in the event of supply difficulties and that Member States possess the legal and administrative powers to be in control of these stocks in order to draw on them when it is necessary. The Directive also provides the necessary improvements to Community storage arrangements within the internal market, without hindering supply security considerations. As far as the internal market is concerned, the focal point of the proposed modifications is the existence of transparent stockholding arrangements in every Member State in order to strengthen the level playing field in the Union. The Member States may make information on the cost of storage available to interested parties. Other provisions seek to: - allow Member States to delegate all or part of the obligation to a storage body or agency; - authorise Member States to exempt enterprises from the obligation of maintaining stocks for an amount which does not exceed the quantity of products which they manufacture from indigenous crude oil production; - facilitate the setting up of stocks outside the national territory; - encourage recourse to agreements between Member States concerning minimum stocks to be maintained in order to promote the use of storage possibilities in other Member States; - improve administrative supervision of stocks by implementing efficient tools for accounting and controlling stocks; - inform the Council of the state of security stocks in the Community on a regular basis. ENTRY INTO FORCE: 31 December 1998. DEADLINE FOR TRANSPOSITION: 1 January 2000.?