

# Procedure file

Basic information	
CNS - Consultation procedure Directive	2008/0220(CNS)
Minimum stocks of crude oil and/or petroleum products	Procedure completed
Repealing Directive 2006/67/EC	<a href="#">2004/0004(CNS)</a>
Amended by	<a href="#">2016/0375(COD)</a>
Subject	
3.60.02 Oil industry, motor fuels	
3.60.10 Security of energy supply	

Key players			
European Parliament	Committee responsible	Rapporteur	Appointed
	<b>ITRE</b> Industry, Research and Energy		
	Committee for opinion	Rapporteur for opinion	Appointed
	<b>BUDG</b> Budgets	The committee decided not to give an opinion.	
	<b>ECON</b> Economic and Monetary Affairs		17/12/2008
		NI <a href="#">BINEV Slavi</a>	
Council of the European Union	<b>ENVI</b> Environment, Public Health and Food Safety	The committee decided not to give an opinion.	
	<b>TRAN</b> Transport and Tourism	The committee decided not to give an opinion.	
	Council configuration	Meeting	Date
	<a href="#">General Affairs</a>	<a href="#">2960</a>	14/09/2009
	<a href="#">Transport, Telecommunications and Energy</a>	<a href="#">2949</a>	11/06/2009
	<a href="#">Transport, Telecommunications and Energy</a>	<a href="#">2924</a>	19/02/2009
European Commission	Commission DG	Commissioner	
	Energy and Transport	PIEBALGS Andris	

Key events			
13/11/2008	Legislative proposal published	<a href="#">COM(2008)0775</a>	Summary
18/12/2008	Committee referral announced in Parliament		
19/02/2009	Debate in Council	<a href="#">2924</a>	Summary
31/03/2009	Vote in committee		Summary
02/04/2009	Committee report tabled for plenary, 1st reading/single reading	<a href="#">A6-0214/2009</a>	

22/04/2009	Results of vote in Parliament		
22/04/2009	Decision by Parliament	<a href="#">T6-0226/2009</a>	Summary
14/09/2009	Act adopted by Council after consultation of Parliament		
14/09/2009	End of procedure in Parliament		
09/10/2009	Final act published in Official Journal		

### Technical information

Procedure reference	2008/0220(CNS)
Procedure type	CNS - Consultation procedure
Procedure subtype	Legislation
Legislative instrument	Directive
	Repealing Directive 2006/67/EC <a href="#">2004/0004(CNS)</a> Amended by <a href="#">2016/0375(COD)</a>
Legal basis	Treaty on the Functioning of the EU TFEU 194-p2
Stage reached in procedure	Procedure completed
Committee dossier	ITRE/6/69897

### Documentation gateway

Legislative proposal		<a href="#">COM(2008)0775</a>	13/11/2008	EC	Summary
Document attached to the procedure		<a href="#">SEC(2008)2858</a>	13/11/2008	EC	
Document attached to the procedure		<a href="#">SEC(2008)2859</a>	13/11/2008	EC	
Committee draft report		<a href="#">PE418.361</a>	27/01/2009	EP	
Document attached to the procedure		<a href="#">52009XX0606(05)</a> <a href="#">OJ C 128 06.06.2009, p. 0042</a>	03/02/2009	EDPS	Summary
Amendments tabled in committee		<a href="#">PE420.120</a>	23/02/2009	EP	
Committee opinion	<b>ECON</b>	<a href="#">PE418.212</a>	25/03/2009	EP	
Committee report tabled for plenary, 1st reading/single reading		<a href="#">A6-0214/2009</a>	02/04/2009	EP	
Text adopted by Parliament, 1st reading/single reading		<a href="#">T6-0226/2009</a>	22/04/2009	EP	Summary
Economic and Social Committee: opinion, report		<a href="#">CES0870/2009</a>	13/05/2009	ESC	
Commission response to text adopted in plenary		<a href="#">SP(2009)3507</a>	25/06/2009	EC	
Follow-up document		SWD(2017)0438	24/11/2017	EC	
Follow-up document		SWD(2017)0439	24/11/2017	EC	

### Additional information

National parliaments	<a href="#">IPEX</a>
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## Final act

[Directive 2009/119](#)[OJ L 265 09.10.2009, p. 0009](#) Summary

Final legislative act with provisions for delegated acts

## Minimum stocks of crude oil and/or petroleum products

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

**PROPOSED ACT:** Council Directive.

**BACKGROUND:** oil is the most important energy source in the EU and the economy is crucially dependent on its continuous, reliable and affordable supply. In the light of high and increasing import dependence, security of oil supply is particularly important. The EU must be in a position to offset or at least diminish any harmful effects resulting from possible supply disruptions. In recent years the risk of oil supply disruptions has grown for a number of reasons such as successive enlargements, completion of the internal market and decreasing indigenous production are among the factors which call for the revision of the existing EU stock legislation created 40 years ago.

In 2002, the Commission proposed a directive to increase the volume of stocks to be maintained in each Member State to 120 days and to give the EU the possibility to decide how these stocks are used, not only in the event of a physical disruption but also in the event of a perceived risk which would trigger dangerous market volatility. The Commission faced much resistance in the European Parliament and the Council and subsequently decided to withdraw the proposal.

The March 2007 European Council underlined the need to enhance the security of supply for the EU as a whole and for each Member State, inter alia by developing more effective crisis response mechanisms. It highlighted in this context the need to review EU oil stocks mechanisms, with special reference to the availability of oil in the event of a crisis, stressing complementarity with the crisis mechanism of the International Energy Agency (IEA).

The mandate of the European Council confirms the Commission's view that the weaknesses of the current system need to be addressed. Analysis of the current system reveals flaws which might prevent it from functioning suitably in case of an actual supply disruption. The EU also lacks coordinated intervention procedures, rendering prompt decision making and effective actions, which are crucial in a crisis, very difficult in practice. Better adaptation to the internationally accepted rules of the IEA also seems desirable because this would allow the use of EU stocks to have a better impact in an IEA action.

**CONTENT:** the objective of the proposal is to enhance the emergency oil stocks system and the mechanisms for using such stocks in the event of a crisis. This is expected to guarantee the availability of emergency stocks and to ensure that they can be mobilised when needed, thereby making oil supplies more secure for Europe's consumers. The Directive will help reduce any harmful effects resulting from possible supply disruptions, such as fuel shortages and price increases. The Directive will also contribute to transparency in the oil markets by introducing weekly reporting for commercial stocks.

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

**Availability of stocks:** Member States shall ensure that emergency stocks and dedicated stocks which are held within their national territory are physically accessible and available at all times. They shall establish arrangements for the identification, accounting and control of those stocks so as to allow them to be verified at any time. For emergency stocks and dedicated stocks that form part of or are commingled with stocks held by economic operators, separate accounts must be kept. Member States shall, in particular, take all necessary measures to prevent emergency stocks and dedicated stocks from being used as collateral or for any other securities-related purpose. Emergency stocks and dedicated stocks may not be encumbered by any financial or legal charges whatsoever.

**Dedicated stocks:** each Member State may irrevocably undertake to maintain a minimum level of oil stocks, calculated in terms of number of days of consumption, in accordance with the conditions set out in the proposed Directive (?dedicated stocks?). These stocks shall be owned by the Member State or the central stockholding entity set up by it.

**Register of emergency stocks:** the proposal states that each Member State shall keep and continually update a detailed register of all emergency stocks held for its benefit which do not constitute dedicated stocks. That register shall contain, in particular, all the information needed to pinpoint the exact location of the stocks in question and to determine the quantities involved, the owner of the stocks and their exact nature. Within 30 days of the end of each calendar year, Member States shall send the Commission a copy of the stock register showing the stocks existing on the last day of the calendar year in question. Member States shall also send the Commission a copy of the register within eight days of a request by the Commission. Such requests may be made no later than 10 years after the date to which the requested data relate. Each Member State that has not undertaken to maintain dedicated stocks shall draw up an annual report analysing the measures taken by its national authorities to ensure and verify the availability of its emergency stocks and setting out any developments in the institutional and organisational arrangements for maintaining both national emergency stocks and emergency stocks held within its territory on behalf of other Member States. That report shall be sent to the Commission within three months of the end of the calendar year to which it relates.

**Setting up central stockholding entities:** Member States may set up central stockholding entities which shall take the form of a non-profit making body or service. Its purpose being to acquire, maintain and sell oil stocks within the national territory of the Member State that set it up.

**Emergency procedures:** Member States shall take such measures as may be necessary to enable their competent authorities to release some or all of their emergency stocks and dedicated stocks in the event of a major supply disruption. They shall have at all times 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.

Simplification: the legal framework for emergency stocks in the EU and rules relating to their use are currently dispersed across three distinct pieces of EU legislation. Under the proposal, these would be replaced by a single legislative act.

Review: after three years, the Commission may propose that part of the emergency stocks of each Member State is to be owned by the government or an agency. Within three years of the entry into force of this Directive, the Commission shall review its implementation, looking in particular at whether it would be appropriate to require all Member States to hold a compulsory minimum level of dedicated stocks.

These measures shall guarantee the availability of emergency stocks and to ensure that they can be mobilised when needed, thereby making oil supplies more secure for Europe's consumers. The Directive will help reduce any harmful effects resulting from possible supply disruptions, such as fuel shortages and price increases.

The Commission considers that the Directive shall enter into force at the end of the second year after its adoption by the Council, which should take place in 2009 or 2010.

## Minimum stocks of crude oil and/or petroleum products

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OPINION OF THE EUROPEAN DATA PROTECTION SUPERVISOR on the proposal for a Council directive imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products.

The aforementioned proposal was sent by the Commission to the EDPS for an opinion on 14 November 2008. The proposal aims at ensuring a high level of security of oil supply in the Community through reliable and transparent mechanisms based on solidarity amongst Member States, maintaining minimum stocks of oil or petroleum products and putting in place the necessary procedural means to deal with a serious shortage.

The EDPS wishes to express his support to the way in which the Commission assured compliance with data protection rules in the proposed directive.

At a detailed level, the EDPS recommends the following:

- to replace the word 'gathering' in the first sentence of Article 19(1) by the word 'processing';
- to move Article 20, which is the general provision on data protection, to the first part of the directive, namely directly after Article 2;
- to add to recital 25 the message that the provisions of the directive are without prejudice to the provisions of Directive 95/46/EC and Regulation (EC) No 45/2001;
- to delete the last sentence of recital 25.

## Minimum stocks of crude oil and/or petroleum products

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The Council examined a progress report on a proposal for a Regulation on the statute for a European private company (SPE).

The Ministers' discussions focused on key aspects of the proposal: the applicable law, the cross-border element, share capital, compliance control, provisions on the company's registered office, liability of directors, and employee participation.

The proposal for a Regulation was discussed on several occasions by the Council's preparatory bodies following the presentation of the proposal by the Commission on 27 June 2008. It is part of a package of measures contained in the "[Small Business Act for Europe](#)" and provides for the establishment and functioning of the European private company.

## Minimum stocks of crude oil and/or petroleum products

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The Committee on Industry, Research and Energy adopted the report by Miloslav RANSDORF (GUE/NGL, CZ) amending, under the consultation procedure, the proposal for a Council directive imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products. The committee stresses that the objective is not to achieve uniformity or ensure convergence but to ensure compatibility between national stockholding mechanisms.

The main amendments are as follows:

Closer cooperation: a new recital states that in order to ease the financial burden on end-users, Member States should provide for closer cooperation among central stockholding entities and for the setting up of regional stockholding entities. The committee notes that joint stockholding facilities for certain regions of the EU (Baltic, Atlantic Circle, Mediterranean Sea, and Central Europe) might be an interesting option to save public money and lower the burden on end user for maintaining oil stocks.

Definitions: 'effective international decision to release stocks' is amended to reflect the fact that an IEA decision to release stocks is a decision of the 28 member countries of the IEA, 8 of which are not EU Member States. The committee also inserted a definition for 'emergency situations'.

Calculating stock levels: the methods for calculating stockholding obligations and stock levels may be amended only after consulting experts and stakeholders.

Availability of stocks: Member States must ensure that arrangements for the identification, accounting and control of stocks shall be established with the prior agreement of the Commission.

Register of emergency stocks ? Annual report: the register must contain, inter alia, information concerning the depot, refinery or storage facility where the stocks in question are located. Within 45 days (rather than 30 days) of the end of each calendar year, Member States shall send the Commission a copy of the stock register. The Commission must ensure the confidentiality of the individual data contained in the registers.

Setting up central stockholding entities: the committee notes that in the past, there have been some doubts about the effectiveness and

reliability of implementing agreements between Member States in case of a severe supply disruption. The current legislation aims at setting clear rules for arrangements, whereby one Member State delegates its obligation to another Member State. For this purpose, the text now specifies that any agreement must contain clear provisions regarding certain responsibilities, which will ensure an effective and reliable implementation in case of a crisis.

Summaries of commercial stocks: Member States shall send the Commission a monthly statistical summary (rather than a weekly one). However, the Commission may, following its review, require Member States to send a weekly (as opposed to monthly) statistical summary of the levels of commercial oil stocks, if a thorough examination of the feasibility and effectiveness of weekly statistical summaries shows that they offer distinct advantages in terms of market transparency and that no major subsequent corrections are routinely necessary to the data obtained for such summaries.

Commission controls: Member States must keep records for 3 years (rather than 10 years).

Emergency procedures: Members specify that the Commission shall work in close cooperation with other international organisations having the power to take a decision to release stocks and shall strengthen multilateral and bilateral coordination on these matters worldwide.

In addition, every Member State shall ensure that it can be represented, in person or by electronic means, at a meeting of the Coordination Group within 24 hours following the call for a meeting. The Coordination Group shall examine the situation based on the commitment to the principle of solidarity among Member States and on an objective assessment of the economic and social impact, and the Commission shall determine based on the assessment by the Coordination Group, whether a major supply disruption has occurred.

The committee notes that, while respecting the principle of energy solidarity on a confederal basis, no Member State should be forced to give up its petroleum resources, particularly through the decision of an unelected body, under any circumstances, without its full prior consent.

Review: the Commission review must consider the following: (a) whether data on stocks are accurate and transmitted on time; (b) whether the levels of commercial oil stocks shall be reported on a weekly or on a monthly basis; (c) whether it would be appropriate to require all Member States to hold a compulsory minimum level of specific stocks covering a longer period of time.

Annex III (Methods for calculating the level of stocks held): when calculating their stocks, Member States must reduce the quantities of stocks calculated as set out in the text by 5% (rather than 10%).

## Minimum stocks of crude oil and/or petroleum products

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The European Parliament adopted by 629 votes to 24, with 8 abstentions, a legislative resolution amending, under the consultation procedure, the proposal for a Council directive imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products.

The main amendments are as follows:

Equal footing: Parliament states that the Commission should ensure that the eight Member States that are not members of the International Energy Agency (IEA) are involved on an equal footing as regards the decisions adopted and the measures taken by the EU in consultation with the IEA.

Closer cooperation: a new recital states that in order to ease the financial burden on end-users, Member States should provide for closer cooperation among central stockholding entities and for the setting up of regional stockholding entities. Parliament adds that the role of the Member States in maintaining and managing mandatory oil stocks for emergency situations should be strengthened.

Definitions: 'effective international decision to release stocks' is amended to reflect the fact that an IEA decision to release stocks is a decision of the 28 member countries of the IEA, 8 of which are not EU Member States. Parliament also inserted a definition for 'emergency situations'.

Calculating stock levels: the methods for calculating stockholding obligations and stock levels may be amended only after consulting experts and stakeholders.

Availability of stocks: Member States must ensure that arrangements for the identification, accounting and control of stocks shall be established with the prior agreement of the Commission.

Register of emergency stocks ? Annual report: the register must contain, inter alia, information concerning the depot, refinery or storage facility where the stocks in question are located. Within 45 days (rather than 30 days) of the end of each calendar year, Member States shall send the Commission a copy of the stock register. The Commission must ensure the confidentiality of the individual data contained in the registers.

Setting up central stockholding entities: Parliament considered that in the past, there have been some doubts about the effectiveness and reliability of implementing agreements between Member States in case of a severe supply disruption. A new clause is inserted which states that in the event that an agreement delegates these obligations to the Member State within whose territory those stocks are located or to the central stockholding entity set up by that Member State, this agreement shall contain provisions, which set out: (a) the responsibility of the Member State or the central stockholding entity to ensure accurate data on the level of stocks at any time; (b) the timeframe for delivering these emergency stocks acquired, constituted, maintained or managed on its territory to the Member State, which has delegated these tasks; (c) effective, proportionate and dissuasive penalties, in case the Member State or central stock holding entity does not fulfil the conditions laid down in the agreement

Summaries of commercial stocks: Member States shall send the Commission a monthly statistical summary (rather than a weekly one). However, the Commission may, following its review, require Member States to send a weekly (as opposed to monthly) statistical summary of the levels of commercial oil stocks, if a thorough examination of the feasibility and effectiveness of weekly statistical summaries shows that they offer distinct advantages in terms of market transparency and that no major subsequent corrections are routinely necessary to the data obtained for such summaries.

Commission controls: Member States must keep records for 3 years (rather than 10 years).

Emergency procedures: Members specify that the Commission shall work in close cooperation with other international organisations having

the power to take a decision to release stocks and shall strengthen multilateral and bilateral coordination on these matters worldwide.

In addition, every Member State shall ensure that it can be represented, in person or by electronic means, at a meeting of the Coordination Group within 24 hours following the call for a meeting. The Coordination Group shall examine the situation based on the commitment to the principle of solidarity among Member States and on an objective assessment of the economic and social impact, and the Commission shall determine based on the assessment by the Coordination Group, whether a major supply disruption has occurred.

Review: the Commission review must consider the following: (a) whether data on stocks are accurate and transmitted on time; (b) whether the levels of commercial oil stocks shall be reported on a weekly or on a monthly basis; (c) whether it would be appropriate to require all Member States to hold a compulsory minimum level of specific stocks covering a longer period of time.

Annex III (Methods for calculating the level of stocks held): when calculating their stocks, Member States must reduce the quantities of stocks calculated as set out in the text by 5% (rather than 10%).

## Minimum stocks of crude oil and/or petroleum products

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**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.