

# Consultation on the Oil Stocks Directive (Directive 2009/119/EC)

Fields marked with \* are mandatory.

## Introduction

This consultation is launched to collect views and suggestions from stakeholders and citizens for the purposes of the current evaluation of Council Directive 2009/119/EC imposing an obligation on Member States to maintain stocks of crude oil and/or petroleum products. The general objective of the evaluation is to assess how the Oil Stocks Directive has been implemented in the Member States and how it is functioning in practice; to identify possible problems and areas for improvement or simplification.

Article 22 of the Directive tasked the Commission to "review" (evaluate) the functioning and implementation of this Directive. As a first step, an independent study was carried out by an external consultant. The final report is published on the website of the Directorate General for Energy ( <https://ec.europa.eu/energy/en/studies> ). As a part of this study, a technical survey was carried out addressed to targeted stakeholders.

For more information about the evaluation, see the [roadmap](#)

## Who should answer?

The Commission is now seeking the views of all stakeholders and general public, with the help of a general non-technical survey, which focuses on the basic questions of the evaluation. Stakeholders having replied to the technical survey are encouraged to answer to this public consultation, which will serve as a complement to the input they provided in the past. This consultation also provides experts the opportunity to express their personal views, which might well differ from the official position of their institutions / authorities.

## What is the Oil Stocks Directive?

In view of the important role of oil for the economy and the significant import dependence, EU Member States have to hold emergency oil stocks. This obligation was imposed first in 1968, under Council Directive 68/414/EEC of 20 December 1968. Such stocks shall ensure the continuity of supply of petroleum products to consumers in case of possible disruptions. In 2009 the legislation was revised with the following main objectives in mind:

- improving the availability of the stocks,
- better harmonization with the stockholding system created by the International Energy Agency (IEA),
- reducing administrative burden
- and improving transparency.

Member States had to transpose the Directive into their national legal order by 31 December 2012.

## **Main provisions of the Oil Stocks Directive**

Member States must maintain a total level of emergency oil stocks corresponding, at the very least, to 90 days of average daily net imports or 61 days of average daily inland consumption, whichever of the two quantities is greater.

The average daily net imports are to be calculated on the basis of the method explained in Annex I of the Directive, whilst the procedure for calculating average daily inland consumption is given in Annex II. Annex III lays down the procedure for calculating stock levels.

The Directive includes several provisions which are supposed to improve the availability of stocks; for example, it distinguishes emergency stocks and commercial stocks and clarifies that stocks held by bankrupt companies cannot be reported as emergency stocks. The Directive also introduced the so-called specific stocks; Member States may make a voluntary commitment to establish such stocks which have to meet stricter requirements related to their composition and availability. Member States have an obligation to ensure that emergency oil stocks are available and physically accessible. In this regard, they are responsible for putting in place arrangements for the identification, accounting and control of these stocks. A register containing information on emergency stocks (the location of the depot, refinery or storage facility, the quantities involved, the owner of the stocks and their nature) has to be established and continually updated.

Since 2013, a single questionnaire is used by the IEA and the Commission, which was adjusted to fully meet the requirements of the Directive. In addition to the monthly reporting of stock levels, the Directive introduced annual reporting (summary copy of the register and a report on the measures ensuring the availability and physical accessibility of stocks) which provides additional information about the Member States' stockholding arrangements.

**CSE:** In order to maintain stocks, each Member State may set up a central stockholding entity (CSE), in the form of a non-profit making body or service. The CSE shall maintain oil stocks (acquire and manage these stocks). Under the conditions and limitations laid down by the Directive, CSEs and Member States may delegate part of the management of stocks to another Member State with stocks on its territory, to the CSE set up by the said Member State or to economic operators

**Specific stocks and other stocks of products:** Each Member State is invited to commit to maintaining specific stocks. In this case, they must maintain a minimum level defined in terms of number of days of consumption. Specific stocks shall be owned by the Member State concerned or the CSE set up by it. Member States shall publish their decision to hold specific stocks in the Official Journal of the European Union.

Specific stocks shall be composed of one or several of the following products: ethane; LPG; motor gasoline; aviation gasoline; gasoline-type jet fuel (naphtha-type jet fuel or JP4); kerosene-type jet fuel; other kerosene; gas/diesel oil (distillate fuel oil); fuel oil (high sulphur content and low sulphur content); white spirit and SBP; lubricants; bitumen; paraffin waxes; petroleum coke.

Member States shall ensure that in total, for the reference year, the crude oil equivalent of the quantities consumed of products included in the categories used is at least equal to 75 % of inland consumption. If there is no commitment to maintain at least 30 days of specific stocks, Member

States shall ensure that at least one third of their commitment is held in the form of products, under the conditions laid down by the Directive.

**Biofuels and additives:** When calculating stockholding obligations and stock levels actually maintained, biofuels and additives shall be taken into account only where they have been blended with the petroleum products concerned. Furthermore, under certain conditions, part of the biofuels and additives stored on the territory of the Member State in question may be taken into account when calculating stock levels actually maintained.

**Emergency procedures:** Member States must be able to release all or part of their emergency stocks and specific stocks if required. Contingency plans shall be developed. In the event of a major supply disruption, emergency procedures must be in place. Specific rules also apply according to whether or not there is an effective international decision to release stocks.

Finally, the Directive set up "Coordination Group for oil and petroleum products" (Article 17). While the main role of the Group is to facilitate coordination between Member States in case of a disruption, it is also a useful forum to discuss various issues related to the implementation of the Directive.

See more information about the EU stockholding system at:

<https://ec.europa.eu/energy/en/topics/imports-and-secure-supplies/eu-oil-stocks>

<http://ec.europa.eu/eurostat/data/database>

## IEA regime

Each IEA country has an obligation to hold oil stocks equivalent to no less than 90 days of net imports. No obligation is imposed to countries that are net oil exporters. The oil stocks obligation can be met through stocks held exclusively for emergency purposes and also to stocks held for commercial or operational use, including stocks held at refineries, port facilities and in tankers in ports. In case of oil disruption, the IEA may activate collective emergency oil response measures.

IEA has 29 member countries. 20 EU Member States are also parties to IEA.

See more information on the IEA stockholding system at

[http://www.iea.org/media/freepublications/security/EnergySupplySecurity2014\\_PART1.pdf](http://www.iea.org/media/freepublications/security/EnergySupplySecurity2014_PART1.pdf)

<https://www.iea.org/netimports/>

## 1. General information about respondents

---

\* **1.14.** Please indicate your preference for the publication of your response on the Commission's website:

*(Please note that regardless the option chosen, your contribution may be subject to a request for access to documents under Regulation 1049/2001 on public access to European Parliament, Council*

and Commission documents. [http://ec.europa.eu/transparency/access\\_documents/index\\_en.htm](http://ec.europa.eu/transparency/access_documents/index_en.htm) In this case the request will be assessed against the conditions set out in the Regulation and in accordance with applicable data protection rules.)

- ☐ Under the name given: I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication.
- ☒ Anonymously: I consent to publication of all information in my contribution and I declare that none of it is subject to copyright restrictions that prevent publication.
- ☐ Please keep my contribution confidential. (it will not be published, but will be used internally within the Commission)

## 2. Relevance

---

Relevance looks at the relationship between the needs and problems in society and the objectives of the intervention. The economic, social or political climate may change over time which could make a previous intervention less relevant. In this context, is it still relevant to stipulate minimum requirements for emergency oil stocks and/or to align those requirements to those of the International Energy Agency (IEA)?

**2.1.** Do you agree that the emergency oil stocks are necessary to guarantee the security of supply in the EU?

- ☒ Yes, fully ☐ No
- ☐ Yes, partly ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The circumstances and rationale that led to establishment of various forms of maintaining security level of oil stocks still exist today and remain applicable. MS needs to be able to manage and satisfy demand for oil products in case of any type of supply disruption, at least for a reasonable short term period.*

*Although other instruments such as restrictions on fuel supply can be used in event of a supply crisis, emergency oil stocks are an ideal tool due to their availability based on a standardised defined structure. The latter would help to maintain a stable supply with the result of avoiding price fluctuations.*

**2.2.** Do you agree that the EU needs to have its own rules on emergency oil stocks?

- ☒ Yes, fully ☐ No
- ☐ Yes, partly ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The EU should have its own rules to ensure that the needs of its Member States are being met.*

**2.3.** Do you agree that the EU rules on emergency oil stocks need to be in line with the rules applied in the context of the IEA?

☐ Yes, fully

☐ No

☒ Yes, partly

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The primary aim of the EU should be to meet the requirements of its member states however wherever possible it should try to align itself with other international bodies like the IEA to create synergies whilst decreasing compliance costs where applicable for its members.*

**2.4.** The Directive obliges to hold a level of oil stocks equivalent to 90 days of average daily net imports or 61 days of average daily inland consumption, whichever of the two quantities is greater. In your view, are these levels of emergency oil stocks requested by the Directive appropriate for the EU to cope with a serious oil supply disruption?

☒ Yes, fully

☐ No

☐ Yes, partly

☐ No opinion

*Please explain your answer notably by clarifying if you think higher or lower level of stocks would be more adapted. 200 character(s) maximum*

*It is a reasonable time frame within which a member state should be able to secure alternative source of supply.*

**2.5.** The average daily net imports referred to in question 2.3. need to be calculated based on the crude oil equivalent of imports during the previous year. Annex I of Directive 2009/119/EC lays down the methodology based on which the imports of petroleum products are converted into crude oil equivalent. In your view, is this methodology well adapted for the calculation of the equivalent of crude oil import?

☒ Yes, fully

☐ No

☐ Yes, partly

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*It is in line with transposition of the Directive by means of (...).*

**2.6.** The average daily inland consumption referred to in question 2.3 need to be calculated based on the crude oil equivalent of inland consumption during the previous calendar year. Annex II of Directive 2009/119/EC lays down the methodology based on which the inland consumption is converted into crude oil equivalent of inland. In your view, is this methodology well adapted for the calculation of the inland consumption?

☒ Yes, fully  
☐ Yes, partly

☐ No  
☐ No opinion

*Please explain your answer 200 character(s) maximum*  
*It is in line with transposition of the Directive by means of (...).*

**2.7.** Annex III of Directive 2009/119/EC lays down the methodology for calculating the level of stocks held. In your view, is this methodology well adapted for calculating the actual level of stocks that would be actually accessible and available in case of oil supply disruption?

☐ Yes, fully  
☒ Yes, partly

☐ No  
☐ No opinion

*Please explain your answer 200 character(s) maximum*  
*The methodology provides for the inclusion of potentially mobile storage units such as barges and inter coastal tankers. It is proposed that additional conditions on the use of such units for emergency stocks are included to ensure physical accessibility and compliance with the Directive.*

*The methodology also states that the calculation may include working stocks. The definition of 'working stocks' should be clarified. This terminology is too general and could be misinterpreted to mean 'commercial stocks'. In addition, the Directive states that the calculation may never include quantities held 'by other consumers'. It is not clear what is meant by 'other consumers'.*

*Annex III provides a list of type of storages/vessels that may or may not be used for emergency stocks holding. It is proposed that a description for each type of storage is included in this Annex to ensure the correct implementation of the Directive.*

**2.8.** Any additional views related to the relevance of the objectives of Directive 2009/119?

*500 character(s) maximum*  
No

### 3. Effectiveness

---

Effectiveness analysis considers how successful EU action has been in achieving or progressing towards its objectives. The evaluation should form an opinion on the progress made to date and the role of the EU action in delivering the observed changes. Directive 2009/119 aimed at: (1) improving the availability of the stocks, (2) better harmonizing with the stockholding system created by the IEA, (3) reducing administrative burden and (4) improving transparency. In this context, to what extent have the 4 main objectives been achieved? To what extent have the planned results been produced and contributed to the overall objective of strengthening the security of oil supply?

**3.1.** In your view, has the Directive improved the availability of the stocks in case of oil disruption?

- ☒ Yes, fully  
☐ Yes, partly

- ☐ No  
☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The Directive has encouraged Member States to adopt standardised and transparent mechanisms which helped to facilitate the availability of stocks through better coordination. The emergency stocks register which is kept continually updated and the contingency plans to be followed by each Member State in the case of an oil supply disruption have been pivotal towards reaching this objective.*

**3.2.** In your view, has the Directive improved the physical accessibility of the stocks in case of oil disruption?

- ☐ Yes, fully  
☒ Yes, partly

- ☐ No  
☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The directive has encouraged arrangements for locating stocks through the setting up of an emergency stock register and improved cross-border coordination between Member States. However, the Directive has not put an upper limit to the percentage of emergency stocks that can be held abroad. While the latter is ideal for Member States with limited storage capacity on national territory, it might create a problem in the case of a supply disruption when stock is to be delivered within a tight time frame.*

*The Directive should define the maximum delivery period for emergency stocks to reach the beneficiary member state wherever these are held.*

**3.3.** In your view, has the Directive achieved a better harmonization with the International Energy Agency (IEA) system?

- ☐ Yes fully  
☐ Yes, partly

- ☐ No  
☒ No opinion

*Please explain your answer 200 character(s) maximum*

*No opinion. XXX is not an IEA member and therefore does not have enough experience to reply to this question.*

**3.4.** If you are a public administration, how would you rate the impact of the Directive on the administrative burden?

☒ *The administrative burden increased largely*

- ☐ The administrative burden increased slightly
- ☐ No impact
- ☐ The administrative burden decreased slightly
- ☐ The administrative burden decreased largely
- ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The administrative burden increased largely due to the monthly reporting requirements, mechanisms set up to monitor the availability and physical accessibility of stocks on national territory and due to cross-border communication with other Member States when holding stocks abroad.*

**3.5.** If you are an economic operator, how would you rate the impact of the Directive on the administrative burden?

- ☐ The administrative burden increased largely
- ☐ The administrative burden increased slightly
- ☐ No impact
- ☐ The administrative burden decreased slightly
- ☐ The administrative burden decreased largely
- ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*N/A*

**3.6.** In your view, has the Directive improved the transparency as regards the level of emergency oil stocks held in the Member States and the European Union as a whole?

- |   |                                     |
|---|-------------------------------------|
| <input checked="" type="checkbox"/> <i>Yes, fully</i> | <input type="checkbox"/> No         |
| <input type="checkbox"/> Yes, partly                  | <input type="checkbox"/> No opinion |

*Please explain your answer 200 character(s) maximum*

*Yes fully, through the requirement that there must be the authorisation of both member states for the storage of security stocks in another member state abroad. This facilitates cross-checking between countries and provides a monthly overview of the volume and location of stocks.*

**3.7.** Emergency oil stocks may be held at any location across the EU. The previous rules allowed cross-border stockholding only if there was a bilateral agreement between the Member States concerned. The Directive removed this requirement, but Member States need to authorize in advance cross-border arrangements between operators. In your view, has the Directive improved transparency as regards the cross border stocks?

- |   |                                      |
|---|--------------------------------------|
| <input checked="" type="checkbox"/> <i>Yes, fully</i> | <input type="checkbox"/> Yes, partly |
|---|--------------------------------------|



☐ No

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*Article 8 has improved transparency as the delegation of stockholding obligations must be authorised in advance both by the Member State on whose account such stocks are held and by all Member States within whose territories the stocks are held.*

**3.8.** Are you aware of any unexpected or unintended effects of the Directive?

☐ Yes

☐ No

*Please explain your answer 200 character(s) maximum*

**3.9.** Any additional views on the effectiveness of Directive 2009/119?

*500 character(s) maximum*

No

## 4. Efficiency

---

Efficiency considers the relationship between the resources used by an intervention and the changes generated by the intervention. Efficiency analysis will include analysis of administrative and regulatory burden and look at aspects of simplification. It is important to note that efficiency analysis should always look closely at both the costs and benefits of the EU intervention as they accrue to different stakeholders.

The ex-ante cost benefit carried out by the Commission in 2008 can be consulted in the [Impact Assessment](#)

**4.1.** In your view, the costs related to the implementation of the Directive were:

☐ Very high

☐ Low

☒ High

☐ No opinion

☐ Moderate

*Please explain your answer 200 character(s) maximum*

*Presumed High – Costs incurred by the Regulator and economic operators rose mostly due to the substantial increase in man hours required to satisfy the obligations imposed by the Directive. Whilst costs were mostly related to the collection and reporting of data, the Regulator has also incurred costs to monitor the availability and physical accessibility of the stocks.*

**4.2.** How would you estimate the economic burden resulting from the Directive on the different stakeholders? (0 stands for no impact 1 for minimum impact and 5 for a maximum impact)

	0	1	2	3	4	5
CSE	X					
SME						X
Industry						X
Consumers						X
Tax payers	X					
State finance	X					

**4.3. Did the Directive improve efficiency by simplifying reporting?**

- ☐ Yes, fully
 ☒ No
- ☐ Yes, partly
 ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*No, the reporting became more complex.*

**4.4. Did the Directive improve efficiency through better harmonisation with the IEA system?**

- ☐ Yes, fully
 ☐ No
- ☐ Yes, partly
 ☒ No opinion

*Please explain your answer 200 character(s) maximum*

*No opinion. XXX is not an IEA member.*

**4.5. Considering your answers to chapter 3 and to questions 4.3 and 4.4, do you think that the costs related to the implementation of the Directive are proportionate to the benefits achieved?**

- ☐ Yes, fully
 ☐ No
- ☒ Yes, partly
 ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The implementation of the Directive provides a reasonable level of comfort regarding the availability of stock in case of emergency however to date no cost benefit analysis in the local context has been carried out.*

**4.6. Any additional views on the effectiveness of Directive 2009/119?**

*500 character(s) maximum*

*No*

## 5. Coherence

---

The evaluation of coherence involves looking at how well or not different actions work together. Checking "internal" coherence means looking at how the various internal components of an EU intervention operate together to achieve its objectives. Similar checks can be conducted in relation to other "external" interventions, at different levels: for example, between interventions within the same policy field or in areas which may have to work together. At its widest, external coherence looks at compliance with international agreements/declarations.

**5.1.** The IEA requires its members to hold oils stocks equivalent 90 days of net imports and imposes no obligation on net oil exporters. Contrary to the EU system, stocks held for commercial or operational use can be counted to this purpose. 20 EU Member States have to comply with both the EU and the IEA mechanism. In your view, is the system resulting from the Directive coherent with IEA obligations?

- ☐ Yes, fully
 ☒ No
- ☐ Yes, partly
 ☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The EU system is more onerous since stocks held to satisfy the Directive's obligations may not be used for other purposes.*

**5.2.** The Energy Union means making energy more secure, affordable and sustainable. The Energy Union strategy is made up of 5 dimensions: (1) energy security, solidarity and trust; (2) a fully integrated European energy market; (3) energy efficiency contributing to moderation of demand; (4) decarbonising the economy and (5) research innovation and competitiveness. [http://ec.europa.eu/priorities/energy-union-and-climate\\_en](http://ec.europa.eu/priorities/energy-union-and-climate_en) In your view, is the Directive coherent with the Energy Union objectives?

	Yes, fully	Yes, partly	No	No opinion
Energy security, solidarity and trust	X			
Fully integrated European energy market	X			
Energy efficiency contributing to moderation of demand		X		
Decarbonising the economy		X		
Research, innovation and Competitiveness			X	

*Please explain your answer 200 character(s) maximum*

Energy security, solidarity and trust – The aim of the Directive is to secure the supply of energy through the holding of emergency stocks and the preparation of emergency plans to prevent and deal with crises.

Fully integrated European energy market –The Directive enhanced regional cooperation within a common EU framework and has created a system of cross border stock holding amongst all Member States by means of removing the requirement to have bilateral agreements between countries.

Energy efficiency contributing to moderation of demand and decarbonising the economy – Although the Directive in itself does not directly promote energy efficiency, the methodology used by the Commission to calculate the stockholding obligation indirectly promotes the decrease in the dependency of fuel imports. This is because the higher the volume of imports consumed in the inland market, the higher the emergency stockholding obligation and the costs incurred to hold such stocks. It is beneficial for Member states to promote energy efficiency measures and renewable energy sources with the aim of reducing fuel demand.

Research, innovation and competitiveness – The directive does not support research to achieve breakthroughs in low carbon technologies.

**5.3.** In your view, is the Directive coherent with other EU rules in the energy sector?  
<https://ec.europa.eu/energy/en/topics>

- ☐ Yes, fully ☐ No  
☐ Yes, partly ☒ No opinion

*Please explain your answer 200 character(s) maximum*

**5.4.** In your view, is the Directive coherent with other EU rules relating to the oil sector?  
<https://ec.europa.eu/energy/en/topics/oil-gas-and-coal>  
[http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item\\_id=8630&lang=en](http://ec.europa.eu/growth/tools-databases/newsroom/cf/itemdetail.cfm?item_id=8630&lang=en)

- ☐ Yes, fully ☐ No  
☐ Yes, partly ☒ No opinion

*Please explain your answer 200 character(s) maximum*

**5.5.** In your view, is the Directive coherent with other EU policies?  
[https://ec.europa.eu/info/index\\_en](https://ec.europa.eu/info/index_en)

- ☐ Yes, fully ☐ No  
☐ Yes, partly ☒ No opinion

*Please explain your answer 200 character(s) maximum*

**5.6.** Any additional views on the coherence of the Directive with other rules, policies and actions?  
*500 character(s) maximum* No.

## 6. EU Added Value

---

European added value is defined as the value resulting from an EU intervention which is additional to the value that would have been otherwise created by Member State action alone. In the context of the evaluation, the question is whether having an EU Directive on emergency oil stocks presents more added value than a situation without EU intervention.

**6.1.** Do you see an added value in having a coordinated mechanism for emergency oil stocks?

☒ Yes

☐ No

☐ No opinion

*In the absence of a coordinated mechanism at EU level Member States may adopt different strategies which may lead to inadequate emergency stock availability which could trigger shocks in the internal market.*

**6.2.** Do you think that the existence of a separate EU system for emergency oil stocks is justified?

☒ Yes

☐ No

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The existence of a separate EU system is justified as it takes into account consumption patterns. Unlike the IEA system, the EU system obliges countries which are net exporters to hold emergency stocks. This means that in the event of a supply crisis all countries have the possibility to release emergency stocks.*

**6.3.** Do you consider that the EU system is a good complement of the IEA system?

☒ Yes

☐ No

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*The EU system to a certain extent complements the IEA system since the Directive has wider scope such that for example under the EU system net exporting countries are still obliged to hold stocks while under the IEA system countries are only obliged to hold stock equivalent to 90 days of net imports.*

**6.4.** What would be the consequences on the levels of oil stocks available in case of disruption if the EU no longer required Member States to hold emergency stocks?

☐ No consequence

☒ *Decrease the level of oil stocks held*

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*Decrease in the level of oil stocks held. A lack of premeditated and coordinated action will probably lead to a decrease in the level of oil stocks held and possibly inadequate response to emergencies.*

**6.5.** What would be the consequences on the security of oil supply if the EU no longer required Member States to hold emergency stocks?

☐ No consequence

☒ *Increase the vulnerability in case of oil disruption*

☐ No opinion

*Please explain your answer 200 character(s) maximum*

*Increase the vulnerability in case of oil disruption as Member States are expected to follow different procedures in relation to stock holding. In the absence of a legally binding commitment, Member States may choose to decrease the level of emergency stocks held to save on costs.*

**6.6.** Is there a need for EU additional policy on emergency oil stocks?

☐ Yes

☐ No

*Please explain your answer 200 character(s) maximum*

**6.7.** Any additional views on Directive 2009/119 added value?

*500 character(s) maximum*

No

## 7. Results of the study – Recommendations

---

A study in support of the mid-term evaluation of the functioning and implementation of Council Directive 2009/119/EC was prepared by a consultant to provide the Commission with an independent evaluation of the Directive. Respondents are invited to give their opinion on the findings and recommendations presented in the report [1].

The composition and levels of emergency stocks held are crucial to addressing a disruption in an effective way. Annex I of the Directive sets out the methods and procedures for the calculation of the crude oil equivalent of the petroleum product imports. Annex II sets out the method for calculating the crude oil equivalent of inland consumption. Annex III sets out the methods for calculating the level of stocks held. The methods and procedures described in these Annexes may be amended in comitology, in accordance with the regulatory procedure referred in Article 23(2).

Naphtha is a petroleum product which can also have a petrochemical use. Annex I and Annex II detailed specific provisions to take into account the part of naphtha not available for energy purposes. Annex I states that the crude oil equivalent of oil import is reduced by 4%, or if by the net actual consumption or the average naphtha yield if greater than 7% on the national territory of the Member State. Annex III state that crude oil stocks are to be reduced by 4% which correspond to the average naphtha yield, and stocks of naphtha are not included in the emergency stocks.

[1] Study in support of the mid-term evaluation of the functioning and implementation of Council Directive 2009/119/EC- Trinomics, 2016- [http://ec.europa.eu/economy\\_finance/studies/2016\\_01\\_26\\_study\\_in\\_support\\_of\\_the\\_mid-term\\_evaluation\\_of\\_the\\_functioning\\_and\\_implementation\\_of\\_council\\_directive\\_2009\\_119\\_ec\\_en.pdf](http://ec.europa.eu/economy_finance/studies/2016_01_26_study_in_support_of_the_mid-term_evaluation_of_the_functioning_and_implementation_of_council_directive_2009_119_ec_en.pdf)

**7.1.** The 7% naphtha threshold might have an impact on the stockholding obligation for some Member States with naphtha yield fluctuating around 7%. Do you consider annex I should be amended to limit the trigger effect of the 7% naphtha yield?

☐ Yes

☐ No

*Please explain your answer 500 character(s) maximum*

*No opinion. XXX only imports finished products.*

**7.2.** Under the IEA methodology, for calculating the stock levels, the 4% naphtha yield is deducted from "crude oil, NGL, and feedstock" which is the abbreviation for the full name of Crude, NGL, Feedstocks, Additives/oxygenates and Other Hydrocarbons; compared to 4% reduction of "crude oil" in Annex III of the Directive. "Crude oil" in the sense used in Annex III of the Directive comprises also Crude, NGL, Feedstocks, Additives/oxygenates and Other Hydrocarbons. Do you consider Annex III of the Directive should be amended to explicitly indicate the full name of Crude, NGL, Feedstocks, Additives/oxygenates and Other Hydrocarbons?

☒ Yes

☐ No

*Please explain your answer 500 character(s) maximum*

*The definitions in Annex III should ensure comparability.*

**7.3.** Under the IEA methodology, naphtha for gasoline production is included in the calculation for stock levels if it is reported as gasoline blending component while naphtha for petrochemical uses is excluded. According to Annex III of the Directive, stocks of naphtha are not included in the emergency stocks. Do you consider Annex III of the Directive should be amended to further detail the possible reporting of naphtha as gasoline blending component?

☒ Yes

☐ No

*Please explain your answer 500 character(s) maximum*

*Yes, as this would introduce more flexibility for operators in meeting their obligations.*

Both in the IEA methodology and in Annex III of the Directive, a 10% deduction is made on the quantities of stocks calculated. According to the IEA methodology the deduction is made to account for unavailable stocks. The Directive does not specify any reason for the deduction.

**7.4.** In your view, is a 10% deduction still justified?

☒ Yes

☐ No

*Please explain your answer 200 character(s) maximum*

*It is reasonable to assume that certain quantities of fuel held in storage units e.g. bottom of tank would not actually be available for use and therefore if not deducted the rational of the Directive would be partially defeated . However, the adequacy of the actual percentage should be assessed.*

**7.5.** if not justified, how should Annex III be amended?

- ☐ No deduction rate at all for unavailability
- ☐ A lower deduction rate
- ☐ Several deduction rates based on the nature of the stock holders (whether CSE, private, cross border,...)
- ☐ Other (specify)

*Please explain your answer 200 character(s) maximum*

## Additional contribution

---

Do you have other specific views that could not be expressed in the context of your replies to the above questions?

*5000 character(s) maximum*

No.

Finally, you may upload here any relevant documents, e.g. position papers, that you would like the European Commission to be aware of.

Thank you for your participation in the consultation!