

Transposition/Implementation of the Oil Stocks Directive

State of play

20th April 2022

- In October 2012, the 10th MC of the EnC adopted the Council Directive 2009/119/EC (Decision D/2012/03/MC-EnC) on imposing an obligation to maintain minimum stocks of crude oil and/or petroleum products by 1 January 2023
- After almost ten years from the MC Decision, the expected progress by the majority of the CPs is not yet evident. From our most recent communications with all CP, it is obvious that none of the CPs (apart from North Macedonia and Serbia) will be able to fulfil the legal obligation of full implementation by 1 January 2023
- 7 of the 9 CPs have yet to establish the legislative framework, which transposes the Directive and designates the stockholding policy in their country

ALBANIA

- Industry related - 90 days of their average annual sales and non-compliant
- A draft Law is prepared and ready to be adopted by the Albanian Government if it decides to shift this obligation from the oil industry to a Government oil stockholding scheme
- There is a slight possibility to meet the deadline if Albania maintains the same oil stockholding system (industry related) and adopts secondary legislation compliant with the Oil Stocks Directive (in particular establishing the monthly oil data reporting system)

BOSNIA and HERZEGOVINA

- Bosnia and Herzegovina does not have legislation on compulsory stocks of oil and petroleum products at the state level
- The ECS has proposed a model under the specific condition but not accepted by the Republika Srpska
- The Federation of Bosnia and Herzegovina is OK with the suggested model
- One Central Stockholding Entity (CSE) is not accepted
- Unlikely to transpose the oil stocks Directive within this year

GEORGIA

- Georgia does not have emergency oil stocks
- Open issues:
 - Identification of the commercial operators to maintain the emergency oil stocks
 - Lack of storage facilities
- Draft Act - introduced to the Parliament and is planned to be approved no later than the autumn session
- Georgia will not be able to fulfil this obligation by 1 January 2023
According to their estimation, the full implementation of this obligation will be achieved by 2028

KOSOVO*

- Kosovo* is another CP unable to fulfil the oil stock obligation by 1 January 2023
- The draft law approval by the Government and thus subsequent adoption by the Parliament is still pending

MOLDOVA

- The draft law is expected to be submitted for adoption to the Government and subsequently Parliament during Q2 2022
- Adapted to meet the new requirements of Directive (EU) 2018/1581 regarding the methods for calculating stockholding obligations
- Moldova is not expected to fulfil this obligation by 1 January 2023

MONTENEGRO

- 2016 draft law - a model of gradual formation of strategic reserves intending to fulfil the obligation within the set deadline of 1 January 2023
- Government is working on transferring the emergency oil stocks obligations to importers of petroleum products as the only solution that allows the formation of reserves within the given deadline of 1 January 2023

NORTH MACEDONIA

- Primary and secondary legislation - already transposed and compliant with the Oil Stocks Directive
- Implementation: the current oil stocks level corresponds to 52 days and is calculated following the new methodology prescribed in Commission Implementing Directive (EU) 2018/1581
- The additional 38 days may cause non-fulfilment of the final 90 days net import obligation by 1 January 2023

SERBIA

- Primary and secondary legislation - transposed and compliant with the Oil Stocks Directive
- Implementation: the emergency oil stocks obligation, calculated based on 61 days inland consumption, currently covers 25 days – an estimated shortfall of 36 days
- Serbia expects in cooperation with the industry through a public-private partnership, they will fulfil this obligation within this year

UKRAINE

- No legal framework on emergency oil stocks
- A draft Law on minimum stocks of crude oil and petroleum products prepared in 2018
- Secondary legislation
- Ukraine is behind in this regard, and it will be highly unlikely to fulfil the oil stocks implementation deadline by 1 January 2023

WRAP-UP

Based on the progress or lack of progress in each Contracting Party it is expected that the majority of them will not fulfil their obligation by 1 Jan 2023 in accordance with the 10th Ministerial Council Decision (D/2012/03/MC-EnC) in October 2012



THANK YOU FOR YOUR ATTENTION

adrian.jasimi@energy.community.org

GET IN TOUCH

-  www.energy-community.org
-  [Ener_Community](https://twitter.com/Ener_Community)
-  [/company/energy-community](https://www.linkedin.com/company/energy-community)
-  [/Ener.Community](https://www.facebook.com/Ener.Community)
-  [/EnergyCommunityTV](https://www.youtube.com/EnergyCommunityTV)