



# Study on oil security of supply and green transition

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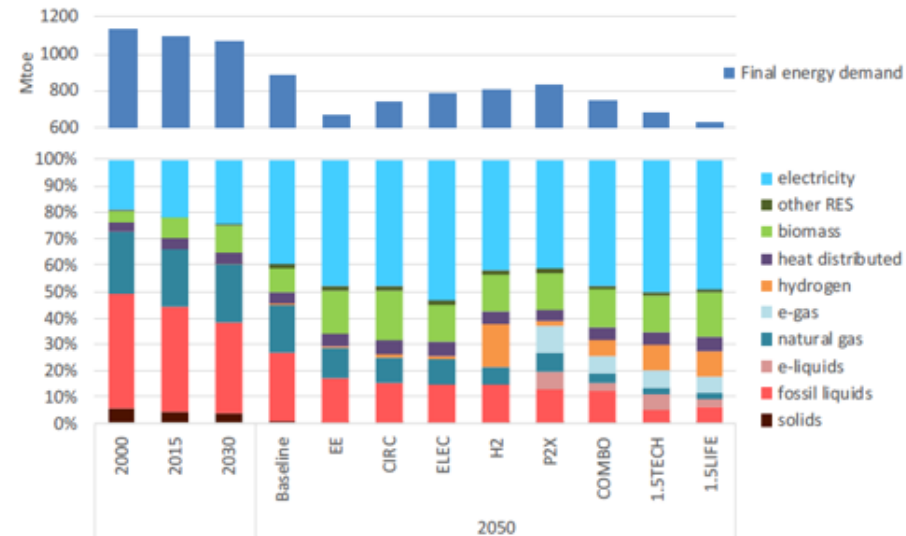
## Directive 2009/119/EC on Oil Stocks.

- **Emergency Stocks:** 90 days of net imports or 61 days of net consumption. Always available and accessible. Specific stocks.
- **Organizational issues:** “Central Stockholding Entities”, crisis management, inspection and penalties.
- **Register and data reporting :** Member States’ annual reports - transparency (register and data reporting).
- **Emergency preparedness:** Risks assessment, emergency procedures and contingency plans.
- **Coordination at EU level:** Oil Coordination group, monitoring implementation and emergency decisions.

# Why a study on oil stocks? How?

- **European Green Deal/ Fit for 55:** Impact on the oil stock directive.
- **Simplifications/Improvements:** Simplification, cross border stocks, tickets and joint stockholding.
- **How:** literature review, stakeholder survey and interviews.

Figure 0-1: Share of energy carriers in final energy consumption, EU Long Term Strategy



Source: EC's LTS, figure 20, [https://ec.europa.eu/clima/system/files/2018-11/com\\_2018\\_733\\_analysis\\_in\\_support\\_en.pdf](https://ec.europa.eu/clima/system/files/2018-11/com_2018_733_analysis_in_support_en.pdf)

## Task one – Simplification of existing rules - Findings

- **Commercial stocks** : Difference with emergency stocks to be clarified.
- **Specific stocks** : **Not very much used.** But emergency stocks concentrated on 7 main products.
- **Calculation of stocks:** The '10% rule' (tank bottom) could be lowered provided stocks are really **accessible and available.**
- **National contingency plans:** Consider setting best practices.
- **Consider expressing stocks solely in terms of actual oil consumption** rather than in terms of net imports.

## Task two – Cross border stocks – Findings

- **Large differences across Member states (from 0% to 90%)**  
Bilateral agreements used to establish cross-border regime tickets.
- **No major issue identified by respondents with restrictions.**  
Existing restrictions (>72% respondent apply restrictions) for concerns of availability/accessibility of stocks.
- **Consider harmonising the main provisions of bilateral agreements.**

## Task three – Ticket reliability – Findings

- **The share of tickets is small in the Union** (6% of the emergency stocks, 3% cross-border and 3% national).
- **Big differences across Member states** (e.g. Poland not using, NL big seller, etc,).
- **Tickets are the useful, but to be used as last resort.** Tickets generally have a short duration of around three months and need to be rolled over.
- **EU level platform (XEOS) to be made compulsory:** to increase the transparency and visibility of tickets, possibly leading to higher volumes of ticket trades in general.

## Task four – New tools, modern mechanisms - Findings

- **Joint stocks:** Could be interested regionally (e.g. smaller Member States), Concerns on accessibility/availability.
- **Joint purchasing:** Not used. Complicated mechanism for no significant saving.
- **Harmonising demand restraints mechanism:** Benchmark is IEA target of 7-10% and guidelines. Flexibility needed.
- **Biofuels stocks:** Only a few Member states do it for cost reasons. Makes sense in the future as share increases.

## Overall conclusions

- **No urgent changes needed in the short term.** But Further harmonisation would help to ensure coherent implementation.
- **Major adjustments needed from 2030** (biofuels, other energy carriers).
- **The impact of latest political developments** (e.g. CO<sub>2</sub> car standards from 2035) and **of the latest energy crisis** need to be further assessed.
- Consider **interrelationship between energy carriers** in the future oil stock directive.





***Thank you for  
your attention!***

**For more information:**

**<https://ec.europa.eu/energy/en/topics/energy-security>**



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