Main outputs from the Oil Stocks Workshop held in Zagreb in April 2016

8th Oil Forum
28/29 September 2016, Belgrade
TABLE OF CONTENT

- Key objectives of this Workshop
- EU MS Stockholding Policies
- Emergency Response and Procedures
- Serbian Experience
- Croatian Experience – HANDA a success story – as a separate presentation
Workshop’s objectives

The key objectives of the Workshop:

- Strengthening security of energy supply through the implementation of the EU Oil Stocks Directive
- Outline the basic steps on the best-suited oil stock holding policy in each CP for the full implementation of the oil stocks Directive 2009/119/EC
- Timely transposition and implementation of the Directive
- Sharing of experience with EU Member States Agencies
Sharing of experience with EU MS Agencies
- Stockholding obligations: 25% of the previous net year imports for crude and products

- As of April 1, 2016 the overall obligation: ~3 mt coe where ELG kept: 2.86 mt coe - resp. 96%

- ELG at glance – Shareholders (OMV, BP, SHELL, ENI) Austria; Organisational Chart etc.

- Composition of Compulsory Emergency Reserves (Crude 41%; Gasoline 11%; Middle Distillate 42%; HFO 6%)

- Tank locations in Austria

- A summary of the ELG’s Strategic Mission
• Main purpose is to maintain, refresh the Emergency Oil Stocks and release of Emergency Oil Stocks in order to fulfill the obligation of the Republic of Slovenia regarding

• Emergency Oil Stocks are kept in the form of petroleum products only

• 550 Kt representing 92,30 days
  
  71 % in Slovenia 29 % kept abroad
  94.5 % owned stocks; 5.5 % tickets

• Financing of activities:
• Fee – mainly admin costs, operating costs, financing costs
• Loan – mainly for purchasing of products
The emergency oil stocks are owned and managed by the Emergency Oil Stocks Agency (EOSA).

Financing separated from state budget

Enhanced involvement of industry in the emergency stocks management

The ASMR now plays the role of state supervision authority

2015 daily net imports of Slovakia: 7,990 t

EOSA currently holds emergency stocks at the level of 90 days of daily net imports:
Crude oil – 512 Kt and Products – 254 Kt (Gasoline 39%; Diesel 57% and Kerosene Jet 4%)

Two limitation from the legislation: At least 1/3 must be in the form of Oil products and at least 50% must be in the form of Crude oil. Current share of Oil products: 38%; Only physical stocks – no tickets – and stocks are kept in the Slovak Republic
Mixed system:
- 60 days for the liable persons
- 30 days for the State

- Non Compliant with the Directive obligation of 90 days of net imports: Currently – 75 days

- Problems faced :
  - the method of average daily net import
  - lack of prior data
  - 10% reduction of the maintained stocks
  - financial crisis/financial difficulties
  - litigations with some of the liable persons
Presented by the IEA representative:

- **Stockholding systems across IEA countries/stocks by types (Crude vs. Finish Products)**
- **Stock release mechanisms and different examples:**
  - Government stocks (Czech Rep)
  - Agency stocks (Belgium – APETRA)
  - Mixed (Spain – CORES + Industry)
- **Demand-side measures**
Serbian Experience

- Legal framework
- Progress after 1\textsuperscript{st} year of operations – 14.5 days of Inland Consumption
- Projects, investments, next steps
- Estimated amount and composition of emergency oil stocks (around 496 Kt – 479 Kt Products and 17 Kt Crude) and required storage capacity
- Schedule of the establishment of emergency oil stocks (2015 – 2023)
- Serbian oil crisis response structure (NESO)
Thank you for your attention!

adrian.jasimi@energy-community.org
www.energy-community.org