

L.N. of 2012

MALTA RESOURCES AUTHORITY ACT

(CAP. 423)

**Maintenance of Minimum Stocks of Crude Oil and, or Petroleum Products Regulations,
2012**

IN exercise of the powers conferred by article 28 of the Malta Resources Authority Act, the Minister for Resources and Rural Affairs, after consultation with the Malta Resources Authority, has made the following regulations:-

Title and scope.

1. (1) The title of these regulations is the Maintenance of Minimum Stocks of Crude Oil and, or Petroleum Products Regulations, 2012.

(2) The scope of these regulations is the laying down of rules aimed at ensuring a high level of security of oil supply through reliable and transparent mechanisms based on solidarity amongst Member States, maintaining minimum stocks of crude oil and/or petroleum products and putting in place the necessary procedural means to deal with a serious shortage.

(3) These regulations transpose Directive 2009/119/EC of 14 September 2009 imposing an obligation on Member States to maintain minimum stocks of crude oil and/or petroleum products.

Interpretation.

2. In these regulations, unless the context otherwise requires:

Cap. 423.

“the Act” means the Malta Resources Authority Act;

“additives” means non-hydrocarbon compounds added to or blended with a product to modify its properties;

“the Authority” means the Malta Resources Authority established by article 3 of the Act;

“biofuel” means liquid or gaseous fuel for transport produced from biomass, ‘biomass’ being the biodegradable fraction of products, waste and residues from agriculture (including vegetable and animal substances), forestry and related industries, as well as the biodegradable fraction of industrial and municipal waste;

“central stockholding entity” or “CSE” means the body or service upon which powers may be conferred to act to acquire, maintain or sell oil stocks, including emergency stocks and specific stocks;

“commercial stocks” means those oil stocks held by economic operators which are not a requirement under these regulations;

"the Commission" means the European Commission established by article 7 of the Treaty establishing the European Community signed on March 25th, 1957;

"the Community" means the European Community established by the Treaty establishing the European Economic Community signed on March 25th, 1957;

“Coordination Group” means the consultative Group established by Directive 2009/119/EC to contribute to analysing the situation within the Community with regard to security of supply for oil and petroleum products and to facilitate the coordination and implementation of measures in that field;

“economic operator” means any person, body or entity required to hold emergency stocks under these regulations;

“effective international decision to release stocks” means any decision in force taken by the Governing Board of the International Energy Agency to make crude oil or petroleum products available to the market by a release of its members 'stocks and/or additional measures;

“emergency stocks” means the oil stocks that are required to be maintained pursuant to regulation 3;

“Governing Board of the International Energy Agency” means the Governing Board of the International Energy Agency (IEA), the inter-governmental organisation established by means of the “Agreement on an International Energy Program” (I.E.P. Agreement);

“inland consumption” means the total quantities, calculated according to the Second Schedule, delivered within a country for both energy and non-energy use. This aggregate includes deliveries to the transformation sector and deliveries to industry, transport, households and other sectors for ‘final’ consumption. It also includes the own consumption of the energy sector (except refinery fuel);

“international marine bunkers” means the quantities of fuels delivered to ships of all flags that are engaged in international navigation. The international navigation may take place at sea, on inland lakes and waterways, and in coastal waters. Excluded is:

- (a) consumption by ships engaged in domestic navigation. The domestic/international split should be determined on the basis of port of departure and port of arrival, and not by the flag or nationality of the ship;
- (b) consumption by fishing vessels;
- (c) consumption by military forces;

“major supply disruption” means a substantial and sudden drop in the supply of crude oil or petroleum products to the Community or to a Member State, irrespective of whether or not it has led to an effective international decision to release stocks;

“the Minister” means the Minister responsible for resources;

"Member State" means a member state of the Union;

“oil stocks” means the following stocks of energy products and as listed in the first paragraph of Section 3.1 of Annex C to Regulation (EC) No 1099/2008:

- (a) crude oil;
- (b) NGL;
- (c) refinery feedstocks;
- (d) other hydrocarbons;
- (e) refinery gas (not liquefied);
- (f) ethane;
- (g) LPG;

- (h) Naphtha;
- (i) motor gasoline;
- (j) aviation gasoline;
- (k) gasoline type jet fuel (naphtha type jet fuel or JP4);
- (l) kerosene type jet fuel;
- (m) other kerosene;
- (n) gas/diesel oil (distillate fuel oil);
- (o) transport diesel;
- (p) heating and other gasoil;
- (q) fuel oil (both low and high sulphur content);
- (r) white spirit and SBP;
- (s) lubricants;
- (t) bitumen;
- (u) paraffin waxes;
- (v) petroleum coke.;

“physical accessibility” means arrangements for locating and transporting stocks to ensure their release or effective delivery to end users and markets within time frames and conditions conducive to alleviating the supply problems which may have arisen;

“reference year” means the calendar year of the consumption or of the net import data used to calculate either the stocks to be held or the stocks actually held at a given time;

“Regulation (EC) No 1099/2008” means Regulation (EC) No 1099/2008 of the European Parliament and of the Council of the 22nd October 2008 on energy statistics;

“specific stocks” means oil stocks that meet the criteria set out in regulation 9.

Official Journal of
the European
Union L 304/1.

Emergency stocks
and the
calculation of
stockholding
obligations.

3. (1) Economic operators shall carry out any necessary measures in pursuance of the national obligation that the total oil stocks maintained at all times correspond, 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 Authority shall calculate the total oil stocks that are to be maintained by each economic operator in pursuance of such obligation and economic operators shall maintain at all times such amount of oil stocks as required to be held by them by the Authority:

Provided that, until the 31st December 2014, the total oil stocks maintained shall at all times correspond, at the very least to 81 days of average daily net imports.

(2) The average daily net imports to be taken into account shall be calculated on the basis of the crude oil equivalent of imports during the previous calendar year, determined in accordance with the method and procedures set out in the First Schedule. The average daily inland consumption to be taken into account shall be calculated on the basis of the crude oil equivalent of inland consumption during the previous calendar year, established and calculated in accordance with the method and procedures set out in the Second Schedule.

(3) Notwithstanding sub-regulation (2), the daily averages of net imports and inland consumption, as referred to in that sub-regulation, shall be determined, as regards the period from 1 January to 31st March of each calendar year, on the basis of the quantities imported or consumed during the last year but one before the calendar year in question.

4. (1) The economic operator shall calculate the levels of stocks held using the methods set out in the Third Schedule. When calculating stock levels for each category held pursuant to regulation 9, those methods shall apply only to the products in the category in question.

(2) The levels of stocks held at any given time shall be calculated using data from the reference year determined in accordance with the rules set out in regulation 3.

(3) Any oil stocks may be included simultaneously in both the calculation of emergency stocks and the calculation of specific stocks provided that those oil stocks satisfy all the conditions laid down in these regulations for both types of stocks.

5. (1) At all times, economic operators shall ensure that emergency stocks and specific stocks are available and physically accessible for the purposes of these regulations. Economic operators shall ensure that stocks are identifiable, accountable and under their control to ensure that those stocks may be verified at any time. This requirement also applies to any emergency stocks and specific stocks that are commingled with other stocks held by economic operators.

The economic operators shall take all necessary measures to prevent all obstacles and encumbrances that could hamper the availability of emergency stocks and specific

Calculating stock levels.

Availability of stocks.

stocks. The Authority may set limits or additional conditions on the possibility of its emergency stocks and specific stocks being held outside Malta.

(2) Where there is reason to implement the emergency procedures provided for in regulation 20, the Authority shall prohibit, and the economic operators shall refrain from taking, any measure hindering the transfer, use or release of emergency stocks or specific stocks held within Malta on behalf of another Member State.

(3) The Authority may issue any decision or give a directive as it may deems necessary, and economic operators shall observe any such decision or directive, to ensure that emergency stocks and specific stocks are available and physically accessible for the purposes of these regulations.

Register of
emergency stocks
and Annual
report.

6. (1) The Authority shall keep a continually updated and detailed register of all emergency stocks held in Malta which do not constitute specific stocks. Such 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, with reference to the categories identified in the first paragraph of Section 3.1 of Annex C to Regulation (EC) No 1099/2008.

(2) By the 25th February of each year following the entry into force of these regulations, the Authority shall send the Commission a summary copy of the stock register referred to in sub-regulation (1) showing at least the quantities and nature of the emergency stocks included in the register on the last day of the preceding calendar year.

(3) The Authority shall also send the Commission a full copy of the register within 15 days of a request by the Commission. In this copy sensitive data relating to the location of stocks may be withheld. Such requests may be made no later than 5 years after the date to which the requested data relate, and may not bear upon data relating to any period preceding the 1st January 2013.

Central
stockholding
entity.

7. (1) The Government may set up a central stockholding entity. The Government may not set up more than one central stockholding entity or any other similar body. The Government may set up the central stockholding entity at any location within the Community. Where the Government sets up a central stockholding entity, it shall take the form of a body or service without profit objective and acting in the general interest and it shall not be considered to be an economic operator within the meaning of these regulations.

(2) The main purpose of the central stockholding entity shall be to acquire, maintain and sell oil stocks for the purposes of these regulations or for the purpose of complying with international agreements concerning the maintenance of oil stocks. The central stockholding entity shall be the only body or service upon which powers may be conferred to acquire or sell specific stocks.

(3) The Minister or the central stockholding entity as the case may be, may, for a specified period, delegate tasks relating to the management of emergency stocks and, with the exception of sale and acquisition, of specific stocks, but only to:

(a) another Member State within whose territory such stocks are located or the central stockholding entity set up by that Member State. Tasks thus delegated may not be sub-delegated to other Member States or to central stockholding entities set up by them.

(b) economic operators. Tasks thus delegated to economic operators may not be sub-delegated. Where such a delegation, or any change or extension to that delegation, involves tasks relating to the management of emergency and specific stocks held in another Member State, economic operators must be authorised in advance both by the Government or the central stockholding entity as the case may be, on whose account the stocks are held, and by all Member States within whose territories the stocks will be held.

(4) The central stockholding entity shall, for the purposes of sub-regulations (1) and (2) of regulation 8, publish:

(a) on an ongoing basis, full information, broken down by product category, on the stock volumes that it can undertake to maintain for economic operators, or, where appropriate, interested central stockholding entities;

(b) at least 7 months in advance, the conditions subject to which it is willing to provide services related to maintaining the stocks for economic operators. The conditions under which services may be provided, including conditions relating to scheduling, may also be determined by the Authority or following a competitive procedure intended to determine the best bid among operators or, where appropriate, interested central stockholding entities.

The central stockholding entity shall accept such delegations under objective, transparent and non-discriminatory conditions. Payments by the operators for the services of the central stockholding entity shall not exceed the full costs of the services rendered and may not be required until the stocks are constituted. The central

stockholding entity may make its acceptance of a delegation conditional upon the operator's provision of a guarantee or some other form of security.

8. (1) Any economic operator on which the Authority imposes stockholding obligations in order to fulfill its obligations under regulation 3 shall have the right to delegate those obligations at least in part and at the choice of the economic operator, but only to:

Economic operators.

(a) if applicable, to the central stockholding entity;

(b) one or more other central stockholding entities of other Member States which have in advance declared themselves willing to hold such stocks, provided that such delegations have been authorised in advance both by the Minister and by all Member States within whose territories the stocks will be held;

(c) other economic operators which have surplus stocks or available stockholding capacity outside of the territory of Malta and when the stocks are held within the Community on account of the Minister, provided that such delegation has been authorised in advance both by the Minister and by all Member States within whose territories the stocks will be held; and, or

(d) other economic operators which have surplus stocks or available stockholding capacity within Malta, provided that such delegation has been communicated in advance to the Authority. The Authority may impose limits or conditions on such delegations.

Obligations delegated in accordance with paragraphs (c) and (d) may not be sub-delegated. Any change to or extension of a delegation referred to in paragraphs (b) and (c) shall only take effect if authorised in advance by the Minister and by all Member States within whose territories the stocks will be held and which authorised the delegation. Any change to or extension of a delegation referred to in paragraph (d) shall be treated as a new delegation.

(2) The Authority may restrict the delegation rights of the economic operators on which it imposes or has imposed stockholding obligations:

Provided that the Authority may not limit the delegation rights of an economic operator to amounts corresponding to less than 10 % of the stockholding obligation imposed on it, unless the Minister has set up a central stockholding entity:

Provided further that an economic operator shall have the right to delegate at least 10 % of the stockholding obligation imposed on it to such central stockholding entity, which shall accept the delegation to it in respect such amount.

(3) Notwithstanding the provisions of sub-regulations (1) and (2), the Minister may impose an obligation on an economic operator to delegate at least part of its stockholding obligation to the central stockholding entity, if applicable, by means of an order published in the Gazette.

(4) The Authority shall inform economic operators of the modalities to be used to calculate the stockholding obligations imposed on them no later than 200 days prior to the start of the period to which the obligation in question relates. Economic operators shall exercise their right to delegate stockholding obligations to central stockholding entities as applicable no later than 170 days prior to the start of the period to which the obligation in question relates.

Where economic operators are informed less than 200 days before the start of the period to which the stockholding obligation relates, they may exercise their right to delegate that obligation at any time.

Specific stocks.

9. (1) The Minister may direct that a minimum level of oil stocks are maintained, and calculated in terms of number of days of consumption, in accordance with the conditions set out in this regulation. Specific stocks shall be owned by the Government or the central stockholding entity set up by it and shall be maintained on the territory of the Community.

(2) Specific stocks can only be composed of one or more of the following product categories, as defined in Section 4 of Annex B to Regulation (EC) No 1099/2008:.

- (a) ethane;
- (b) liquefied petroleum gas;
- (c) motor gasoline;
- (d) aviation gasoline;
- (e) gasoline-type jet fuel (naphtha-type jet fuel or JP4);
- (f) kerosene-type jet fuel;
- (g) other kerosene;
- (h) gas/diesel oil (distillate fuel oil);
- (i) fuel oil (high sulphur content and low sulphur content);
- (j) white spirit and SBP;
- (k) lubricants;

- (l) bitumen;
- (m) paraffin waxes;
- (n) petroleum coke.

(3) Petroleum products constituting specific stocks shall be identified by the Minister on the basis of the categories listed in sub-regulation (2). The Minister shall ensure that, for the reference year determined in accordance with the rules set out in regulation 3 and concerning the products included in the categories used, the crude oil equivalent of quantities consumed in the Member State is at least equal to 75 % of inland consumption calculated using the method set out in the Second Schedule.

For each of the categories chosen by the Minister, the specific stocks undertaken to be maintained shall correspond to a given number of days of average daily consumption measured on the basis of their crude oil equivalent during the reference year determined in accordance with the rules set out in regulation 3.

The crude oil equivalents referred to in the sub-regulations (1) and (2) shall be calculated by multiplying by a factor of 1,2 the sum of the aggregate 'observed gross inland deliveries', as defined in Section 3.2.1 of Annex C to Regulation (EC) No 1099/2008, for the products included in the categories used or concerned. International marine bunkers shall not be included in the calculation.

(4) When the Minister has decided to maintain specific stocks, the Minister shall send to the Commission a notice to be published in the *Official Journal of the European Union*, specifying the level of such stocks that the Minister has undertaken to maintain and the duration of such undertaking which shall be at least of 1 year. The notified minimum level shall apply equally to all categories of specific stocks used by Malta.

Such stocks shall be held for the full length of the notified period without prejudice to the right of the Minister to authorise temporary reductions to be undergone due solely to individual stock replacement operations.

The list of categories used by Malta shall remain in effect for at least 1 year and may be amended only with effect on the first day of a calendar month.

(5) In the case that the Minister has not made a commitment for the full length of a given calendar year to maintain at least 30 days of specific stocks, at least one-third of the stockholding obligation shall be held in the form of products composed in accordance with sub-regulations (2) and (3).

When less than 30 days of specific stocks are held, the central stockholding entity shall draw up an annual report analysing the measures taken to ensure and verify the availability and physical accessibility of its emergency stocks as referred to in regulation 5 . The central stockholding entity shall document in the same report arrangements made to allow the Government to control the use of these stocks in case of oil supply disruptions. Such report shall be sent to the Minister and to the Authority fifteen days prior to the end of the first month of the calendar year to which it relates.

10. (1) The central stockholding entity shall keep a continually updated and detailed register of all specific stocks held within Malta. Such register shall contain, in particular, all information needed to pinpoint the exact location of the stocks in question. The central stockholding entity shall also send to the Minister a copy of the register within seven days of a request by the Commission for a copy of such register. In this copy, sensitive data relating to the location of stocks may be withheld. Such requests may be made no later than 5 years after the date to which the requested data relate.

(2) Where specific stocks are commingled with other oil stocks, the central stockholding entity shall prevent those commingled products from being moved, to the extent of the proportion constituting specific stocks, without the prior written authorisation of the Minister.

(3) The Government shall take the necessary measures to confer unconditional immunity from enforcement action on all specific stocks maintained or transported within Malta, irrespective of whether those stocks are owned by the Government or by other Member States.

11. The delegations referred to in regulations 7 and 8 shall in no way alter the obligations incumbent upon Government pursuant to these regulations.

12. (1) With regard to the levels of stocks to be held pursuant to regulation 3, the Authority shall draw up a statistical summary and submit them to the Minister in accordance with the rules set out in the Fourth Schedule.

(2) The Authority may not include quantities of crude oil or petroleum products which are subject to a seizure order or enforcement action in its statistical summary of emergency stocks. This also applies to stocks owned by companies that are bankrupt or have entered into an arrangement with creditors.

13. (1) If applicable, the central stockholding entity shall draw up and submit to the Minister and to the Authority a statistical summary, for each product category, showing the specific stocks existing on the last day of each calendar month and specifying the

Managing specific stocks.

The effect of delegations.

Statistical summaries of stocks covered by regulation 3.

Statistical summaries of specific stocks.

quantities and the number of days of average consumption in the reference year which those stocks represent. If some of those specific stocks are held outside the territory of Malta, it shall provide details of the stocks maintained in or by the various Member States and central stockholding entities concerned. It shall also provide a detailed indication of whether Government owns all of those stocks or whether they are owned, in whole or in part, by its central stockholding entity, if applicable.

(2) If applicable, the Authority shall also draw up and submit to the Commission a summary of the specific stocks located within Malta and owned by other Member States or central stockholding entities, showing the stocks existing on the last day of each calendar month and broken down into the product categories identified pursuant to regulation 9(4). In that summary, the Authority shall also indicate, in each case, the Member State or central stockholding entity concerned and the quantities involved.

(3) The statistical summaries referred to in subregulations (1) and (2) shall be submitted during the calendar month following that to which they relate.

(4) Copies of the statistical summaries shall also be sent immediately upon request by the Minister. Such requests may be made no later than 5 years after the date to which the data in question relate.

Summaries of commercial stocks.

14. (1) The economic operator shall submit to the Authority a monthly statistical summary of the levels of commercial and emergency stocks held within Malta. Any data should be provided to the level of detail and categorisation requested by the Authority:

Provided that such detail and categorisation shall be proportionate to the level required for the Authority to fulfil its reporting and verification obligations under these regulations.

(2) The data referred to in sub-regulation (1) shall reach the Authority by not later than the fifteenth day after the end of the month for which the report is due, save as otherwise provided by the Authority. Such data shall be submitted in the form, manner or format required by the Authority, including in electronic form.

Biofuels and additives.

15. (1) When calculating stockholding obligations under regulations 3 and 9 biofuels and additives shall be taken into account only where they have been blended with the petroleum products concerned.

(2) When calculating the stock levels actually maintained, biofuels and additives shall be taken into account when:

- (a) they have been blended with petroleum products concerned; or
- (b) they are stored on the territory of Malta:

Provided that, such biofuels and additives shall be taken into account only when legally binding obligations are in force ensuring that biofuels are to be blended with petroleum products held pursuant to stockholding requirements set out in these regulations and that they are to be used in transportation.

Reviews of emergency preparedness and stockholding.

16. (1) The Authority or the central stockholding entity shall place sensitive data relating to the location of stocks at the disposal of the Commission's employees or its authorised agents within 1 week of an order given in writing by the Minister in terms of this sub-regulation.

(2) The Authority and those responsible for maintaining and managing emergency and specific stocks may be inspected and shall provide assistance to the persons authorised by the Minister to perform reviews of emergency preparedness and stockholding. Those persons shall be granted in particular the right to consult all documents and registers relating to the stocks and have right of access to all sites on which stocks are held and to all related documents.

(3) Officials, agents and other persons working under Commission supervision and members of the Coordination Group may not disclose any information which has been gathered or exchanged pursuant to article 18 of Directive 2009/119/EC and which, by its nature, is covered by professional secrecy, such as the identity of the owners of stocks.

(4) The Authority, economic operators and if applicable the central stockholding entity shall preserve all data, records, summaries and documents relating to emergency stocks and specific stocks for a period of at least 5 years.

Protection of individuals with regard to the processing of data.

17. These regulations are without prejudice to, and shall in no way affect, the level of protection of individuals with regard to the processing of personal data under the Data Protection Act.

Cap. 440.

Emergency procedures.

18. (1) The Minister may direct in writing the Authority and if applicable the central stockholding entity to release quickly, effectively and transparently some or all of the 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.

(2) The Minister 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. Upon request, the Minister shall inform the Commission of contingency plans and of the corresponding organisational arrangements.

(3) In the event of an effective international or Community decision to release stocks affecting Malta, the Minister may use emergency stocks and specific stocks to fulfill international obligations under that decision. If so doing, the Minister shall notify the Commission immediately.

(4) The Minister may release emergency and specific stocks below the compulsory minimum level set by these regulations in amounts immediately necessary for an initial response in cases of particular urgency or in order to meet local crises. In the event of such release, the Minister shall inform the Commission immediately of the amount released.

(5) Where paragraphs 3 or 4 of these regulations are applied, the Minister may temporarily permit that stocks are held at levels lower than those stipulated by these regulations.

Administrative
fines.

19. (1) The Authority may impose an administrative fine as provided for by the Act upon any person who infringes any provision of these regulations or who fails to comply with any directive or decision given by the Authority in ensuring compliance with these regulations.

(2) Without prejudice to sub-regulation (1), an economic operator who:

- (a) does not submit data to the Authority within the established time-frame;
and, or
- (b) supplies information which is erroneous or misleading or inaccurate; and, or
- (c) submits data in a format which is different from that requested by
the Authority; and, or
- (d) by any act or omission whatsoever and howsoever described, fails to
maintain the oil stocks as required to be held by the Authority in terms of these
regulations.

shall be liable to the imposition of an administrative fine which shall not exceed one hundred thousand euro (€100,000) for each contravention and, or six hundred euro (€600) for each day of non-compliance.

Offences and penalties.

20. Any person who:

(a) fails to comply with any lawful order made by an inspector, employee or officer of the Authority in the performance of his duties;

(b) hinders, obstructs, molests or interferes or attempts to hinder, obstruct, molest or interfere with the performance of the duties of any inspector, any employee or officer of the Authority; or

(c) makes a declaration for any of the purposes of these regulations which is false, misleading or incorrect in any material particular,

shall be guilty of an offence against these regulations and shall, on conviction, be liable to imprisonment for not more than eighteen months, or to a fine (*multa*) of not more than sixty-nine thousand euro (€69,000) or to one thousand three hundred euro (€1,300) for each day during which the offence persists, or to both such fine and imprisonment.

L.N. 237 of 2002.

21. The Crude Oil and Petroleum Products (Minimum Security Stocks and Crisis Management) Regulations, 2002 are hereby being revoked.

First Schedule

Regulation 3

METHOD FOR CALCULATING THE CRUDE OIL EQUIVALENT OF IMPORTS OF PETROLEUM PRODUCTS

The crude oil equivalent of imports of petroleum products, as referred to in regulation 3, must be calculated using the following method:

The crude oil equivalent of imports of petroleum products is obtained by calculating the sum of the net imports of crude oil, NGL, refinery feedstocks and other hydrocarbons as defined in Section 4 of Annex B to Regulation (EC) No 1099/2008, adjusting the result to take account of any stock changes, deducting 4 % for naphtha yield (or, if the average naphtha yield within Malta is greater than 7 %, deducting the net actual consumption of naphtha or the average naphtha yield) and adding this to the net imports of all other petroleum products excluding naphtha, also adjusted to take account of stock changes and multiplied by a factor of 1,065.

International marine bunkers are not included in the calculation.

Second Schedule

Regulation 3

METHOD FOR CALCULATING THE CRUDE OIL EQUIVALENT OF INLAND CONSUMPTION

For the purpose of regulation 3, the crude oil equivalent of inland consumption must be calculated using the following method:

Inland consumption is the sum of the aggregate 'observed gross inland deliveries', as defined in Section 3.2.1 of Annex C to Regulation (EC) No 1099/2008, of the following products only: 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) and fuel oil (high sulphur content and low sulphur content) as defined in Section 4 of Annex B to Regulation (EC) No 1099/2008.

International marine bunkers are not included in the calculation.

The crude oil equivalent of inland consumption is calculated by multiplying by a factor of 1,2.

Third Schedule

Regulation 4 (1)

METHODS FOR CALCULATING THE LEVEL OF STOCKS HELD

The following methods must be used to calculate stock levels:

Without prejudice to the case addressed in regulation 4(3), no quantity may be counted as stock more than once.

Crude oil stocks are reduced by 4 %, which corresponds to the average naphtha yield.

Stocks of naphtha and petroleum products for international marine bunkers are not included.

Other petroleum products are included in the stock count using one of the two methods set out below. The method chosen must continue to be used throughout the whole calendar year in question.

The Authority may:

(a) include all other stocks of the petroleum products identified in the first paragraph of Section 3.1 of Annex C to Regulation (EC) No 1099/2008 and calculate the crude oil equivalent by multiplying the quantities by a factor of 1,065; or

(b) include stocks of only the following products: 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) and fuel oil (high sulphur content and low sulphur content) and calculate the crude oil equivalent by multiplying the quantities by a factor of 1,2.

The calculation may include quantities held:

- in refinery tanks,
- in bulk terminals,
- in pipeline tankage,
- in barges,
- in intercoastal tankers,
- in oil tankers in port,
- in inland ship bunkers,
- in storage tank bottoms,
- as working stocks,
- by large consumers as required by law or otherwise controlled by governments.

However, those quantities except for any held in refinery tanks, in pipeline tankage or in bulk terminals, may not be included when calculating levels of specific stocks where such stocks are calculated separately from emergency stocks.

The calculation may never include:

(a) crude oil not yet produced;

(b) quantities held:

- in pipelines,
- in rail tank cars,
- in seagoing ships' bunkers,
- in service stations and retail stores,
- by other consumers,
- in tankers at sea,
- as military stocks.

When calculating stocks, the Authority must reduce the quantities of stocks calculated as set out above by 10 %. That reduction applies to all quantities included in a given calculation.

However, no 10 % reduction is to be applied when calculating the level of specific stocks or the levels of the different categories of specific stocks where those stocks or categories are considered separately from the emergency stocks, particularly with a view to verifying compliance with the minimum levels laid down by regulation 9.

Fourth Schedule

Regulation 14

Rules for the preparation and submission to the Minister of statistical summaries of stocks to be held pursuant to regulation 3

The Authority must draw up and submit to the Minister, on a monthly basis, a definitive statistical summary of the level of stocks actually held on the last day of the calendar month, calculated either on the basis of the number of days of net oil imports or on the basis of the number of days of inland oil consumption, in accordance with regulation 3. The statistical summary must provide precise details of why the calculation is based on the number of days of imports or, conversely, on the number of days of consumption and must specify which of the calculation methods set out in the Third Schedule was used.

If some of the stocks included when calculating the level of stocks held pursuant to regulation 3 are held outside national territory, each summary shall give details of the stocks held by the various Member States and CSEs concerned on the last day of the period to which it relates. In its summary, the Authority shall also indicate, in each case, whether the stocks are being held pursuant to a delegation request made by one or more economic operators or whether they are being held at its request or at the request of its CSE.

For any stocks held in Malta on behalf of other Member States or CSEs, the Authority shall draw up and submit to the Minister a summary showing the stocks existing on the last day of each calendar month, broken down by product category. In that summary, the Authority shall also indicate, in particular, the Member State or CSE concerned and the quantities involved in each case.

The statistical summaries referred to in this Schedule must be submitted to the Commission within 55 days of the end of the month to which they relate. Those same summaries must also be submitted within 2 months of a request by the Commission. Such requests may be made no later than 5 years after the date to which the data relate.