



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 19.06.1998

COM(1998) 363 final

98/0205 (CNS)

Draft

**COUNCIL DECISION**

regarding a Community procedure for information and consultation  
on crude-oil supply costs and the consumer prices of petroleum products

(presented by the Commission)

## EXPLANATORY MEMORANDUM

1. The Commission set up a procedure for information and consultation on the prices of crude oil and petroleum products<sup>1</sup> in response to the Community energy policy objectives adopted by the Council on 17 December 1974 following the 1973 oil crisis.
2. In 1979, with the agreement of the Member States and in parallel with the efforts of the International Energy Agency to make the oil market more transparent, the Commission decided to publish each week for each Member State the consumer prices of the main petroleum products net of duties and taxes.

This weekly publication, the "Oil Bulletin", drawn up on a voluntary basis, has made it possible to improve the transparency of the petroleum product prices charged on the various markets in the European Community, and has contributed towards achieving the internal market in petroleum products. Several Member States take account of the information published in the Bulletin to calculate the selling price (net of duties and taxes) of certain petroleum products placed on their market.

3. On 29 November 1994, the Energy Council asked the Commission to review the legislative texts in the field of energy policy. In COM(96) 320 final on the review of Community energy legislation, the Commission considered that Directive 76/491/EEC of 4 May 1976 no longer reflected the conditions prevailing on the oil market, and proposed repealing the Directive and replacing it by simplified legislative provisions, acting under Article 213 of the EC Treaty.
4. At the meeting of oil price experts of 16 April 1997, the Member States' representatives agreed to the Commission's proposal to maintain a simplified information system on the overall crude oil supply cost and the consumer prices of petroleum products. In addition, the Member States' representatives and the Commission decided that as the Oil Bulletin had demonstrated its value since 1979, it should be given a legal basis.

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<sup>1</sup> Directive 76/491/EEC of 4 May 1976.

Commission Decision 77/190/EEC of 26 January 1977 implementing Directive 76/491/EEC.

Commission Decision 81/883/EEC of 14 October 1981 amending Decision 77/190/EEC.

Draft  
**COUNCIL DECISION**

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on crude-oil supply costs and the consumer prices of petroleum products

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 213 thereof,

Having regard to the draft submitted by the Commission,

Having regard to the opinion of the European Parliament<sup>2</sup>,

Having regard to the opinion of the Economic and Social Committee<sup>3</sup>,

- (1) Whereas the establishment of a Community energy policy is one of the objectives which the Community has set itself, and it is the task of the Commission to propose measures for this purpose;
- (2) Whereas information about crude oil supply costs should be taken into account in the implementation of energy policy;
- (3) Whereas transparency of the consumer prices of petroleum products is a necessary condition for the satisfactory operation of the market, and particularly for the free movement of goods within the Community;
- (4) Whereas Council Directive 76/491/EEC of 4 May 1976 regarding a Community procedure for information and consultation on the prices of crude oil and petroleum products in the Community<sup>4</sup> requires Member States to communicate to the Commission information which no longer reflects the conditions prevailing on the oil markets, and it should therefore be repealed and replaced by a new Community information procedure;
- (5) Whereas Council Regulation (EC) No 2964/95 of 20 December 1995 introducing registration for crude-oil imports and deliveries in the Community<sup>5</sup> enables the Commission to be informed, in respect of each Member State, of the monthly supply cost by type of crude oil as regards imports from third countries or deliveries from another Member State but does not enable it to determine the overall crude oil supply cost in the Community;

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2. OJ C ...

3. OJ C ...

4. OJ L 140, 28.5.1976, p. 4.

5. OJ L 310, 22.12.1995, p. 5.

- (6) Whereas it is therefore necessary to set up a Community procedure for information and consultation on crude-oil supply costs and the consumer prices of petroleum products, so as to enable the Community to have all relevant information for the purposes of Community energy policy and for publication in the interests of market transparency;
- (7) Whereas this procedure requires the acquisition, at regular intervals, of certain information regarding crude-oil supply costs and the consumer prices of petroleum products in aggregate form at Member State level;
- (8) Whereas, in order to guarantee the reliability of the information collected, such information should be collected direct by the Member States from the oil companies concerned;
- (9) Whereas the information collected should make it possible to make a comparison of the trend in costs and oil prices charged in the Community;
- (10) Whereas the taxes charged on petroleum products are a component of the selling price, and it is therefore necessary, in order to ensure the transparency of the prices of those products and make a comparison of the prices charged in the Community, to indicate the consumer prices of petroleum products net of duties and taxes and inclusive of all taxes;
- (11) Whereas, in order to assess the trend in the oil market, it is necessary to have information about the crude-oil supply cost on a monthly basis and information about the consumer prices of petroleum products on the fifteenth day of each month and each Monday;
- (12) Whereas the information collected and the results of the analyses carried out by the Commission should be published at Community level in order to ensure market transparency and should be the subject of consultation between the Member States and the Commission;
- (13) Whereas, should the Commission find anomalies or inconsistencies in the figures communicated to it, it should be able to obtain from the Member States the relevant disaggregated information supplied by the companies;
- (14) Whereas the Commission should be able to specify, where appropriate, the details of the communications to be made, such as their form and their content,

HAS ADOPTED THIS DECISION:

#### **Article 1**

1. On the basis of data communicated to them by the oil companies whose activities fall within their jurisdiction, the Member States shall communicate to the Commission information relating to the crude-oil supply cost CIF and the consumer prices of petroleum products, in the manner laid down in Article 2.

The information shall be obtained by aggregating the data received by the Member States from the companies referred to in the first subparagraph, and shall be presented in such a way as to give as representative a picture as possible of each Member State's oil market.

2. The information concerning the crude-oil supply cost and the consumer prices of petroleum products are defined in the Annex, and the list of petroleum products is given in the Annex.

#### **Article 2**

Member States shall communicate to the Commission the following information:

- (a) concerning the monthly crude-oil supply cost CIF in the month following the end of the month in question;
- (b) concerning the consumer prices of petroleum products net of duties and taxes and inclusive of all taxes in force on the fifteenth day of each month, in the 30 days following the fifteenth day of the month in question;
- (c) concerning the consumer prices of petroleum products net of duties and taxes in force each Monday.

#### **Article 3**

Member States shall take all necessary steps to ensure that the companies whose activities fall within their jurisdiction provide them with the information necessary to enable them to fulfil their obligations pursuant to Articles 1 and 2.

#### **Article 4**

On the basis of the information collected pursuant to this Decision, the Commission shall publish in an appropriate form:

- (a) each month, the crude-oil supply cost CIF and the consumer prices of petroleum products net of duties and taxes and inclusive of duties and taxes charged on the fifteenth day of each month;
- (b) each week, the consumer prices of petroleum products net of duties and taxes charged on Monday.

#### **Article 5**

The Member States and the Commission shall consult each other within a working party of representatives of the Member States on the information collected pursuant to this Decision. Those consultations shall relate particularly to the Commission publications referred to in Article 4.

## **Article 6**

If the Commission finds that there are anomalies or inconsistencies in the information communicated to it by the Member States, it may ask the Member States to permit it to acquaint itself with the relevant disaggregated information supplied by the companies, and with the calculation and assessment procedures used to arrive at the aggregated information.

## **Article 7**

The Commission shall adopt implementing provisions regarding the form, the content, and all other aspects of the communications provided for in Article 1.

## **Article 8**

Directive 76/491/EEC is hereby repealed.

## **Article 9**

This Decision is addressed to the Member States.

Done at Brussels,

For the Council  
The President

**I. Definitions****1. Crude-oil supply cost (CIS)**

The supply cost within the meaning of Article 1 comprises all crude-oil imports plus crude oil produced and refined in the Community.

**(a) Imports**

“Imports” means all imports of crude oil into the territory of the Community for purposes other than transit and which are intended to cover the needs of a Member State.

**(b) Crude oil produced in the European Community**

“Crude oil produced in the European Community” means all crude oil produced, refined and marketed in the producing Member State.

**2. Consumer prices of petroleum products**

(a) “Consumer prices” within the meaning of Article 1 means, for a given oil company, the most representative average for prices net of duties and taxes and inclusive of all taxes that that company actually charges to consumers in a given category.

(b) “Consumer prices” within the meaning of Article 1, for a given Member State, means the most representative price levels for prices net of duties and taxes and inclusive of all taxes that, in that Member State, all companies actually charge consumers in a given category.

**II. List of petroleum products**

- motor fuels
  - at the pump
  - premium leaded petrol
  - Euro super 95
  - diesel
  - LPG
- domestic heating fuels
  - for small consumers
  - heating gas oil
- industrial fuels
  - for wholesale market deliveries
  - heavy fuel oil (sulphur content over 3% but not exceeding 4%)
  - heavy fuel oil (sulphur content over 1% but not exceeding 2%)
  - fuel oil (sulphur content not exceeding 1%)

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