THE VOICE OF EUROPE'S INDEPENDENT ENERGY AND MOBILITY SUPPLIERS

Revision of the Oil Stocks Directive (2009/119/EC).
UPEI Position Paper

Brussels, 27 July 2026.

Executive Summary.

- Overall, UPEI Members comply and are satisfied with the stock-holding arrangements in their respective Member States.
- However, questions are raised regarding the integration of new products into existing strategic stock obligations.
- Furthermore, certain legislations may need to be adapted for crisis scenarios.
- Administrative complications often arise when strategic cross-border stocks are held by economic operators, largely due to differing administrative procedures across Member States.
- Although injecting strategic stocks as far upstream as possible in the supply chain appears to work effectively, UPEI Members believe there is still room for clarification.
- Additional operational uncertainties may emerge in crisis conditions, which need to be included in the revised Directive.
- Independent operators should always be invited to participate in stockholding activities/obligations.

1. Introduction.

As part of its "AccelerateEU" Communication presented on 22 April, the European Commission informed that it would advance from 2027 to 2026 its proposal for a revision of the Oil Stocks Directive (2009/119/EC) aiming to address weaknesses identified in the current crisis and consider, amongst others, whether specific stock requirements are needed for different oil products.

This proposal is now expected to be part of the energy security framework that the European Commission will present in September 2026.

This paper outlines UPEI's recommendations for the proposed revision, which the European Commission aims to focus on six possible areas for improvement identified in its discussion paper ahead of the workshop it organised on 2 July 2026:

- To further harmonise the calculation methodology of stocks.
- To narrow specific stock requirements to diesel, jet fuel, and gasoline.
- To make XEOS mandatory for cross-border stock reporting.
- To introduce a dedicated article distinguishing military from civil stocks.
- To develop an EU-focused crisis mechanism with its own stock release triggers, rather than relying solely on the IEA.

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2. Assessment of the current legislation.

Overall, UPEI Members appear satisfied with the stock-holding arrangements in their respective Member States, which essentially work according to three main approaches:

- Entirely managed by economic operators (excise warehouses, often supported by storage companies)
- Entirely managed through a Stock Holding Entity (in most cases with direct or indirect participation from economic operators)
- Managed by a hybrid system combining both methods.

We believe that the existing EU strategic oil stocks mechanism, effectively coordinated with stocks of other OECD countries through the International Energy Agency, has helped to ensure security of supply. For the revision of the Oil Stocks Directive to fully deliver, future energy carriers and technologies, as well as the new geopolitical realities, need to be considered.

3. Integration of new products.

However, questions are raised regarding the integration of new products into existing strategic stock obligations. These products are essentially refined products (from which the EU has become much more dependent than from crude oil), low carbon and renewable liquid fuels (biofuels and RFNBOs), hydrogen carriers, feedstock, which part in the EU energy mix is increasing as rapidly as the energy transition is advancing.

- How will these products be incorporated?
- Will their volumes be added on top of current requirements, or will they partially replace existing stocks?

In particular, jet fuel and kerosene are gaining in attention, but this should not lead to forget other fuels. In any case, operators that do not commercialise these new products should not face additional obligations.

Stockholding obligations should be correlated to demand, and differentiation should be made between products that have to be on spec or not.

4. Crisis scenarios.

Certain legislations may need to be adapted for crisis scenarios: for example, allowing diesel to be placed on the market even when mandatory FAME content is not available.

Moreover, military, and civilian fuel security are interdependent, which may require the revised Directive to include military planning needs alongside civilian consumption assessments, so that in the worst-case scenarios civil society can continue to function in parallel to the military and provide essential economic and societal needs.

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5. Cross-border strategic stocks.

The revised Directive should maintain the possibility for economic operators subject to stockholding requirements to delegate their obligations to other economic operators or central stockholding agencies depending on their national specificities.

Administrative complications can arise when strategic cross-border stocks are held by economic operators, largely due to differing administrative procedures across Member States. In this respect, the implementation of the (revised) Directive should be much better harmonised, including as regards the definition of products, to ensure comparable costs of compliance.

6. Injection of strategic stocks.

Although injecting strategic stocks as far upstream as possible in the supply chain appears to work effectively - supported by the IEA's Emergency Response Exercises - UPEI members believe there is still room for improvement. Key concerns include:

- Limited awareness among economic operators about how products would be rationed at the final distribution stage during a major crisis.
- Unclear procedures for distinguishing between civil and military demand.

7. Independent operators should always be invited to participate in stockholding activities/obligations.

Storage is only one element of the availability of liquid fuels, and a well organised distribution chain, composed of many steps and products (finely distributed on EU ground) has also to be included in playbooks.

8. Other elements to be included in the revision.

Additional operational uncertainties that may emerge in crisis conditions should be addressed upfront in the revised Directive such as:

- The Directive should foresee implementing measures that would allow for a more flexible revision mechanism of its products coverage, in cooperation with the relevant economic operators.
- Physical and cyber protection of infrastructures should receive reinforced attention, including via fast-tracked permitting and public financial mechanisms, in order to improve adaptation to new requirements and to resilience and repair operations.
- The Directive revision should take into account other pieces of legislation, notably the Military Mobility Regulation, the Critical Infrastructures Resilience Directive or the NIS2 Directive (currently under revision) to ensure a coherent framework both in terms of obligations (rules applying to the relevant players should be consistent) and

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infrastructure development (permitting, EU and national public financing programmes, ...).

- While Member States must remain the owners of the Directive's implementation, as per article 194 of the TFEU, a flexible, more regional coordination should be organised, between the national and the IEA levels, taking into account interdependencies between the Member States as well as regional strengths and weaknesses (such as exposure or insolation). In case of local shortages, an-EU wide mechanisms should be established to inform international transport companies of possible re-routing.
- Finally, a uniform, EU-wide reporting system should be established.

9. Conclusion.

The preparation for a revision of the Oil Stocks Directive, that dates to 2009, is a particularly important exercise that should probably not have been organised via a "fast-track procedure". New factors have increased the complexity of the liquid fuels sector, that still provide 37% of the EU energy mix. Security, resilience, and strategic autonomy aspects have become as important as sustainability, affordability, and competitiveness requirements, making the revision a difficult exercise in such a brief period.

UPEI stands ready to continue cooperating with the European Commission on is drafting of the revision proposal, and then with the EU Council and the European Parliament during the legislative phase.

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UPEI, the voice of Europe's independent energy and mobility suppliers, represents nearly 2,000 European importers and wholesale/retail distributors of energy for the transport and heating sectors, supplying Europe's customers independently of the major energy producers. They are the interface between producers and consumers, using their own infrastructure and flexibility to supply existing demand for conventional and renewable liquid fuels, as well as non-liquid alternatives as part of the energy transition. They cover more than a third of Europe's current demand.

The organisation brings together national associations and suppliers across Europe. Independent fuel suppliers bring competition to Europe's energy market and are able to respond rapidly to changes affecting supply, contributing to security on a local, national, and regional level. They have developed and maintain a comprehensive infrastructure for the sourcing, storage and distribution of transport and heating fuels, with a commitment to delivering a high-quality service to all consumers, including those in remote areas.

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