No. 22801

NETHERLANDS and LUXEMBOURG

Agreement on the reciprocal holding of stocks of crude oil, intermediate petroleum products and petroleum products. Signed at Luxembourg on 27 January 1983

Authentic texts: Dutch and French.

Registered by the Netherlands on 28 March 1984.

PAYS-BAS et LUXEMBOURG

Accord relatif à l'imputation réciproque des stocks de pétrole brut, de produits intermédiaires de pétrole et de produits pétroliers. Signé à Luxembourg le 27 janvier 1983

Textes authentiques : néerlandais et français. Enregistré par les Pays-Bas le 28 mars 1984.

[Translation — Traduction]

AGREEMENT¹ BETWEEN THE GOVERNMENT OF THE KING-DOM OF THE NETHERLANDS AND THE GOVERNMENT OF THE GRAND DUCHY OF LUXEMBOURG ON THE RECIPRO-CAL HOLDING OF STOCKS OF CRUDE OIL, INTERMEDIATE PETROLEUM PRODUCTS AND PETROLEUM PRODUCTS

The Government of the Kingdom of the Netherlands and the Government of the Grand Duchy of Luxembourg,

Having regard to:

Directive 68/414/EEC of the Council of the European Communities of 20 December 1968 which obliges member States of the European Communities to maintain a minimum level of 65 days' stocks of crude oil and/or petroleum products and, in particular, article 6 (2) of the Directive which envisages the establishment of stocks within the territory of a member State for the account of undertakings established in another member State, under individual agreements between Governments;

Directive 72/425/EEC of the Council of the European Communities of 19 December 1972 increasing the minimum level of stocks of crude oil and/or petroleum products to 90 days as from 1 January 1975;

Have agreed as follows:

Article I. For the purpose of implementing this Agreement:

The term "Stocks" means; stocks of crude oil, intermediate petroleum products and petroleum products;

"Requirement to maintain stocks" means:

- —In the Kingdom of the Netherlands: the requirement to maintain stocks pursuant to the "Wet voorraadvorming aardolieprodukten" (Act on the Storage of Petroleum Products) of 21 October 1976 (Stbl. 1976, 569), and
- —In the Grand Duchy of Luxembourg: the requirement to maintain stocks pursuant to the Grand Duchy Regulation of 31 October 1973 concerning obligations to maintain stocks of petroleum products (Memorial A 1973, page 1424);

"Netherlands or Luxembourg enterprises required to maintain stocks" means enterprises required to maintain stocks under Netherlands or Luxembourg regulations.

Article II. Stocks stored in the Netherlands may be held by Luxembourg enterprises required to maintain stocks, subject to the following conditions.

Article III. The following stocks may also be taken into account:

(a) Stocks lawfully held at the disposal of Luxembourg enterprises required to maintain stocks in the Grand Duchy of Luxembourg and stored in Nether-

¹ Came into force on 4 December 1983, i.e., one month after the date of receipt (4 November 1983) of the last of the notifications by which the Contracting Parties informed each other of the completion of the required legal procedures, in accordance with article XII.

lands depots, provided that such depots are not owned, rented or otherwise used by Netherlands enterprises required to maintain stocks, or by enterprises constituting a group including Netherlands enterprises required to maintain stocks, or by enterprises over which Netherlands enterprises required to maintain stocks exercise substantial control.

Prior authorization from the Luxembourg Minister in charge of petroleum products shall be required for maintaining such stocks. Under this Agreement, no authorization by the Netherlands Minister of Economic Affairs shall be required for maintaining such stocks.

(b) Stocks stored in the Netherlands in depots owned, rented or otherwise used by Netherlands enterprises required to maintain stocks, or by enterprises constituting a group including Netherlands enterprises required to maintain stocks, or by enterprises over which Netherlands enterprises required to maintain stocks exercise substantial control.

Prior authorization from the Netherlands Minister of Economic Affairs shall be required for Netherlands enterprises required to maintain stocks to hold such stocks, and for Luxembourg enterprises required to maintain stocks to hold such stocks.

- Article IV. 1. Applications for establishing such stocks, under article III, paragraph (a), shall be submitted by the Netherlands enterprise required to maintain stocks not later than 15 working days prior to the beginning of each calendar quarter year to the Luxembourg Minister in charge of petroleum products. Applications shall include the following information:
- (a) The nature and quantity of the stocks;
- (b) The name and address of the enterprise whose depots are used for storing such stocks;
- (c) Specific details of the nature and site of the depots where the stocks are stored;
- (d) The calendar quarter year for which authorization is requested.

Applicants shall establish, to the satisfaction of the Luxembourg Minister in charge of petroleum products, that they can lawfully dispose of the stocks concerned, and shall undertake to maintain such capability legitimately, at least for the duration of the calendar quarter year for which authorization is requested.

Applicants must also establish that, should a supply crisis arise during such quarter, the stocks concerned may, if required, continue to be stored in the relevant depots even after the end of the quarter.

2. Applications for maintaining and establishing stocks under article III, paragraph (b), shall be addressed to the Netherlands enterprise required to maintain stocks no later than 15 working days before the beginning of each calendar quarter year, and shall be accompanied by a declaration, addressed to the Luxembourg enterprise required to maintain stocks, to the effect that such stocks will remain at the disposal of the Luxembourg enterprise required to maintain stocks, at least for the duration of the quarter year for which authorization is requested.

Where a Luxembourg enterprise required to maintain stocks cannot legitimately dispose of the stocks concerned, the application shall be accompanied

by a declaration, addressed to the Luxembourg enterprise required to maintain stocks, to the effect that such stocks shall remain at the disposal of the Luxembourg enterprise required to maintain stocks, at least for the duration of the quarter year for which the authorization is requested.

The declaration addressed to the Luxembourg enterprise required to maintain stocks shall also stipulate that, should a supply crisis arise during the quarter, the stocks concerned shall remain at the disposal of the Luxembourg enterprise required to maintain stocks, or be reserved for it, as appropriate, even after the end of the quarter.

In both cases, the application must include the following information:

- (a) The name and address of the Luxembourg enterprise required to maintain stocks;
- (b) The name and address of the enterprise required to maintain stocks whose depots are used for storing stocks, or of the enterprise required to maintain stocks which has rented or otherwise used the depots in which the stocks are stored;
- (c) The nature and quantity of the stocks;
- (d) Specific details of the site and the depots where the stocks are stored;
- (e) The quarter year for which authorization is requested.
- 3. The Netherlands Minister of Economic Affairs shall authorize the maintenance of stocks, if he decides that the Netherlands enterprise required to maintain stocks has sufficient stocks throughout the period for which authorization is requested:
- (a) In order to meet the requirement to maintain stocks incumbent on the relevant enterprise;
- (b) In order to meet the requirement, incumbent on the Netherlands enterprise required to maintain stocks, to hold stocks for the Luxembourg enterprises required to maintain stocks and the other foreign enterprises.
- 4. If the Netherlands Minister of Economic Affairs has no objection, he shall refer the application to the Luxembourg Minister in charge of petroleum products. He shall provide the Netherlands applicant with a copy.

If the Luxembourg Minister in charge of petroleum products has no objection, he shall authorize the Luxembourg enterprise required to maintain stocks to hold such stocks.

Where the authorized quantity to be established is less than the quantity approved by the Netherlands Minister of Economic Affairs, the Luxembourg Minister shall immediately inform him thereof. In such cases, the quantity authorized shall be reduced accordingly.

Article V. 1. The stocks referred to in article III, paragraph (b), of this Agreement shall not be established by Netherlands enterprises required to maintain stocks for the purpose of meeting their storage obligations. Nor shall such stocks be included in Netherlands stock declarations addressed to the Organization for Economic Co-operation and Development, the International Energy Agency and the European Communities.

- 2. This Agreement shall not amend the provisions of the Agreement on an International Energy Programme established and signed at Paris on 18 November 1974.¹
- Article VI. 1. The Luxembourg Minister in charge of petroleum products shall transmit, as quickly as possible, to the Netherlands Minister for Economic Affairs a copy of the document authorizing the establishment of stocks under article III, paragraph (a), together with the information set forth in article IV, paragraph 1.
- 2. At the request of the Luxembourg Minister, the Netherlands Minister of Economic Affairs shall, within the limits of his mandate, verify the existence of the stocks referred to in article III of this Agreement.
- 3. Where, in a supply crisis, it appears that, for reasons of *force majeure*, or negligence, the total amount of stocks held by the Netherlands enterprise required to maintain stocks is less than:
- (a) The total amount of stocks which the Netherlands enterprise requested to maintain stocks must hold in order to meet its storage obligation, and
- (b) The total amount of stocks which the Netherlands enterprise required to maintain stocks has undertaken to hold for foreign enterprises required to maintain stocks.

the Luxembourg Minister shall be immediately informed thereof. The deficit shall be distributed proportionately among the relevant enterprises required to maintain stocks.

Article VII. Stocks established to meet Luxembourg storage obligations may be shipped freely to the Grand Duchy of Luxembourg without any restriction and whatever the circumstances. In a supply crisis, stocks established during the quarter in which the supply crisis arose may be freely shipped without restriction to the Grand Duchy of Luxembourg, even after the end of the quarter. In periods of supply crisis, the shipping of stocks must be reported as soon as possible to the Netherlands Minister of Economic Affairs who has the authority to issue directives for identifying the stocks concerned, without detriment to free shipping.

Article VIII. The provisions of articles I to VII shall apply to such of the stocks stored in the Grand Duchy of Luxembourg, as the Netherlands enterprises required to maintain stocks may wish to hold in order to meet their obligations.

Article IX. On the proposal of one of the Contracting Parties, any question regarding the interpretation and application of this Agreement may be the subject of consultations. In a supply crisis, such consultations shall be initiated without delay.

Article X. If either Contracting Party deems it advisable to amend any provision of this Agreement, it may request the other Contracting Party to consult with it. Such consultations shall begin within 60 days from the date of receipt of the request.

The Contracting Parties shall indicate, in writing, their acceptance of any amendment to this Agreement, and such amendment shall enter into force as

¹ United Nations, Treaty Series, vol. 1040, p. 271.

soon as the Contracting Parties notify each other that the procedures required under their respective laws for the entry into force have been completed.

Article XI. With respect to the Kingdom of the Netherlands, this Agreement shall apply to the Kingdom in Europe.

Article XII. This Agreement shall enter into force one month after the Governments of the Contracting Parties have notified each other that, in their respective countries, the procedures required by law for the entry into force of this Agreement have been completed.

Article XIII. This Agreement shall remain in force indefinitely. Either Contracting Party may denounce it not later than three months before the end of the calendar year; in such a case the Agreement shall cease to apply as from the beginning of the following calendar year. The option to denounce shall not be exercised in a supply crisis. The Commission of the European Communities shall, in all cases, be given advance notice of any such denunciation.

DONE at Luxembourg, on 27 January 1983, in two copies, in the Dutch and French languages, both texts being equally authentic.

For the Government of the Kingdom of the Netherlands:

For the Government of the Grand Duchy of Luxembourg:

A. H. CROIN

J. BARTHEL