

No. 47904

**Latvia
and
Estonia**

Agreement between the Government of the Republic of Latvia and the Government of the Republic of Estonia on the Reciprocal Holding of Stocks of Crude Oil and Petroleum Products. Riga, 6 August 2009

Entry into force: *6 August 2009 by signature, in accordance with article 9*

Authentic texts: *English, Estonian and Latvian*

Registration with the Secretariat of the United Nations: *Latvia, 15 October 2010*

**Lettonie
et
Estonie**

Accord entre le Gouvernement de la République de Lettonie et le Gouvernement de la République d'Estonie relatif à l'Imputation Réciproque des Stocks de Pétrole Brut et de Produits Pétroliers. Riga, 6 août 2009

Entrée en vigueur : *6 août 2009 par signature, conformément à l'article 9*

Textes authentiques : *anglais, estonien et letton*

Enregistrement auprès du Secrétariat des Nations Unies : *Lettonie, 15 octobre 2010*

[ENGLISH TEXT – TEXTE ANGLAIS]

**Agreement between the Government of the Republic of Latvia and
the Government of the Republic of Estonia on the Reciprocal
Holding of Stocks of Crude Oil and Petroleum Products**

The Government of the Republic of Latvia and the Government of the Republic of Estonia, (*the Contracting Parties*),

HAVING REGARD to Council Directive 2006/67/EC of 24 July 2006 imposing obligations on Member States of the European Economic Community to maintain minimum stocks of crude oil and/or petroleum products (*the Directive*);

HAVING REGARD to Article 7 of the Directive which envisages the establishment of stocks within the territory of a Member State for the account of undertakings located in another Member State, under agreements between Governments;

HAVING REGARD to national legislation regarding oil stockholding obligations;

HAVE AGREED as follows:

Article 1

For the purposes of this Agreement:

competent authority means the Governmental authority of each Contracting Party responsible for supervising the fulfilment by undertakings of stock obligations.

supply crisis means a supply crisis as declared by an institution of the European Union.

territory means that area over which each Contracting Party exercises jurisdiction.

undertaking means any undertaking or body/entity established in the territory of one Contracting Party which is, according to the national legislation of that Contracting Party, entitled to hold stocks for the purpose of facilitating compliance, whether by that undertaking or body/entity or by a third party, with the law relating to oil stockholding obligations of that or the other Contracting Party.

Article 2

This Agreement applies to stocks of crude oil and of any petroleum products including blending and finished products covered by the Directive, which have been accepted by the competent authorities of both Contracting Parties as being stocks to which this Agreement applies.

Article 3

(1) An undertaking located in Latvia may hold stocks to which this Agreement applies in Estonia. Such stocks may be held either:

- (a) directly by the undertaking located in Latvia, or
- (b) by an undertaking located in Estonia, on behalf of the undertaking located in Latvia.

(2) An undertaking located in Estonia may hold stocks to which this Agreement applies in Latvia. Such stocks may be held either:

- (a) directly by the undertaking located in Estonia, or
- (b) by an undertaking located in Latvia, on behalf of the undertaking located in Estonia.

(3) For stocks to be eligible for acceptance under Article 2 of this Agreement, the undertaking seeking acceptance of those stocks under that Article must have agreed to hold them whether itself or through a third party, from the first day of any calendar month for three or more full calendar months, after acceptance by the competent authorities of both Contracting Parties.

(4) If an undertaking holds stocks on behalf of another undertaking in accordance with paragraphs (1) (b) or (2) (b) of this Article, then those stocks shall not be taken into account by the first mentioned undertaking in its own stocking declarations.

Article 4

Neither Contracting Party shall oppose the transfer of stocks to which this Agreement applies from its territory in accordance with directions issued by the competent authority of the other Contracting Party.

Article 5

(1) No stocks may be accepted under Article 2 of this Agreement as being stocks to which this Agreement applies unless:

(a) the undertaking seeking to hold the stocks outside its State of establishment (*the first undertaking*) has furnished the competent authority of its State of establishment, not later than fifteen working days before the commencement of the period to which the acceptance relates, with the following particulars:

(i) its name and address and the name and address of the undertaking located in the State where the stocks are to be held (*the second undertaking*) which is to hold the stocks on its behalf;

(ii) the category and quantity of the stocks;

(iii) the period for which the stocks are to be held;

(iv) the location of the depot(s) where the stocks are to be held; and

(b) both the first and the second undertakings consent to the competent authorities of the Contracting Parties disclosing to each other any information obtained for the purpose of implementing this Agreement.

(2) Where an undertaking is seeking to hold outside its State of establishment stocks which will not be owned by that undertaking (*the beneficiary undertaking*) but will be held at its disposal by another undertaking (*the delegating undertaking*), then in addition to the provisions of paragraph (1) of this Article, no stocks which are to be so held may be accepted under Article 2 of this Agreement as being stocks to which this Agreement applies, unless:

(a) the stocks are to be held by virtue of an agreement in writing between the beneficiary undertaking and the delegating undertaking (*the contract*) which will subsist throughout the period to which the acceptance relates;

(b) the beneficiary undertaking has the contractual right to acquire the stocks throughout the period of the contract and the methodology for establishing the price of such acquisition is agreed between the parties concerned;

(c) the actual availability of the stocks for the beneficiary undertaking is guaranteed at all times throughout the period of the contract, and

(d) the delegating undertaking is one which is subject to the jurisdiction of the Contracting Party on whose territory the stocks are situated insofar as the legal powers of that Contracting Party to control and verify the existence of the stocks are concerned.

(3) Where the competent authority of one Contracting Party has been furnished with particulars under paragraph (1) (a) of this Article, or any changes in respect of such particulars, and accepts the stocks in question as stocks to which this Agreement applies, that authority shall, not later than ten working days before the commencement of the period to which the acceptance relates, transmit the particulars to the competent authority of the other Contracting Party and notify it of such acceptance.

(4) The competent authority to which such notification is given (*the second competent authority*) shall use all reasonable endeavours to notify the competent authority of the other Contracting Party (*the first competent authority*) whether or not it accepts the stocks in question as stocks to which this Agreement applies no later than five working days before the commencement of the period to which the acceptance relates and in the event that no such notification is received by the first competent authority before the date of commencement of such period, the second competent authority shall be deemed not to have accepted the stocks in question as stocks to which this Agreement applies.

(5) Any acceptance under paragraphs (3) or (4) of this Article may be withdrawn by either competent authority if any significant inaccuracy is found in the particulars furnished in respect of that acceptance under paragraph (1) (a) of this Article or if there is any material change in the matters to which those particulars relate. Before withdrawing an acceptance under this provision the competent authority concerned shall inform the competent authority of the other Contracting Party and afford the undertaking, which had furnished the particulars a reasonable opportunity to make representations.

(6) Notwithstanding the time limits indicated in Article 5, the competent authorities may, if necessary, agree to extend any or all of those time limits.

Article 6

(1) Each competent authority shall require any undertaking holding stocks in the territory of the other Contracting Party to furnish it with a statistical return, at least monthly, of those stocks within six weeks of the expiry of the period to which the return relates. Each competent