REPORTING OBLIGATIONS UNDER THE OIL IMPORT RESTRICTIONS

RELATED PROVISIONS: ARTICLE 3m(3) a&b and 3m(10) OF COUNCIL REGULATION 833/2014

FREQUENTLY ASKED QUESTIONS – AS OF 26 JULY 2022

1. **Should ancillary contracts be reported?**
   Last update: 26 July 2022

At this stage, ancillary contracts do not need to be reported as this would create an unreasonable administrative burden on EU operators involved as well as on national competent authorities. Only import contracts are to be notified via the relevant common templates (cf also Q.13).

2. **In the case of an import by a Member State but where the final delivery is in another Member State, should the Member State receiving the goods report all the delivery or only the amounts for delivery in its own territory?**
   Last update: 26 July 2022

Regarding cascading contracts, in order to avoid duplication of reporting between Member States, the import should only be reported by the Member State in which the goods enter the EU's customs territory, even if the goods are for further delivery in another Member State.

3. **Could the Commission specify what use will be made of these notifications? In particular, will the reporting be anonymised or kept confidential?**
   Last update: 26 July 2022

The aim of the reporting obligation included in Art. 3m(3) is to monitor the flows of oil still entering the EU after the ban on seaborne oil established with the 6th sanctions package adopted on 3 June 2022. The data provided by Member States will remain confidential except for some very high level aggregated numbers referring to the total EU level of oil imports.

4. **How should the obligation to report to the Commission on one-off transactions for near-term delivery within 10 days from its execution be implemented? The transactions will have different dates of execution, so do they need to be notified one by one?**
   Last update: 26 July 2022

We invite you to refer to the consolidated Frequently Asked Questions, and, specifically, to questions 13 and 14 of the "Oil Imports" section. 'One-off transactions for near-term delivery' should be understood as spot market transactions. This implies that the contract concluded cannot foresee multiple deliveries and that the oil should be delivered within 30 days maximum after the transaction has been concluded. Member States should notify at the latest 10 days after the delivery. This reporting can be done by batches of several one-off transactions, for instance in the form of a weekly reporting to the Commission. Furthermore, the reporting cannot be done

less than every 10 days in order to comply with the obligation to report within 10 days of the delivery date.

5. **Which moment should be the starting point for the 10-days deadline for notification of the one-off transaction for near-term delivery – e.g.: the date of agreement, invoice, customs clearance, receipt of the goods by the buyer or its operation installation?**
   Last update: 26 July 2022

We invite you to refer to the consolidated Frequently Asked Questions, and, specifically, to question 14 of the "Oil Imports" section. The Regulation foresees their notification within 10 days of their completion. This should be understood as within 10 days of the delivery of the goods, taking into account the guidance set forth in questions 2 and 12.

6. **Should individual companies be in charge of reporting contracts for the import of goods? If yes, to whom should they report them within the Commission?**
   Last update: 26 July 2022

Individual companies should not report the concluded contracts to the Commission. They should report them to Member States who will then report all of the contracts concluded for the import of oil into their own territory to the Commission, using a common template.

7. **Is the Commission interested to know which 'Incoterms' conditions are relevant per specific contract?**
   Last update: 26 July 2022

No, as the aim of the reporting obligation included in Art. 3m(3) is to monitor the flows of oil entering the EU after the ban on seaborne oil established with the 6th sanctions package adopted on 3 June 2022, and not to monitor the specific conditions of each concluded contract.

8. **Regarding the date of conclusion of contracts, should the Member State report the date of the overarching contract, the most recent addendum, the date of signature or the starting date of contract?**
   Last update: 26 July 2022

The Member State should report the date of the signature of the initial contract.

9. **Regarding the total volume to be delivered in the case of pre-existing contracts, which volume should be reported? A contract specifies total volume/per year and the volume per delivery/month or per delivery.**
   Last update: 26 July 2022

Companies should report to the concerned Member States the volume per contract and if available the volume per single delivery.

10. **As regards pre-existing contracts, should companies subsequently notify follow on deliveries taking place pursuant to the contract but after the contract notification?**
Last update: 26 July 2022

No. The reporting obligation is for contracts, so that once a contract with a given capacity has been notified, there is no need to make a second notification to the Member State.

11. **Which economic operator should report sales transactions of petroleum products to the national competent authority so that the authority can notify the contract or one-time transaction to the European Commission?**
Last update: 26 July 2022

The importer, indicating the country of destination of the cargo, if different.

12. **Which Member State should notify the European Commission of a single transaction or agreement when it concerns the sale of petroleum products by a company of a Member State to a company of another Member State?**
Last update: 26 July 2022

The transaction should be reported by the Member State in which the goods first entered the EU's customs territory, even if the goods are for further delivery in another Member State. The template includes a column in which the Member State of destination should be declared.

13. **Are agreements on the transportation of petroleum products originating in Russia, on the storage of petroleum products originating in Russia, and on technical assistance for such petroleum products subject to notification under Article 3m(3)(b)?**
Last update: 26 July 2022

No, only contracts for the import of the goods should be notified.

14. **If a Member State imports oil only via pipelines, is it bound by the notification obligation provided for in Article 3m(3)?**
Last update: 26 July 2022

The notification obligation for imports via pipelines is established by means of Article 3m(10), cf question 16 .

15. **Does the reporting obligation also apply to contracts for the import of petroleum products derived from crude oil extracted in Russia and produced in third countries other than Russia?**
Last update: 26 July 2022

We invite you to refer to question 3 of the “Oil Imports” section of the consolidated Frequently Asked Questions. Refined petroleum products obtained in a third country falling under HS 2710 from Russian crude oil falling in HS 2709 and exported from that country or another third

country would not be subject to the sanctions as not of Russian origin. Petroleum products falling under HS 2710 obtained in a third country mixing Russian oil falling under HS 2710 and locally produced oil exported from that third country could be subject to the sanctions depending on the proportion of the Russian component. A case-by-case analysis is needed to see if the rule of origin is satisfied. However, were the products not to be considered of Russian origin, then no reporting obligation would be required.

16. **Pipeline oil imports, reporting under art.3m(10) by 8 June 2022 and every three months thereafter: reporting period covered**
    Last update: 26 July 2022

It is suggested that reporting spans the three full months before the 8th of the three-month reporting period so that the remaining 8 days can be used to gather data, compile them in the reporting template and notify (for example, the next reporting to be provided on 8 September 2022 would cover the months of June, July and August with reporting stopped on 31 August 2022).