

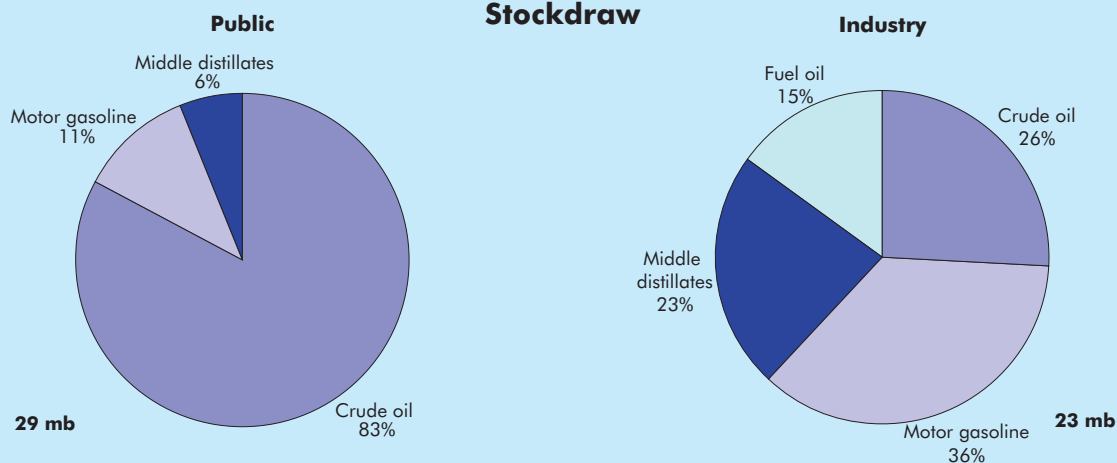
Box 1.3. Hurricane Katrina: Summary of the IEA Response

On 2 September 2005, in the immediate aftermath of the destructive landfall of Hurricane Katrina in the Gulf of Mexico, the IEA announced the agreement of member countries to make available to the market the equivalent of 60 mb of oil. This collective action involved a combination of emergency response measures including the use of emergency stocks, increased indigenous production and demand restraint. Given the nature of the disruption, which also significantly hampered refinery operations in the Gulf region, the IEA response emphasised the release of refined product stocks.

Collectively, IEA member countries drew more than 51 mb from both public and industry stocks. Some 23 mb were made available by lowering stockholding obligations on industry. The remainder, just under 29 mb, was the amount taken up by the market from the almost 39.5 mb of total public stocks offered in the form of loans and sales.

The bulk of the oil drawn from public stocks was in the form of crude oil, reflecting public stockholding practices. By contrast, three-quarters of the stocks from industry were refined products.

Figure 1.9
Stockdraw



Increased indigenous production and demand restraint measures supplemented the oil released from stocks. Thus, the IEA collective action in 2005 brought a total volume of 59.5 mb of oil to the market as a response to the disruption.

Figure 1.10
IEA Co-ordinated Action 2005

