European Parliament
2024-2029

TEXTS ADOPTED

P10_TA(2026)0343

Amendments to the Critical Raw Materials Act

Amendment adopted by the European Parliament on 20 October 2026 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2024/1252 (COM(2025)0946 – C10-0324/2025 – 2025/0385(COD))[1]

(Ordinary legislative procedure: first reading)

Amendment 1

AMENDMENTS BY THE EUROPEAN PARLIAMENT*

to the Commission proposal

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

amending Regulation (EU) 2024/1252

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114, thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[2],

---

1 The matter was referred back for interinstitutional negotiations to the committee responsible, pursuant to Rule 60(4), fourth subparagraph (A10-0265/2026).

* Amendments: new or amended text is highlighted in ***bold italics***; deletions are indicated by the ▌ symbol.

2 OJ C , , p. .

Having regard to the opinion of the Committee of the Regions[3],

Acting in accordance with the ordinary legislative procedure,

Whereas:

(1) Since the entry into force of Regulation (EU) 2024/1252 on 23 May 2024, the Commission has been collecting data and information from stakeholders and Member States concerning the implementation of it. ***However, as highlighted by the European Court of Auditors in Special Report 04/2026 on critical raw materials, the Union's raw materials policy still lacks sufficient data and monitoring to fully assess supply chain vulnerabilities and progress towards its strategic objectives. Strengthening data collection, transparency and monitoring across the critical raw materials value chain is therefore essential and should support the 2028 review of Regulation (EU) 2024/1252.***

(2) ***The Union's excessive reliance on imports from a limited number of third countries creates strategic vulnerabilities and exposes European industries to supply disruptions and external political pressure.*** Access to secure and sustainable critical raw materials is essential for the Union's objectives of clean and digital transition as set out in the Clean Industrial Deal[4]. They are also essential components for the Union's industries, in all areas including defence. ***The development of Strategic Projects and the scaling of critical raw materials value chains within the Union also depends on the availability of adequate enabling infrastructure and a coherent regulatory framework that avoids creating disproportionate barriers to the development of such projects within the Union. The Union should therefore take into account the full range of essential raw materials and infrastructure requirements associated with those strategic objectives and ensure policy coherence between this Regulation and future Union initiatives.*** Due to the current geopolitical situation the Union's supply and security of critical raw materials is put at risk and therefore, the current framework should be strengthened***, while ensuring compliance with applicable social and environmental standards and democratic processes***. ***The Commission should monitor and oversee compliance and support Member States in the implementation of those standards***.

---

3 OJ C , , p. .

4 COM(2025) 85 final

(3) Under Regulation (EU) 2024/1252, the Commission is required to set up calls for application for Strategic Projects. ***In order to ensure predictability for applicants while maintaining sufficient administrative flexibility, the Commission should set*** cut-off dates ***for such calls at least twice*** per year. ***Establishing a minimum frequency of calls ensures regular opportunities for project promoters to submit applications and to respond to evolving programme needs, increased demand for project recognition, and timely assessment of applications. In addition***, the ***Commission should be able to organise additional targeted calls, where appropriate. Such calls should take into account the whole value-chain approach that links different stages of the value chain, including extraction, processing, refining, manufacturing, recycling and downstream demand***. ***Moreover, the Commission should in parallel take all necessary measures to streamline and further develop its procedures in order to accelerate the processing of applications, without compromising the quality of the assessment.***

(4) Under Regulation (EU) 2024/1252, Member States are required to identify large companies by May 2025 and within 12 months of each update of the list of strategic raw materials pursuant to Article 3(3). Nevertheless, large companies that use ***strategic*** raw materials can operate in more than one Member State. To avoid a duplication of the identification of these large companies by the various national administrations and to prevent a risk of fragmentation of the Single Market, it should be for the Commission to identify these large companies operating in the Union. ***In the course of determining which companies qualify as large, the Commission should notify the Member States where those companies are active, as well as to facilitate coordination with national authorities. The Commission should be able to issue guidance and appropriate tools for how companies should fulfil reporting obligations, in consultation with Member States and stakeholders, to facilitate compliance in a practical manner.***

(5) It is essential to strengthen the risk preparedness of the large companies that are identified by the Commission, it is essential that their obligations are strengthened, and therefore large companies should be required to take measures to mitigate their vulnerabilities, including ***reducing the use of strategic raw materials, by improving material and resource efficiency,*** by diversifying their ***strategic*** raw material supply chain***, including switching to Union-based or Union-owned suppliers, prioritising***

secondary raw materials, or by substituting the strategic raw material or by building up of stocks of strategic raw materials, including, where appropriate, through the joint purchasing mechanism referred to in Regulation (EU) 2024/1252. The Commission should be able to receive the information regarding their compliance necessary for an effective monitoring and ensure they are prepared in case of supply disruption. The Commission should specify the ***range of possible*** mitigation measures that large companies should adopt in ***the*** case of vulnerabilities, ***considering all types of measures***, ***including measures related to circularity, resource efficiency and substitution of strategic raw materials,*** it should be able to do so by means of delegated acts. ***When specifying risk mitigation measures pursuant to this Regulation, the Commission should take into account the availability and costs of alternative sources of supply, the opinion of the CRMA Board, and the specific characteristics and applications of different critical raw materials. The delegated acts should provide tailored risk mitigation measures from which large companies should select those most appropriate to their specific circumstances, while ensuring that such measures do not impose a disproportionate burden on Union companies relative to the strategic objective pursued.***

(5a) Whereas promoting material efficiency, circularity, and technology diversification can mitigate supply risks, enhance strategic autonomy, and support a sustainable industrial ecosystem, it is appropriate to facilitate the development and deployment of technologies, manufacturing processes, and promote product designs that minimise the use of critical raw materials, foster substitution and recycling under the current and future competitiveness policy frameworks and funds. Particular attention should be given to the development of circular business models, substitution and material efficiency, with the objective of strengthening resource resilience and reducing strategic dependencies in critical raw materials value chain, including by moderating demand growth for critical and strategic raw materials in strategic technologies and reducing dependence on specific materials through substitution and design optimisation.

(5b) The International Energy Agency estimates that clean energy technologies could account for approximately 40% of global copper demand growth by 2040. Electricity networks in particular will drive global annual copper demand from 5

Mt to nearly 10 Mt by 2040. At the same time, both current and projected demand are expected to exceed available supply, highlighting copper supply constraints as a growing concern for distribution and transmission of electricity sectors. The Commission should therefore ensure that the list of products covered under this Regulation is reviewed and adapted to include product categories whose demand is expected to raise by a greater likelihood of electrification, so as to reflect evolving supply pressures across the full value chain.

(6) Large companies should, as part of that risk assessment, map ***in which countries*** the strategic raw materials they use are extracted, processed and recycled from, ***as well as the mapping of directly or indirectly owned or controlled entities from which they source strategic raw materials***, and analyse the factors that could affect their supply and assess their vulnerabilities to supply disruptions. ***Such factors may include the lack of transparency, environmental safeguards, public participation, including insufficient engagement and acceptance of local and indigenous communities, as well as human and labour rights. Therefore, companies should, where relevant, take measures to improve access to information, to foster inclusive stakeholder engagement, and to uphold environmental standards.*** In order to have a clear understanding of their vulnerabilities, they should also map the supply chain of the components containing ***strategic*** raw materials. To reinforce their preparedness large companies should report on their risk assessment to the companies' board of directors or management board. ***In that respect, where relevant, large companies concerned could set up internal monitoring capacities and processes to carry out those duties.***

(7) The Commission should continue to monitor the situation and the risk preparedness of large companies, ensuring their readiness in case of disruption of their supply chains. To that end, and when it decides so, the Commission can request information from large companies on their compliance and mitigation measures as required by this Regulation. ***The Commission should provide guidance to companies on how to perform supply chain mapping and risk assessments, with the aim of aligning both with the information the Commission may request.***

(8) ***The increased use of recovered raw materials would support the development of the circular economy and allow for a more resource-efficient use of raw materials from permanent magnets, while reducing the Union's dependency on raw***

materials from third countries. Therefore, including manufacturing waste could help establish a European recycling industry in the short term. The recognition of pre-consumer recycled materials complements, the recovery of ***manufacturing*** waste by ensuring that manufacturers can improve short-term resource efficiency while maintaining strong incentives to build and expand end-of-life collection and recycling systems. ***However, the reutilisation of materials, such as rework, regrind or scrap generated in the permanent magnet manufacturing process, which can be reclaimed within the same process that generated the material, do not constitute waste and should therefore not be seen as part of the recycled content shares of permanent magnets under Regulation (EU) 2024/1252. Target trajectories for each raw material should fully consider the actual recycling potential for manufacturing and post-consumer waste, taking into account Union-originated waste to ensure ambitions are technically achievable, and evidence-based, proportionate to the specificities of each raw material and product category taking into account the availability, recyclability of each material and drive genuine investment in post-consumer waste.***

(8a) The collection, sorting and recycling of products containing critical raw materials, in particular permanent magnets, represent a significant untapped source of secondary strategic raw materials within the Union. Achieving higher recycling rates requires improved identification, separate collection and treatment of products, components and waste streams containing such materials, including through the development of adequate collection and recycling infrastructure and a coordinated action at Union level to facilitate the cross-border movement of waste streams containing critical raw materials and remove regulatory and logistical barriers to their aggregation. The evaluation in 2028 of Regulation (EU) 2024/1252 should therefore assess, on the basis of technical and economic feasibility, whether additional Union measures are needed to ensure their effective recovery, including the assessment of a possible introduction of binding benchmarks currently set out in that Regulation. As a substantial share of those materials is still lost due to insufficient collection, the Commission should also assess the necessity and feasibility of establishing Union-level collection targets for relevant products, components and waste streams. For electronic equipment, progress could be achieved by replacing the existing weight-based recovery,

recycling and reuse targets in Directive 2012/19/EU with material-specific targets. Any minimum recycled content requirements adopted pursuant to this Regulation should be proportionate, evidence-based and supported by a realistic trajectory for the development of Union recycling capacity, including appropriate transitional periods adapted to the specificities of each strategic raw material and product category. The Commission and Member States should also ensure the timely and coordinated development of collection and sorting infrastructure to support domestic recycling capacity and avoid the export of recoverable materials to third countries. In addition, research into extraction and processing technologies that reduce environmental and health impacts is needed to facilitate the development of an Union-based critical raw materials sector. The Commission should promote and support collaborative and open research in this area, with the aim of benefitting the sector as a whole.

(8b) ***Ensuring that recyclable materials remain within the Union will enhance industrial resilience and reinforce the security and reliability of the Union's supply chains. In this context, and in accordance with Regulation (EU) 2015/479, the Commission could by way of a thorough assessment that takes due account of its international obligations and partnerships with third countries, propose restrictions on the export of scraps and waste of permanent magnets from the Union. Such export restrictions should be used judiciously and targeted to specific material streams. By leveraging trade data, the Commission could identify the streams where secondary material losses are most significant, ensuring that any restrictions are proportionate and effective.***

(8c) ***Strengthening the resilience of the Union's critical raw materials value chains is essential for both economic security and the Union's security and defence capabilities. Defence-related demand can unlock investments in strategic projects across the critical raw materials value chain and act as a catalyst generating positive spillovers for dual-use technologies and industrial ecosystems. The Union should therefore leverage relevant financial instruments and programmes such as the European Defence Industry Programme to de-risk and accelerate Strategic Projects.***

(9) To attain the objectives set in the RESourceEU Action Plan, Regulation (EU) 2024/1252 should therefore be amended accordingly, ***while ensuring compliance with applicable environmental and ILO conventions.***

(10) Regulation (EU) 2024/1252 marked an important step towards stronger Union engagement in critical raw materials. To fully achieve its objectives and ensure its effective implementation, it is essential that adequate investments and financial resources are mobilised at Union level. Since the entry into force of that Regulation, the Commission has presented the MFF 2028-2034 package, which includes the European Competitiveness Fund, and has announced the establishment of the Critical Raw Materials Centre (the 'Centre'). The Commission should present an ambitious proposal for the Centre, including building on the existing expertise in the Union ecosystems, in the first half of 2026. Given the urgency, the proposal could appropriately proceed based on available evidence and a targeted assessment, without requiring a comprehensive impact assessment, while fully respecting the integrity of the legislative procedure. To become more competitive, more resilient and to guarantee security of supply, the European Competitiveness Fund should include a dedicated Critical Raw Materials envelope entrusted to the Centre for its implementation. In addition, the European Investment Bank should play a key role in implementing Union-supported financial instruments in line with the objectives of Regulation (EU) 2024/1252. Given the high risks, capital intensity, price volatility and lengthy investment cycles associated with critical raw test materials projects, a broad toolbox of Union-level instruments is essential.

(10a) The Centre should be a self-standing Union agency with a time-unlimited mandate including the implementation of the budget set out under the European Competitiveness Fund. The achievement of the missions of the Centre should rely on the widest possible use of financial instruments including equity, quasi-equity, Contracts for Difference, and Production-linked incentives. Its mandate should comprise the entire value chain of critical raw materials, spanning resource intelligence and exploration, extraction, processing and refining, recycling and substitution of critical raw materials. The Centre should support Strategic Projects under Regulation (EU) 2024/1252 and relevant Important Projects of Common European Interest, through a broad range of financial and market-based

instruments, facilitate cooperation between producers and users, monitor supply chain risks, and help coordinate strategic stockpiling and joint purchasing initiatives in cooperation with Member States and relevant stakeholders. The Centre's engagement should have a particular focus on promoting a stable and diversified European market for critical raw materials, to identify potential strategic international projects and engage with international partners, support the development of Strategic projects within the Union, as well as on strategic raw materials with particular attention to the materials most relevant for the digital, clean energy, and defence transitions.

(10b) The Centre should be tasked with creating a European market and pricing infrastructure for the trade of critical raw materials. To enhance transparency in critical raw material markets, reduce dependence on price-setting mechanisms outside the Union, and mitigate risks of market manipulation, the establishment of a critical raw materials price indices index should be encouraged to provide market participants with a transparent and reliable, market driven reference price. Such an index should be based on robust market data, including anonymised transaction data collected through dedicated trade platforms or data aggregation mechanisms.

(10c) The increasing complexity and strategic importance of critical raw materials supply chains require stronger coordination, specialised expertise and operational capacity at Union level. Existing Union and national instruments should be complemented by a dedicated structure capable of bringing together strategic intelligence, investment support, offtake and joint purchasing, stockpiling and other supply-security tools in a coherent framework. A European Critical Raw Materials Centre should therefore be established as a Union body with the necessary operational autonomy, expertise and resources to perform the tasks assigned to it under this Regulation. The Centre will support the Commission in carrying out its operational tasks, including by providing financial and technical support to Strategic Projects, facilitating demand pooling and direct offtake, and enhancing market intelligence focused on supply security.

(10d) In order to strengthen the Union's capacity to prevent, prepare for and respond to critical raw materials supply risks, the Centre should contribute to the development of resilient and competitive Union critical raw materials value chains, with a

specific focus on strategic raw materials. To that end, the Centre should support the diversification of supply, investment, exploration, extraction, processing, separation, refining and recycling capacities, material substitution and the development of reliable supply chains. Joint purchasing and stockpiling should complement, rather than substitute for, such measures, while the Centre should contribute to the mobilisation of public and private investment and the development of appropriate market-based instruments.

(10e) The Centre should act as a strategic, public-interest body of the Union and should prioritise supply chains according to their contribution to the public interest of the Union and the extent to which they are exposed to supply disruption risks. In carrying out its tasks, the Centre should take into account material-specific supply risks, Union industrial demand and relevant technical, market and value-chain assessment. The Centre should contribute to a free, fair and transparent market for critical raw materials in the Union, including by supporting transparent price formation, market monitoring and market-based price indices. Where necessary to address a material risk to the Union's security of supply, excessive dependencies or risks to strategic Union production capacity, stabilising instruments introduced in this Regulation could be used on the basis of objective and verifiable criteria and subject to the principles of necessity and proportionality.

(10f) The Centre should cooperate, where relevant, with existing Union research and innovation programmes, initiatives and industrial alliances in order to support the development and deployment of technologies relevant to critical raw materials value chains, without duplicating existing programmes and instruments. Such cooperation includes, where relevant, the European Innovation Council, the Joint Research Centre, the Innovation Fund and other relevant Union, national or regional initiatives, as well as relevant Union industrial alliances, such as EIT Raw Materials. The Centre should also contribute to strengthening skills, knowledge and industrial capabilities in the critical raw materials sector and to facilitating cooperation between actors across the value chain.

(10g) To ensure the effective functioning and sound management of the Centre, its administrative and management structure should comprise a Governing Board in which all Member States are represented, an Executive Director, a Deputy Executive Director and a Critical Raw Materials Forum. The Governing Board

should provide strategic direction and adopt its work programmes, budget and key strategic policies based on proposals of the Executive Director. It should also oversee the Centre's main activities, including joint purchasing, offtake agreements, stockpiling, resilience planning and financing and investment operations. For timely and effective decision-making during crises, the Governing Board should be able to form a steering group and delegate tasks to it.

(10h) In order to enable the Centre to operate effectively in markets that require timely and technically informed decisions, the Centre should enjoy the necessary operational autonomy within the mandate and strategic framework established by this Regulation. The Governing Board should provide strategic direction, adopt the Centre's work programmes, budget, general policies and risk-management frameworks, and exercise oversight over its activities. The Executive Director should be responsible for the day-to-day management of the Centre and for individual operational decisions within the strategies, criteria, financial envelopes, risk limits and thresholds established by the Governing Board. This allocation of responsibilities should ensure effective decision-making while preserving appropriate political, budgetary and institutional oversight.

(10i) In order to preserve the expertise and continuity developed in the implementation of Regulation (EU) 2024/1252, the Centre and its Governing Board should cooperate closely with the Critical Raw Materials Board and make appropriate use of its expertise, in particular that of the Member States. Such cooperation should avoid duplication of tasks and ensure a clear division of responsibilities between the Critical Raw Materials Board, the Governing Board and the Executive Director, in accordance with their respective functions under this Regulation.

(10j) To ensure the rapid and effective establishment of the Centre, it is necessary to provide for transitional arrangements allowing the Commission to support the Centre in its initial phase until it becomes operational and capable of implementing its own budget.

(10k) The ability of the Centre to effectively fulfil its mandate and to act as a centre of expertise on critical raw materials will depend on its capacity to attract, recruit and retain staff with the necessary technical, financial, market and industrial expertise. Given the highly specialised nature of certain tasks entrusted to the Centre, it is essential to safeguard and enhance its attractiveness as a workplace for highly

qualified experts and professionals. The Commission, in cooperation with the Centre, should identify the most appropriate means to ensure that the Centre remains sufficiently attractive as an employer to recruit and retain the highly qualified staff necessary for the effective performance of its tasks.

(10l) Given the broad mandate of the Centre and the importance of expertise across the critical raw materials value chain, stakeholder participation should be ensured through a structured and inclusive Critical Raw Materials Forum, providing expertise to support the implementation of this Regulation. The Forum shall facilitate an open dialogue among stakeholders across the critical raw materials value chain and may provide views, advice and recommendations to the Governing Board, at its request or on its own initiative. It may also identify emerging issues, exchange information and good practices, and facilitate cooperation among relevant stakeholders. The Centre should provide the administrative and financial resources for the Forum to conduct its activities and should ensure the necessary arrangements to facilitate the effective participation of relevant stakeholders in the Forum's meetings.

(10m) In order to strengthen the resilience of the Union's value chains for the most strategically exposed critical raw materials, the Centre should, in consultation with the Governing Board and the CRM Forum, develop material-specific value-chain resilience plans. Those plans should identify key dependencies, bottlenecks and supply-chain vulnerabilities across the relevant value chains and set out appropriate measures to secure the supply chain resilience. They should take into account market and technological developments, geopolitical risks and available alternative sources, and guide the Centre's activities on joint purchasing, offtake, demand aggregation, stockpiling and strategic intelligence. The plans should be reviewed where necessary and their aggregated findings should be made available to Union undertakings, without disclosing sensitive information or specific supply-chain vulnerabilities.

(10n) In order to strengthen the Union's preparedness against supply disruptions of critical raw materials, European contingency critical raw materials stocks (EU CRMS) should constitute a Union-level supply-security tool, complementing rather than replacing diversification, investment, recycling, substitution and the development of reliable supply chains. The Union should ensure that such stocks

can be transferred, used, released and distributed effectively across the Union, while allowing Member States to establish and maintain national stocks.

(10o) To ensure that European contingency critical raw materials stocks are targeted at the most relevant supply risks, the Centre should establish a stockpiling strategy based on an assessment of supply risks, industrial demand, available capacity, market conditions and the technical and economic characteristics of the materials concerned. The strategy should take account of existing national stock and existing private-sector stockpiling capabilities and encourage environmental and socially responsible sourcing and diversification, while avoiding unnecessary market distortions. It should be reviewed where significant changes in market, technological or geopolitical conditions affect the Union's security of supply.

(10p) To ensure effective management and accessibility of European contingency critical raw materials stocks, the Centre should establish and operate storage facilities in the Union, taking into account geographical distribution, proximity to relevant industrial users, logistical accessibility, security and the technical requirements of the materials concerned. Access to such stocks should be available to Union undertakings on fair and proportionate terms, while ensuring appropriate safeguards for the security, confidentiality and effective management of the system.

(10q) Cooperation with closely integrated third countries could contribute to the effectiveness of European contingency critical raw materials stocks and to the security of supply of the Union. Access by undertakings established in such countries should therefore be possible where provided for by the relevant association agreements and subject to appropriate conditions, including reciprocity and financial contributions, while ensuring that such access is consistent with the economic and security interests of the Union.

(10r) In order to enable the Union to prevent or respond effectively to significant supply disruptions or other situations threatening the security of supply of critical raw materials, the Centre should be able to release European contingency critical raw materials stocks rapidly and in a targeted manner, on the basis of objective and substantiated indicators and taking into account the needs of sectors and undertakings of particular importance for the Union's security or strategic economic interests. Such releases should ensure non-discriminatory access,

prevent abuse and preserve sufficient preparedness and replenishment capacity, while recipients should be required to use the materials for their own production activities and should not resell them outside the Union, hoard them or withhold them from use with a view to obtaining undue profit. Appropriate consequences should apply where those conditions are not respected, including exclusion from future releases and repayment of the value of the materials received.

(10s) ***Private stockpiles can complement Union and national contingency stocks and contribute to business continuity and the resilience of critical raw materials value chains. The Centre should therefore be able to support the establishment and maintenance of private stocks through appropriate financial instruments, grants and technical assistance, subject to conditions ensuring a clear contribution to the Union's security of supply and appropriate public returns where public support is provided. Where appropriate, private stocks should also be able to benefit from available Union storage infrastructure without becoming part of the Union-owned stocks.***

(10t) ***In order to strengthen the Union's purchasing power and improve the security and diversification of supply of critical raw materials, the Centre should be able, at the request of participating undertakings, to facilitate joint purchasing and act as an agent in the negotiation and conclusion of purchasing agreements. Such agreements should remain voluntary, transparent and non-discriminatory and should, where appropriate, support diversification, reduce high-risk dependencies and contribute to the development of Union value chains, including through strategic projects, recycling and projects in Strategic Partnership countries.***

(10u) ***In order to enable Member States to jointly address strategic raw materials supply needs that are of common interest, the Centre should, at the request of two or more Member States, be able to conduct procurement on their behalf or in their name. Such procurement should contribute to the security and diversification of the Union's supply and, where possible, draw on Strategic Projects and other projects contributing to Union supply security. Participation should remain open to all Member States, while ensuring that such procurement is necessary and proportionate and does not result in unjustified discrimination, restrictions on trade or distortions of competition.***

(10v) ***In order to strengthen the Union's security, resilience and diversification of supply of critical raw materials, the Centre should be able to provide targeted financial support across the critical raw materials value chain, including for exploration, extraction, processing, refining, manufacturing, recycling, substitution, secondary raw materials, technology transfer and industrial scale-up, as well as for Strategic Projects and relevant Important Projects of Common European Interest. Such support should be provided through a range of appropriate financial instruments capable of addressing different stages and risk profiles of projects and should, where appropriate, mobilise private co-investment and combine Union financing with industrial and commercial expertise. Support for activities outside the Union should be possible where it contributes to the Union's security of supply and complements the development of Union capacities. To ensure that Union financial support delivers tangible benefits for the Union, appropriate supply-security conditions should be attached to such support. In exceptional circumstances, the Centre should also be able to intervene through equity or quasi-equity participation where necessary to safeguard the Union's security of supply. Such support should be guided by a transparent investment policy and appropriate financial risk-management framework, including eligibility and selection criteria, exposure and concentration limits.***

(10w) ***In order to strengthen the functioning of the internal market by reducing the risks of supply disruptions, dependencies and bottlenecks in critical raw materials value chains, it is necessary to facilitate access to financing for projects of strategic importance to the Union's critical raw materials supply. The scale, capital intensity and cross-border nature of such projects, together with the high risks and long investment horizons associated with certain stages of the critical raw materials value chain, may result in financing gaps and sub-optimal investment situations that cannot be adequately addressed by Member States acting individually. A Union-level financial instrument should therefore be established to mobilise and channel public and private capital towards projects and technologies that contribute to the security, resilience and sustainability of the Union's critical raw materials supply chains. The European Critical Raw Materials Fund should complement existing Union and national financial instruments, avoid unnecessary duplication and, in accordance with Regulation (EU, Euratom) 2024/2509, pursue***

additionality and Union added value. The Fund should be implemented under indirect management by the European Critical Raw Materials Centre, within the framework and safeguards established by this Regulation, in order to make use of the Centre's specialised technical, market and investment expertise. In accordance with the principle of proportionality, this Regulation does not go beyond what is necessary to achieve those objectives, and the establishment and implementation of the European Critical Raw Materials Fund is limited to providing targeted Union-level financing and mobilising additional investment in accordance with the objectives, safeguards and conditions laid down in this Regulation.

(10x) In order to increase the scale and effectiveness of financing available for critical raw materials projects, the Centre should cooperate with the European Investment Bank Group to mobilise co-financing, blended finance, guarantees and technical assistance for projects contributing to the objectives of this Regulation and, where relevant, supported by the ECRM Fund. The European Investment Bank Group should be able, where appropriate, to participate in the ECRM Fund as an investor and to be entrusted with the implementation of specific financial instruments or operations supported by the ECRM Fund or by other Union financial instruments, in accordance with Regulation (EU, Euratom) 2024/2509 and the applicable contribution, financing or guarantee agreements. Such cooperation should complement the role of the Centre as the entity entrusted with the implementation of the ECRM Fund and should avoid duplication of Union support. The Centre should also be able to cooperate with national promotional banks and institutions and with multilateral development banks to mobilise additional financing, including through co-financing, guarantees, blended finance and technical assistance, where such cooperation contributes to the Union's security of supply, diversification, resilience and responsible sourcing objectives.

(10y) Since the Union's security of supply of critical raw materials depends on resilient and diversified international value chains as well as on the development of capacities within the Union, the Centre should coordinate with the Commission services responsible for the Global Gateway strategy, the European Fund for Sustainable Development Plus, Global Europe and other relevant Union external financing instruments. Such coordination should ensure coherence between support provided under this Regulation and Union-supported projects in third

countries and should enable the Centre to provide technical input on short-term supply arrangements with Strategic Partnership countries, including, where appropriate, arrangements concerning the prior notification of prospective export restrictions. Such cooperation should support the Union's supply diversification objectives and contribute to reliable and resilient raw materials value chains, without affecting the legal bases, decision-making procedures or governance arrangements applicable to the Union external financing instruments concerned.

(10z) In order to strengthen the Union's ability to monitor, anticipate and respond to risks affecting the security and resilience of critical raw materials supply chains, the Centre should establish an Intelligence Hub bringing together and analysing relevant information and data on critical raw materials markets and value chains. The Hub should support early-warning activities, resilience planning, joint purchasing, stockpiling, financial support and other measures under this Chapter, while ensuring appropriate safeguards for commercially sensitive and security-relevant information and a functional separation between intelligence activities and operational or financial decision-making. The Centre should make use of existing Union and national sources of expertise and infrastructure, including the Joint Research Centre Raw Materials Information System, national raw materials observatories, geological services and Eurostat, and should cooperate, where appropriate, with Strategic Partnership countries and multilateral platforms. In order to improve market transparency, the Centre should also support the development of reliable and market-driven price indices based on robust and, where appropriate, anonymised market data.

(10za) In order to strengthen the Union's preparedness for disruptions affecting the supply of critical raw materials, the Centre should facilitate regular exercises and stress-testing involving Member States' authorities and other relevant stakeholders and bodies. Such exercises should help assess the effectiveness of existing crisis preparedness arrangements, identify potential weaknesses and improve coordination and the capacity to respond effectively to supply disruptions.

(10zb) In order to ensure the timely determination of the seat of the Agency and to facilitate its effective establishment and functioning, the Commission should, by 31 December 2026, present a legislative proposal on the selection of the seat of the Agency,

HAVE ADOPTED THIS REGULATION:

Article 1

Amendments to Regulation (EU) 2024/1252

Regulation (EU) 2024/1252 is amended as follows:

(-1) Article 2 is amended as follows:

(a) the following point is inserted:

'(32a) 'manufacturing waste' means the materials or objects rejected during the manufacturing process such as regrind material or scrap, which cannot be re-used as an integral part in the same process and need to be recycled;';

(b)the following points are inserted:

'(52a) 'motorised toy' means a product that falls within the scope of Article 2 of Regulation (EU) 2025/2509 and that contains an electric motor of any rated output level;

(52b) 'loudspeaker' means a device designed to convert electrical signals into audible sound';

(1) in Article 7(3), the second subparagraph is replaced by the following:

'The first such cut-off date shall be no later than 24 August 2024. The Commission shall set cut-off dates ***at least twice*** per year.

The Commission may also open additional calls for applications for targeted projects addressing specific missing links, bottlenecks or critical needs identified in strategic raw materials value chains taking into account the whole value-chain approach and their contribution to programme objectives, where appropriate.';(2) Article 24 is amended as follows:

(a) paragraph 1 is replaced by the following:

'1. By [P.O.: please insert date corresponding to the date of entry into force of this Regulation plus 2 months] and within six months of each update of the list of strategic raw materials, the Commission***, in close cooperation with Member States,*** shall identify the large companies operating in the Union that use strategic raw materials to manufacture batteries for energy storage and e-mobility, equipment related to hydrogen

production and utilisation, equipment related to renewable energy generation, aircrafts, traction motors, heat pumps, equipment related to data transmission and storage, mobile electronic devices, equipment related to additive manufacturing, equipment related to robotics, drones, rocket launchers, radar, satellites or advanced chips.

The Commission is empowered to adopt delegated acts in accordance with Article 38 to supplement the list set out in the first subparagraph by adding additional product categories of applicable large companies taking into account relevant geopolitical and economic developments.';

(b) the following paragraph 1a is inserted:

'1a. The Commission shall inform the large companies it has identified under paragraph 1 of such identification and of their obligations under this Article ***and shall provide guidance regarding compliance with those obligations, including by providing relevant information to the Member States in which the company operates to facilitate compliance***.

The Commission may provide further support to companies through appropriate tools such as providing relevant information on alternative sources of supply, available Union's support instruments and diversification opportunities.';

(c) paragraph 2 is replaced by the following:

'2. Large companies as referred to in paragraph 1 shall***,*** by ***nine*** months of the ***notification by the Commission*** of their identification and at least every three years ***thereafter,*** and to the extent the required information is available to them, carry out a risk assessment of their raw materials supply chain of strategic raw materials, including:

(a) a mapping of the supply chain of components containing strategic raw materials;

(b) a mapping of ***countries in which*** the strategic raw materials they use are extracted, processed or recycled;

(ba) a mapping of the ownership of the facilities in which the strategic raw materials they use are extracted, processed or recycled;

(c) an analysis of the factors that might affect their supply of strategic raw materials;

(d) an assessment of their vulnerabilities to supply disruptions.';

(d) paragraph 4 is replaced by the following:

'4. If significant vulnerabilities to supply disruptions are detected as a result of the risk assessment referred to in paragraph 2, large companies as referred to under paragraph 1 shall take ***measures*** to mitigate those vulnerabilities, including by ***reducing the use of strategic raw materials, by improving material and resource efficiency,*** diversifying its ***strategic*** raw materials supply chains, ***including switching to Union-based or Union-owned suppliers***, ***prioritising*** secondary raw materials, or substituting the strategic raw materials, ***where such substitution is technically and economically viable or by building up or maintaining of stocks of strategic raw materials, including, where appropriate, through the joint purchasing mechanism referred to in Regulation (EU) 2024/1252***.';

(e) paragraph 5 is replaced by the following:

'5. Large companies as referred to in paragraph 1 shall present to their board of directors or management board the results of the risk assessment referred to in paragraph 2.';

(f) the following paragraphs 5a and 5b are inserted:

'5a. The Commission may request large companies referred to in paragraph 1 to explain how they comply with the obligations set out in this Article. They shall provide that information no later than ***60*** days after receiving the request from the Commission. ***Information submitted by large companies pursuant to this Article shall be treated as confidential in accordance with Article 46. Where the***

large company is a defence contractor and the information requested pursuant to this paragraph relates specifically to strategic raw materials used mainly in the manufacturing of defence products it shall, by way of exception, provide the requested information to the Member State where it is established. The Member State shall collect the information and share it with the Commission. If disclosure of some specific elements to the Commission would jeopardise essential security or defence interests of the Member State, it may withhold those specific elements of that information, by informing the Commission of its decision and stating the reasons.'

5b. The Commission is empowered to adopt a delegated act in accordance with Article 38 to supplement this Regulation by specifying the risk mitigation measures that the large companies referred to in paragraph 1 of this Article are to take when significant vulnerabilities to supply disruptions are detected in accordance with paragraph 4 of this Article. ***The Commission shall consider all types of mitigation measures, including taking into account measures related to circularity, resource efficiency and substitution of strategic raw materials.***

The Commission shall base such risk mitigation measures on an assessment of the available information on supply risks, ***demand and supply, price volatility***, the trade flows ***and strategic partnerships, bilateral agreements, and projects, including related Global Gateway investment projects,*** between the Union and third countries, ***with measuring their contribution to the Union's security of supply as well as, their role in fostering sustainable, mutually beneficial and resilient partnerships with partner countries and coherent external action*** and the potential obstacles to trade in critical raw materials and shall specify the maximum shares of reliance on a single third country in the supply chain of critical raw materials.

When specifying risk mitigation measures pursuant to this paragraph, the Commission shall take into account the availability

and costs of alternative sources of supply and the opinion of the CRMA Board. The measures shall not impose a disproportionate burden on Union companies relative to the strategic objective pursued.

The Commission shall consider the specific characteristics and applications of different strategic critical raw materials and ensure that the delegated act provides tailored risk mitigation measures from which large companies shall select reasonable, proportionate and effective mitigation measures, tailored to the significant vulnerabilities to supply disruptions identified pursuant to this Article.';

(g) paragraph 6 is deleted;

(2a) in Article 25, paragraph 6 is replaced by the following:

'6. To ensure the protection of the essential security interests or the security of supply of the Union or of its Member States, entities shall be excluded from participating as suppliers or service providers of a given strategic raw material to the system established pursuant to this Article, if they are:

(a) established in a third country that holds more than 40% of the global manufacturing capacity in extraction, processing or recycling of the corresponding strategic raw material; or

(b) directly or indirectly owned or controlled by, or acting on behalf or at the direction of natural or legal persons, entities or bodies established in a third country that holds more than 40 % of the global manufacturing capacity in extraction, processing or recycling of the corresponding strategic raw material.

The exclusions set out in the first subparagraph, points (a) and (b) should not apply to entities from third countries with which the Union has an agreement establishing a free trade area or a custom union, or a Strategic Partnership.

6a. Where the Commission or the Critical Raw Materials Board determines, on the basis of available data, that one of the following situations has occurred

or is imminent, the Commission may activate temporary support measures appropriate to the situation, including price stabilisation mechanisms, financial compensation instruments such as contracts for difference or production-linked incentives, or demand aggregation measures in favour of alternative suppliers:

(a) a significant and sudden increase in prices or a disruption in the supply of a strategic raw material that places Union-based projects and undertakings at a competitive disadvantage; or

(b) prices of a strategic raw material are set at artificially low levels by a supplier holding a dominant position in global supply, threatening the economic viability of extraction, processing or recycling projects established in the Union or supported by Union financial instruments.

6b. Where, in the situation referred to in paragraph 6a, point (a), the Commission or the Critical Raw Materials Board additionally determines that no viable alternative suppliers exist that would allow the mechanism to fulfil its objective of diversifying and stabilising supply and aggregating demand at Union level, it shall authorise the participation of suppliers or service providers otherwise excluded under paragraph 6 for the duration of the situation referred to in paragraph 6a, point (a).

The Commission shall publish a reasoned decision specifying the nature, scope and duration of the measures or authorisation granted under this paragraph, and shall inform the CRMA Board accordingly. Such measures and authorisations shall be proportionate to the identified situation and shall be regularly reviewed. If suppliers or service providers otherwise excluded under this paragraph are admitted to the system in accordance with this paragraph, purchasing from other suppliers shall be prioritised. Where an authorisation is granted pursuant to this paragraph, the Commission shall simultaneously launch a call for expressions of interest to identify potential alternative sources of supply within the Union or in third countries';

(3) ***Article 28 is amended as follows:***

(a) in ***paragraph*** 1, the introductory wording is replaced by the following:

‘1. From two years after the date of entry into force of the implementing act referred to in paragraph 2, any natural or legal person that places on the market, ***including via online sales or through other means of distance sales,*** magnetic resonance imaging devices, wind energy generators, industrial robots, motor vehicles, light means of transport, cooling generators, heat pumps, electric motors including where electric motors are integrated in other products, automatic washing machines, tumble driers, microwaves, vacuum cleaners, dishwashers, hard disk drives, transducers, loudspeakers, drones for civil use or motorised toys shall ensure that those products bear a conspicuous, clearly legible and indelible label ***or, alternatively, a digital label providing the information*** indicating:***’;***

(b)the following paragraph is inserted:

‘1a. By way of derogation from paragraph 1, the following products shall be exempt from the labelling requirements laid down in that paragraph where the total mass of permanent magnets incorporated in the product does not exceed the following thresholds:

(a) 3 grams for hard disk drives and loudspeakers;

(b) 6 grams for motorised toys;

(c) 15 grams for drones for civil use;

(d) 20 grams for transducers.

Hard disk drives, loudspeakers, motorised toys, drones for civil use and transducers incorporating exclusively ferrite permanent magnets of total mass not exceeding 20 grams shall not be subject to the requirements laid down in paragraph 1.’;

(c) paragraph 12 is replaced by the following:

‘12. The Commission is empowered to adopt delegated acts in accordance with Article 38 to supplement this Regulation by adding other relevant products or product groups containing permanent magnets to the list set out in paragraph 1 of this Article, and by providing a list of Combined

Nomenclature codes in accordance with Annex I to Council Regulation (EEC) No 2658/87 and product descriptions corresponding to the products referred to in paragraph 1 of this Article with the aim of facilitating the work of customs authorities in relation to those products and the requirements set out in this Article and in Article 29 of this Regulation. The obligations arising from the addition of possible new products pursuant to this paragraph shall apply from two years after the entry into force of the relevant delegated act.';

(4) Article 29 is amended as follows:

(a) paragraph 1 is replaced by the following:

'1. By 24 May 2027 or two years from the entry into force of the delegated act referred to in paragraph 2, whichever is later, any natural or legal person that places on the market***, including via online sales or through other means of distance sales***, products referred to in Article 28(1) which incorporate one or more permanent magnets referred to in Article 28(1), point (b)(i), (ii) and (iii), and for which the total weight of all such permanent magnets exceeds 0,2 kg shall make publicly available on a free-access website ***or in its product passport, when available***, the share of neodymium, dysprosium, praseodymium, terbium, boron, samarium, nickel and cobalt recovered from ***manufacturing*** and post-consumer waste, including***, where feasible, and based on available information,*** the shares of such waste produced within the Union, present in the permanent magnets incorporated in the product.';

(b) in paragraph 2, the first subparagraph is replaced by the following:

'2. ***By December 2026,*** the Commission shall adopt a delegated act in accordance with Article 38 to supplement this Regulation by establishing rules for the calculation and verification of the share of neodymium, dysprosium, praseodymium, terbium, boron, samarium, nickel and cobalt recovered from ***manufacturing waste*** and ***from*** post-consumer waste, including the shares of such waste produced within the Union, present in the permanent magnets incorporated in the products referred to in paragraph 1 of this Article.';

(c) in paragraph 3, the first subparagraph is replaced by the following:

‘3. After the entry into force of the delegated act adopted pursuant to paragraph 2, and in any event by 31 December 2031, the Commission shall adopt delegated acts supplementing this Regulation by laying down ***separate*** minimum shares for neodymium, dysprosium, praseodymium, terbium, boron, samarium, nickel and cobalt recovered from, ***manufacturing waste*** and post-consumer waste, including the shares of such waste produced within the Union, or any combination thereof that must be present in the permanent magnet incorporated in the products referred to in paragraph 1. ***Based on the publicly available information published under paragraph 1, the Commission shall propose a separate trajectory for the volumes of manufacturing waste and post-consumer waste, as well as Union-originated waste targets for permanent magnets***.

The minimum shares referred to in the first subparagraph shall ensure and support a feasible and progressive increase over time of post-consumer waste used in permanent magnets, with a view to prioritising the recovery of materials from end-of-life products. Those minimum shares shall be based on a prior assessment of impacts, taking into account:’;

(d) in paragraph 3, third subparagraph, point (a) is replaced by the following:

‘(a) The existing and forecasted availability of neodymium, dysprosium, praseodymium, terbium, boron, samarium, nickel and cobalt recovered from ***manufacturing waste*** and post-consumer waste sources as well as Union recycling capacity, ***with the aim of fostering investments in post-consumer waste***.’;

(5) Article 38 is amended as follows:

(a) in paragraph 2, the first sentence is replaced by the following:

‘2. The power to adopt delegated acts referred to in Article 3(2), Article 4(2), Article 5(3), Article 6(2), Article 24(5b), Article 28(12), Article 29(2) and (3), Article 31(1) and (8), and

Article 34(1) shall be conferred on the Commission for a period of eight years from 24 June 2024.';

(b) in paragraph 3, the first sentence is replaced by the following:

'3. The delegation of power referred to in Article 3(2), Article 4(2), Article 5(3), Article 6(2), Article 24(5b), Article 28(12), Article 29(2) and (3), Article 31(1) and (8) and Article 34(1) may be revoked at any time by the European Parliament or by the Council.';

(c) paragraph 6 is replaced by the following:

'6. A delegated act adopted pursuant to Article 3(2), Article 4(2), Article 5(3), Article 6(2), Article 24(5b), Article 28(12), Article 29(2) or (3), Article 31(1) or (8) or Article 34(1) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period may be extended by two months at the initiative of the European Parliament or of the Council.';

(6) the following Chapter is inserted after Chapter 8:

'CHAPTER 8a

The European Critical Raw Materials Centre

SECTION 1

General Provisions and governance

Article 43a

Establishment and legal status

1. The European Critical Raw Materials Centre (the 'Centre') is hereby established as a Union body with legal personality, for an unlimited period.

2. In each Member State, the Centre shall enjoy the most extensive legal capacity accorded to legal persons under national law. It may, in particular, acquire or dispose of movable and immovable property, conclude contracts and be a party to legal proceedings.

3. The Centre shall act in the Union interest and within the mandate conferred on it by this Chapter. It shall have the operational autonomy necessary to carry out its tasks effectively, while remaining subject to the governance, oversight and reporting obligations laid down in this Regulation.

4. The Commission shall ensure that the Centre is provided with the adequate financial, technical, information technology (IT) and human resources necessary to fulfil the tasks under this Chapter.

Article 43b

Objectives

1. The Centre shall contribute to the objectives laid out in Article 1 of this Regulation. It shall also strengthen the Union's operational capacity to prevent, prepare for and respond to critical raw materials supply risks, and support the development of resilient and competitive Union critical raw materials value chains, including by mobilising investment and facilitating market-based instruments.

2. The Centre shall act as a strategic, public-interest body of the Union. The Centre shall prioritise its activities in relation to supply chains according to their contribution to the Union interest and their exposure to supply disruption risks. Its activities shall support the development of resilient and competitive Union critical raw materials value chains. Joint purchasing and stockpiling shall complement, rather than substitute for, diversification, investment, exploration, extraction, processing, refining and recycling capacities, material substitution and the development of reliable supply chains.

3. In carrying out its tasks, the Centre shall take into account material-specific supply risks, Union industrial demand and its technical, market and value-chain assessments.

4. In promoting resilient and diversified Critical Raw Materials supply chains, the Centre shall aim to contribute to free, fair and transparent markets for Critical Raw Materials. It shall support transparent price formation, market monitoring, and market-based price indices. Stabilising instruments may be used where necessary to address a material risk to the Union's security of

supply, excessive dependencies or to protect strategic Union production capacity, on the basis of objective and verifiable criteria and subject to the principles of necessity and proportionality.

5. The Centre shall ensure that its activities under this Chapter contributes to the Union interest, the competitiveness and resilience of the Union industry as well as sustainable and responsible sourcing, social and environmental standards, transparency, non-discrimination. In carrying out its activities, the Centre shall take into account, where relevant, environmental and social considerations, transparency and the interests of affected communities such as indigenous peoples, while avoiding unnecessary administrative burdens. Particular attention shall be given to SMEs, small mid-caps and scale-ups.

Article 43c
Tasks

In order to achieve its objectives, the Centre shall carry out the following tasks:

(a) operating joint purchasing and, where relevant, common interest procurement mechanisms in accordance with this Chapter;

(b) establishing and managing targeted strategic and contingency stockpiling mechanisms, and supporting private stockpiling where this contributes to Union resilience;

(c) supporting offtake, demand aggregation and the matching of supply and demand, in particular in relation with projects recognised as strategic projects on the basis of this Regulation;

(d) identifying material-specific supply chain vulnerabilities, strategic capability gaps and bottlenecks across critical raw materials supply chains;

(e) preparing and updating material-specific value-chain resilience plans in accordance with Article 43q;

(f) facilitating cooperation and connections between upstream producers, midstream processors and recyclers, and downstream users across the raw materials value chain, in order to support the matching of supply and demand;

(g) supporting projects related to exploration, extraction, processing and refining, separation, manufacturing, recycling, secondary raw materials, substitution, technology transfer and industrial scale-up, including Strategic Projects and relevant Important Projects of Common European Interest, and facilitating their implementation by linking them to offtake, demand aggregation, joint purchasing, stockpiling or financial support instruments under this Chapter;

(h) mobilising public and private finance, including in cooperation with the European Investment Bank Group, national promotional banks and institutions, and other Union financial institutions, to leverage additional investment in critical raw materials projects, prioritising the development of Union extraction, processing, and recycling capacities;

(i) supporting circularity, recycling, secondary raw materials, material efficiency and substitution as tools contributing to the Union critical raw materials security;

(j) facilitating technology transfer, licensing and industrial know-how, including support for the transition from research to industrial scale-up, without duplicating existing research programmes;

(k) coordinating, where relevant, with Union research and innovation programmes, the European Innovation Council, the Joint Research Centre, the Innovation Fund and other relevant Union, national or regional initiatives, as well as relevant Union industrial alliances, on priorities related to critical raw materials;

(l) supporting initiatives that address skills shortages in the Critical Raw Materials sector in cooperation with the Commission and the Member States;

(m) providing strategic intelligence, market monitoring, early-warning indicators and risk analysis to the Commission, Member States, the Governing Board, the European Parliament and, where appropriate, Union undertakings, including for the purposes of monitoring, stress-testing and company risk-preparedness activities under this Regulation;

(n) coordinating, where relevant, with the Regulation [(2025/0227COD)] (Global Europe), and with the Union's external financing instruments, including the

Global Gateway strategy and the European Fund for Sustainable Development Plus, and with existing Strategic Partnerships on raw materials, in order to align investments in third countries with the Union's supply diversification objectives and complement the development of Union extraction, processing, refining and recycling capacities;

(o) assessing Strategic Projects in accordance with Article 7 of this Regulation;

(p) developing and providing best practices on socially and environmentally sustainable sourcing in the context of stockpiling and selecting strategic projects;

(q) identifying, in the course of its activities, barriers and bottlenecks, including those of a regulatory or administrative nature both at national and European level, or inconsistencies that may hinder investment in critical raw materials value chains, and reporting relevant findings to the Commission and the Governing Board;

(r) supporting, where relevant and upon request, the exchange of best practices between Member States on administrative authorisation procedures for critical raw materials projects, without prejudice to the responsibilities of competent authorities under this Regulation.

Article 43d

Headquarters agreement and operating conditions

1. The necessary arrangements concerning the accommodation to be provided for the Centre in the host Member State, together with the specific rules applicable in the host Member State to the Executive Director, members of the Governing Board, staff and members of their families, shall be laid down in a Headquarters agreement between the Centre and the Member State where the seat is located.

2. The location of the seat is determined by the European Parliament and the Council no later than 1 January 2028 in accordance with the ordinary legislative procedure, following a selection procedure launched by the Commission, which shall assess the applications submitted by the Member States, and based on objective criteria reflecting the specific nature and tasks of the Centre, including accessibility and international connectivity,

proximity to relevant industrial and technological ecosystems, availability of specialised technical and scientific expertise, connectivity with critical raw materials supply chains and logistics infrastructure, and the capacity to ensure the rapid operationalisation of the Centre.

3. ***The Centre's host Member State shall provide the best possible conditions to ensure the smooth and efficient functioning of the Centre, including premises suitable for the operational needs of the Centre, multilingual, European-oriented schooling and appropriate transport connections.***

Article 43e

Commencement of the Centre's activities

The Commission shall be responsible for the establishment and initial operation of the Centre until the Centre has the operational capacity to implement its own budget.

For that purpose:

(a) until the Executive Director takes up his or her duties following his or her appointment by the Governing Board in accordance with Article 43h(1)(g), the Commission may designate a Commission official to act as interim Executive Director and exercise the duties assigned to the Executive Director;

(b) by way of derogation from Article 43h (7) and until the adoption of a decision as referred to in Article 43h(1)(g), the interim Executive Director shall exercise the appointing authority power;

(c) the Commission may offer assistance to the Centre, in particular by seconding Commission officials to carry out the activities of the Centre under the responsibility of the interim Executive Director or the Executive Director;

(d) the interim Executive Director may authorise all payments covered by appropriations entered in the Centre's budget after approval by the Governing Board and may conclude contracts, including staff contracts, following the adoption of the Centre's establishment plan.

Article 43f

Administrative and management structure

1. *The Centre's administrative and management structure shall comprise:*

   (a) *a Governing Board;*

   (b) *an Executive Director and a Deputy Executive Director.*

2. *The Governing Board, the Executive Director and the Deputy Executive Director shall cooperate to ensure the operation of the Centre and coordination in accordance with the procedures determined by the Centre's internal rules, the financial rules applicable to the Centre, the implementing rules of the Staff Regulations of Officials of the European Union ('Staff Regulations') and the rules governing access to documents.*

Article 43g

Composition of the Governing Board

1. *The Governing Board shall be composed of one representative from each Member State with voting rights, four representatives of the Commission, holding two voting rights. The Governing Board shall also include one member designated by the European Parliament, with no voting rights. All parties shall aim to achieve a balanced representation between men and women in the Governing Board.*

2. *Each member of the Governing Board shall have an alternate member. The alternate member shall represent the member in their absence.*

3. *Where appropriate, the Chairperson may invite representatives of industry, especially SMEs, civil society, academia, trade unions, local or regional authorities, third countries, OCTs, as well as of the European Defence Agency, the European Chemical Agency, the European Environmental Agency and the European External Action Service to attend meetings of the Governing Board or its standing or temporary working groups referred to in Article 43h as observers or to provide written contributions. Such invitations shall be subject to applicable confidentiality and security requirements. Observers shall not participate in the formulation of advice of the Governing Board and its working groups.*

4. *The Governing Board shall elect a Chairperson and a Deputy Chairperson, by a majority of two thirds of its members with voting rights. The Deputy*

Chairperson shall automatically replace the Chairperson if they are prevented from attending to their duties.

5. *The term of office of the Chairperson and of the Deputy Chairperson shall be two years and shall be renewable once. Each term of office shall end when that person ceases to be a member of the Governing Board.*

6. *A majority of two thirds of the Governing Board's voting members shall be required for the dismissal of the Chairperson and the Deputy Chairperson.*

7. *The Centre shall coordinate the work of the Governing Board by means of an executive secretariat that provides technical and logistical support.*

8. *The Centre and the Governing Board shall cooperate with the Critical Raw Materials Board and make appropriate use of its expertise in areas falling within its responsibilities under this Regulation, while avoiding duplication of tasks and without prejudice to the respective responsibilities of the Critical Raw Materials Board, the Governing Board and the Executive Director. The subgroups of the Critical Raw Materials Board carrying out tasks transferred to the Governing Board shall, where appropriate, transfer their work to the relevant working groups of the Governing Board.*

Article 43h

Tasks of the Governing Board

1. *The Governing Board shall be responsible for providing strategic direction, governance and oversight of the Centre's work programme, in particular it shall:*

   (a) *adopt, by a majority of two-thirds of members with the right to vote, the Centre's work programme for the following year taking into account the Commission's opinion;*

   (b) *adopt, by a majority of two-thirds of members with the right to vote, the multiannual work programme of the Centre taking into account the Commission's opinion;*

   (c) *adopt, by a majority of two-thirds of members with the right to vote, the annual budget of the Centre;*

(d) adopt any substantial amendment to the multiannual and annual work programmes in accordance with the same procedure as the initial annual work programme.

(e) adopt its rules of procedure;

(f) exercise, with respect to the staff of the Centre, the appointing authority powers;

(g) appoint and, where relevant, extend the term of office of the Executive Director and Deputy Executive Director or remove him or her from office;

(h) appoint an Accounting Officer, subject to the Staff Regulations and the Conditions of Employment, who shall be fully independent in the performance of his or her duties;

(i) adopt the Centre's general risk-management framework and policies on conflicts of interest, transparency, confidentiality and the protection of commercially sensitive information.

2. The Governing Board shall carry out the tasks assigned to it under this Regulation, in particular it shall:

(a) adopt the general framework, annual priorities, eligibility criteria and risk parameters applicable to the execution of the offtake agreement system pursuant to Article 17, and the joint purchasing system pursuant to Article 25;

(b) adopt the stockpiling strategy, including strategic priorities, target reserve levels, eligibility criteria, annual financial envelopes, risk limits and the general conditions governing the acquisition, release and reallocation of strategic stocks and monitor its implementation, oversee the activities of the EUCRMS facilities and adopt the biannual EURCRMS facilities' plans;

(c) adopt the strategic orientations for the material-specific value-chain resilience plans;

(d) adopt the Centre's investment policy and financial risk-management framework, including investment priorities, eligibility and selection criteria, annual and multiannual financial envelopes, maximum

financial exposures, concentration limits, the types of financial instruments that may be used and, upon the proposal of the Executive Director, the thresholds above which individual financing or investment operations shall require the approval of the Governing Board;(e) approve individual financing or investment operations where the thresholds referred to in point (d) are exceeded;

(f) approve equity acquisitions where required pursuant to Article 43z(8).

3. For the sake of efficient implementation of the tasks referred to in paragraph 2, the Governing Board may set up working groups composed of a limited number of members of which one represents the Commission, to which it may delegate some of its tasks, and shall adopt their rules of procedure, in particular:

(a) CRM intelligence, monitoring and stress testing;
(b) financing and investment in critical raw material activities;
(c) joint purchasing and common interest procurement;
(d) stockpiling;
(e) circularity, resource efficiency and substitution of critical raw materials;
(f) exploration and geological knowledge;
(g) extraction and processing of critical raw materials.

4. The Governing Board may set up a steering group to facilitate its decision-making and crisis response capacity.

5. The Governing Board shall seek to reach its decisions by consensus. If consensus cannot be reached, the Governing Board shall take decisions by a majority of members with the right to vote, unless specified otherwise in this Regulation.

6. The Governing Board shall meet at regular intervals in order to allow the effective performance of its tasks provided for in this Regulation. Where necessary, the Governing Board shall meet on the basis of a reasoned request by the Commission, a Member State or the Executive Director.

7. With respect to the powers referred to in paragraph 1, point (f) of this Article, the Governing Board shall adopt, in accordance with Article 110(2) of the

Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and Article 6 of the Conditions of Employment of Other Servants, delegating relevant appointing authority powers to the Executive Director. The Executive Director shall be authorised to sub-delegate those powers.

8. *Where exceptional circumstances so require, the Governing Board may, by way of decision, temporarily suspend the delegation of the appointing authority powers to the Executive Director and those sub-delegated by the Executive Director and exercise them itself or delegate them to one of its members or to a staff member other than the Executive Director.*

9. *The Governing Board shall take the necessary measures to ensure the safe handling and processing of confidential and commercially sensitive information in accordance with Article 43p.*

Article 43i

The Executive Director and Deputy Executive Director of the Centre

1. *The Executive Director shall be the Centre's legal representative and shall be responsible for its day-to-day management. If the Executive Director is absent or indisposed, or the post is vacant, the Deputy Executive Director shall replace them.*

2. *The Executive Director and the Deputy Executive Director shall be appointed by the Governing Board on grounds of merit ,relevant competence and experience, and management skills, including substantial professional experience in fields relevant to critical raw materials, and by means of a decision adopted by a two-thirds majority of its members, from a list of at least three candidates for both the Executive Director and Deputy Executive Director proposed by the Commission, following an open and transparent selection procedures, for a term of five years, and shall be renewable once by decision of the Governing Board.*

3. *At least six months before the end of the term of office of the Executive Director and Deputy Executive Director, the Commission shall propose either for renewal or a new suitably qualified candidate according to rules and procedures described in paragraph 2 of this Article to the post of Executive Director and Deputy Executive Director.*

4. The Governing Board may dismiss the Executive Director and the Deputy Executive Director, on the basis of a proposal by the Commission or of one third of its members, by means of a decision adopted by a two-thirds majority of its members.

5. The Executive Director and the Deputy Executive Director shall perform their duties in the interest of the Union and independently of any specific interest. Without prejudice to the powers of the Governing Board, they shall neither seek nor take instructions from any Union institution, body, office or agency, from any government, nor from any other public or private body.

Article 43j

Responsibilities of the Executive Director

1. The Executive Director shall be accountable to the Governing Board, and shall aim to ensure gender balance within the Centre.

2. The Executive Director shall submit an annual report to the European Parliament and the Council, on the Centre's activities, including the use of Union funds and progress towards its objectives. The report shall be made public, and shall not contain information protected under Article 43(p). The European Parliament and the Council may call upon the Executive Director for an exchange of views on the work and prospects of the Centre. At least one such exchange shall take place per multiannual work programme. The Centre shall reply orally or in writing to questions put to it by the European Parliament within five weeks of the receipt.

3. Upon request, the Executive Director shall hold confidential oral discussions behind closed doors with the competent committees of the European Parliament, where such discussions are required for the exercise of the European Parliament's powers under the Treaties. All participants shall respect the requirements of professional secrecy.

4. The Executive Director shall be responsible for the implementation of the tasks assigned to the Centre by this Regulation, in particular it shall:

(a) prepare the work of the Governing Board and participate, without having the right to vote, in the work of the Governing Board, and implement the decisions of the Governing Board;

(b) prepare the annual and multiannual work programmes of the Centre and submit them to the Governing Board for approval, and implement the annual and multiannual work programmes;

(i) the annual work programme shall set out detailed objectives and expected results including performance indicators. It shall also contain a description of the actions to be financed, and an indication of the financial and human resources allocated to each action. It shall clearly indicate tasks that have been added, changed or deleted in comparison with the previous financial year;

(ii) the multiannual work programme shall set out the overall strategic programming including objectives, expected results and performance indicators. It shall also show, for each activity, the indicative financial and human resources considered necessary to attain the objectives set;

(c) handle the day-to-day administration of the Centre and take all necessary measures to ensure the functioning of the Centre in accordance with this Regulation, including the adoption of internal administrative instructions on conflicts of interest, transparency and confidentiality, staff, experts, advisory structures and contractors, and the publication of notices;

(d) draw up a draft statement of estimates of revenue and expenditure for the Centre and implement its budget;

(e) determine the organisational structures of the Centre and submit them to the Governing Board for approval.

5. The Executive Director shall be responsible for the implementation of the Centre's mandate within the annual and multiannual work programmes, budgetary envelopes, strategies, eligibility criteria, risk-management framework, financial limits and other parameters adopted by the Governing Board. In particular, the Executive Director shall be responsible for:

(a) taking decisions on individual purchases, including their timing, volume and contractual terms;

(b) selecting suppliers, counterparties and service providers in accordance with applicable Union law;

(c) taking decisions concerning the acquisition, release and reallocation of strategic stocks within the stockpiling strategy adopted by the Governing Board;

(d) taking individual financing and investment decisions falling below the thresholds established by the Governing Board;

(e) submitting to the Governing Board for approval individual financing or investment operations exceeding the thresholds or falling within the categories reserved to the Governing Board pursuant to this Regulation;

(f) following any approval required pursuant to point (e), negotiate, conclude and implement the relevant financing or investment operation;

(g) negotiating and concluding offtake agreements and other contractual arrangements falling within the mandate of the Centre, implementing joint purchasing and common-interest procurement activities.

Article 43k

Annual and multiannual programming

1. By 30 November of each year, the Governing Board shall adopt a single programming document containing an annual and multiannual work programme, based on a draft put forward by the Executive Director, taking into account the opinion of the Commission and after consulting the European Parliament. The Governing Board shall forward the single programming document to the European Parliament, the Council and the Commission.

2. The single programming document shall become final after the final adoption of the general budget and shall, if necessary, be adjusted accordingly.

3. The annual work programme shall set out detailed objectives and expected results including performance indicators. It shall also contain a description of the actions to be financed, and an indication of the financial and human resources allocated to each action. It shall clearly indicate tasks that have

been added, changed or deleted in comparison with the previous financial year. The annual work programme shall be coherent with the multiannual work programme.

4. *The Governing Board shall amend the adopted annual work programme when a new task is given to the Centre.*

5. *Any substantial amendment to the annual work programme shall be adopted by the same procedure as the initial annual work programme. The Governing Board may delegate the power to make non-substantial amendments to the annual work programme to the Executive Director.*

6. *The multiannual work programme shall set out the overall strategic programming including objectives, expected results and performance indicators. It shall also show, for each activity, the indicative financial and human resources considered necessary to attain the objectives set. The multiannual work programme shall be updated where appropriate.*

Article 43l

Critical Raw Materials Forum

1. *A Critical Raw Materials Forum ("the Forum") shall be established to facilitate dialogue, cooperation and the exchange of expertise among stakeholders concerned by critical raw materials and to support the implementation of this Regulation and the activities of the Centre.*

2. *The Forum shall provide a platform for dialogue and exchange of views on matters relevant to critical raw materials, including, where appropriate, matters relating to the resilience, competitiveness and sustainability of the critical raw materials value chain, research and innovation, circularity, skills, investment and social and environmental considerations.*

3. *The Forum may provide views, advice and recommendations to the Governing Board, at its request or on its own initiative, on matters falling within its mandate. It may also identify emerging issues, exchange information and good practices, and facilitate cooperation among relevant stakeholders.*

4. ***The Forum shall bring together a broad range of stakeholders with relevant expertise and experience in areas covered by this Regulation, including representatives of industry and other economic operators, including upstream, midstream and downstream actors, research and academic institutions, social partners, environmental and civil society organisations, local and regional authorities, representatives of Indigenous Peoples and other relevant stakeholders. The Centre shall aim to ensure an appropriate gender and geographical balance. Particular attention shall be given to the participation of SMEs, innovative companies and stakeholders from regions or communities particularly concerned by critical raw materials activities.***

5. ***The Centre shall ensure necessary arrangements to facilitate the effective participation of all relevant stakeholders into the work of the Forum.***

6. ***The Forum may organise itself into subgroups on a thematic basis. They shall be chaired by a representative of the Centre. Participation to the subgroups shall be open, unless the Executive Director decides that participation should be limited on the grounds of protection of confidential information.***

7. ***For specific activities, the Centre may propose to form ad hoc subgroups. These shall have a specific mandate, composition and limited duration and shall cease to exist once that mandate has been completed.***

8. ***The Centre may invite external participants to the Forum's activities where relevant.***

9. ***Upon a decision of the executive director, the Centre may provide the Forum with appropriate information for the performance of its advisory functions. Such information shall not include commercially sensitive, security-relevant or confidential information.***

10. ***The Forum shall be chaired by the Executive Director or by a representative designated by the Executive Director. The Executive Director shall ensure that the Forum's activities facilitate an open dialogue among stakeholders across the critical raw materials value chain and that the outcomes of this dialogue are reflected in the recommendations of the Governing Board.***

11. The Centre shall provide the secretariat for the Forum and support its activities.

12. Participants in the Forum and participants invited to contribute to the Centre's work shall comply with applicable Union rules on conflicts of interest, confidentiality, security and the protection of commercially sensitive information. Participants in the Forum shall declare any or potential conflict of interest before taking part in the activities of the Forum.

13. The Forum shall have exclusively advisory functions. Their opinions, advice and recommendations shall be non-binding and shall be without prejudice to the powers and responsibilities of the Governing Board and the Executive Director.

14. The Centre may make public summaries of consultations carried out through the Forum, subject to applicable Union rules on confidentiality and the protection of commercially sensitive information.

Article 43m

Establishment of the budget

1. Each year, the Executive Director shall draw up a provisional draft estimate of the Centre's revenue and expenditure for the following financial year, including the establishment plan, and send it to the Governing Board.

2. The provisional draft estimate shall be based on the objectives and expected results of the annual programme and shall take into account the financial resources necessary to achieve those objectives and expected results, in accordance with the principle of performance-based budgeting.

3. The Governing Board shall, on the basis of the provisional draft estimate, adopt a draft estimate of the Centre's revenue and expenditure for the following financial year, and shall send it to the Commission by 31 January each year.

4. The Commission shall send the draft estimate to the budgetary authority together with the draft general budget of the Union. The draft estimate shall also be made available to the Centre.

5. *On the basis of the draft estimate, the Commission shall enter in the draft general budget of the Union the estimates that it considers necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall place before the budgetary authority in accordance with Articles 313 and 314 TFEU.*

6. *The budgetary authority shall authorise the appropriations for the contribution from the general budget of the Union to the Centre.*

7. *The budgetary authority shall adopt the Centre's establishment plan.*

8. *The Governing Board shall adopt the Centre's budget. It shall become final following the final adoption of the general budget of the Union and, if necessary, it shall be adjusted accordingly.*

9. *For any building project likely to have significant implications for the budget of the Centre, Commission Delegated Regulation (EU) No 2019/715 shall apply.*

Article 43n

Structure of the budget

1. *Estimates of all revenue and expenditure of the Centre shall be prepared each financial year and shall be shown in the Centre's budget. The financial year shall correspond to the calendar year.*

2. *The Centre's budget shall be balanced in terms of revenue and of expenditure.*

3. *Without prejudice to other resources and dues, the revenue of the Centre shall comprise:*

   (a) *a Union contribution entered in the general budget of the Union;*

   (b) *any voluntary financial contribution from the Member States;*

   (c) *any contribution from third countries participating in the work of the Centre, as provided for in Article 43u;*

   (d) *charges for any service provided by the Centre.*

4. *The expenditure of the Centre shall include staff remuneration, administrative and infrastructure expenditure, and the contracts and*

agreements concluded by the Centre in order to accomplish the tasks entrusted to it.

Article 43o

Implementation of the budget

1. ***The Executive Director shall implement the Centre's budget.***
2. ***Each year the Executive Director shall send to the budgetary authority all information relevant to the findings of evaluation procedures.***

Article 43p

Security and confidentiality

1. ***At all times, the Centre shall ensure the appropriate level of secrecy and confidentiality of any activity and operation carried out, and data collected, in accordance with this Chapter.***
2. ***The Commission shall adopt security rules, for the Centre, based on the security principles contained in the Commission's security rules for protecting sensitive non-classified information and EUCI, as set out in Decisions (EU, Euratom) 2015/443 and (EU, Euratom) 2015/444. The Centre's security rules shall include provisions for the exchange, processing and storage of such information.***
3. ***The Centre shall ensure the protection of commercially sensitive, market-sensitive and security-relevant information, including information concerning ownership, control, offtake, pricing, stocks, processing capacity, strategic dependencies and supply-chain vulnerabilities.***

Article 43q

Material-specific value-chain resilience plans

1. ***The Centre shall, prepare in consultation with the Governing Board material-specific value-chain resilience plans ("the plans") for the most strategically exposed critical raw materials, taking into account different processing stages and end applications.***
2. ***The plans shall identify the relevant value-chain bottlenecks, Union dependencies, high-risk supply-chain exposures, industrial demand, available Union and partner-country capacity, market developments, supply***

lead times and propose appropriate tools to strengthen resilience of the Union.

3. *The plans shall distinguish, where relevant, between measures addressing upstream exploration and extraction support, midstream processing, refining or separation capacity, industrial-scale technology transfer, long-term offtake support, recycling and substitution, strategic stockpiling or emergency response capacity.*

4. *For materials with monopoly or quasi-monopoly exposure, the plans shall include, in accordance with Article 5, indicative diversification targets for reliable, responsible and diversified supply, processing or refining capacity, taking into account the availability of technically and economically viable alternative sources. The plans shall also identify, where relevant, appropriate levels of strategic stockpiling or other emergency response capacity, taking into account the specific characteristic of the material, its value chain and the potential risks of supply disruption.*

5. *The plans shall take into account the relevant material or product form, including raw materials, processed materials, intermediate products, components and secondary raw materials, as well as the potential for recycling, substitution and material-efficiency across the value chain.*

6. *The plans shall guide the Centre's activities on joint purchasing, offtake and demand aggregation, strategic and contingency stockpiling, private stockpiling, financial support and strategic intelligence, in accordance with the governance and the relevant provisions of this Regulation.*

7. *Before adopting the plans, the Centre shall consult the Forum, in accordance with the provisions laid down in Article 43l.*

8. *The Centre shall review the plans to ensure consistency with the evolution of the lists of strategic and critical raw materials, and where market conditions, technological developments, geopolitical risks or newly identified vulnerabilities so require.*

9. *The Centre shall make available aggregated or summary findings of the plans to relevant Union undertakings, including undertakings subject to Article 24, where this supports their risk assessments and risk-preparedness*

measures. Such findings shall not disclose information protected under Article 43p or information that could reveal specific Union supply-chain vulnerabilities, individual facilities, suppliers or projects.

SECTION 2

European contingency stocks

Article 43r

General principles for strategic and contingency stocks

1. *The European contingency critical raw materials stocks ('EUCRMS') shall be the property of the Union and covered by Article 1 of Protocol N°7 on the privileges and immunities of the European Union.*
2. *Member States shall be prohibited, and refrain from taking any measure hindering the transfer, use, release and distribution of the EUCRMS held within their territory or that circulate on their territory.*
3. *Strategic and contingency stocks shall be used as targeted supply-security tools. They shall not substitute diversification, investment, exploration, extraction, processing, refining and recycling capacities, material substitution and the development of reliable supply chains.*
4. *Member States shall not be prevented from establishing, maintaining or managing national strategic or contingency stocks in accordance with Union law.*

Article 43s

Acquisition and levels of the EUCRMS

1. *The Centre shall be in charge of the acquisition of the critical raw materials to be stockpiled in EUCRMS.*
2. *Stocks and operational protocols developed under the Union's CRM stockpiling pilot project shall be integrated into the EUCRMS upon the Centre becoming operational.*
3. *The Centre, after approval from the Governing Board, shall establish and adopt a plan over a period of 2 years for the levels of targeted critical raw materials to be stocked.*

4. ***Where market conditions, industrial demand, technological developments or geopolitical risks materially change, the Centre may propose adaptations to the plan. Material changes to the strategic priorities or target levels shall be subject to approval by the Governing Board.***

5. ***In determining the materials, forms, levels, timing of acquisition and rotation of the EUCRMS, the Centre shall take into account, leading practices in the private sector, with a view to making use of existing private-sector stockpiling capabilities, as well as existing approaches to risk management and supply chain resilience. The Centre shall encourage the contribution of private operators to meeting identified private and public stockpiling needs. The Centre shall consider, where relevant, supply risks, Union industrial demand, available processing or use capacity, technical suitability, storage requirements, market conditions, cost and the need to avoid unnecessary market distortion or adverse effects on well-functioning markets, in particular in materials with limited liquidity or a small number of active suppliers.***

6. ***The plan shall specify, where appropriate, the material or product form and grade to be stocked, indicative target volumes, storage conditions and technical specifications required for the material's stability and safe storage, rotation needs, eligible users or sectors, release and replenishment principles, and links to offtake agreements, Strategic Projects, recycling capacity or trusted partner-country supply chains.***

7. ***The plan shall provide guidance on which materials should be stockpiled privately. This shall be taken into account in the assessment of the company risk mitigation measures referred to in Article 24(4).***

8. ***Where possible, Union-supported stocks shall contribute to diversification and responsible sourcing, including through Strategic Projects, projects supported under this Chapter, recycling or secondary raw materials capacities, or projects in Strategic Partnership countries that strengthen security of supply.***

9. ***In situations referred to in Article 25(6a), point (b), the Centre may acquire critical or strategic raw materials beyond the levels set out in the long-term***

stockpiling plan, with a view to preventing the closure of Union-based extraction, processing or refining capacity, where this is necessary to protect the Union's security of supply and subject to the safeguards laid down in this Chapter. The Governing Board shall be immediately informed and approve any action taken pursuant to this paragraph.

10. ***Member States shall, upon request of the Centre, provide data on the quantities and forms of critical raw materials used by companies whose data has not been shared pursuant to Article 24(5) of this Regulation, or by the Union-based suppliers of such companies, in order to enable the Centre to develop the stockpiling strategy, avoiding additional data collection or reporting for the undertakings. Any information provided pursuant to this paragraph shall be handled in accordance with the confidentiality and security requirements laid down in Article 43p. The Governing Board shall adopt the Centre's stockpiling strategy.***

11. ***The Centre may refrain from publishing or sharing any information that can compromise its ability to develop stockpiles, or reveal commercially sensitive information, individual company positions or strategic supply-chain vulnerabilities. In such cases, it shall inform the Governing Board of the justification.***

Article 43t
EUCRMS facilities

1. ***The Centre shall establish and operate the EUCRMS in facilities in the Union, in accordance with this Article.***

2. ***After having consulted the Governing Board and in agreement with the Member State within which territory the EUCRMS will be located, the Centre may contract with either public or private service providers for the establishment, location and operation of the EUCRMS facilities in the Union territory. Only service providers established in the Union, that are owned or controlled by entities in the Union, EEA EFTA countries, the United Kingdom or Switzerland, shall participate to these contracts.***

3. ***The location of the EUCRMS facilities shall be determined based on the following cumulative criteria:***

(a) an adequate geographical distribution across the Union territory;

(b) geographical proximity and specific needs of critical raw materials of downstream Union-based economic operators;

(c) geographical accessibility to the possible location, including connectivity with major Union and international supply routes, and appropriate multimodal logistics, needed infrastructure and level of security;

(d) the technical capacity of the facility to meet the storage requirements of the material concerned.

4. Access to EUCRMS shall be open to all undertakings based in the Union, registered for this purpose. To this end, undertakings shall provide to the Centre any relevant information to allow the determination and anticipation of the needs of targeted critical raw materials, avoiding duplication with information already available to the Centre or provided under this Regulation in accordance with the confidentiality requirements laid down in Article 43p.

5. Registered undertakings based in countries that are members of the European Free Trade Association (EFTA) which are members of the European Economic Area (EEA), the United Kingdom or Switzerland may also access EUCRMS, if specified in the association agreement with their respective third country.

6. The Centre may, after an assessment and upon approval of the Governing Board, set up a contribution scheme taking into account the undertaking's declared stockpiling needs, and conferring on the undertaking a corresponding entitlement to access the EUCRMS in the event of a release pursuant to Article 43v. The scheme should be designed to ensure fair and proportionate access for undertakings of all sizes and take into account the prioritisation established under Article 43v).

7. Entities excluded from the system under Article 25 (6), shall also be excluded from participating to the mechanism referred to in paragraphs 2 and 4 of this Article.

Article 43u

Association agreements

1. *The participation in the EUCRMS shall be open to the following third countries ('associated countries') through association:*

   (a) *members of the EFTA which are members of the EEA, in accordance with the conditions laid down in the EEA Agreement;*

   (b) *The United Kingdom and Switzerland in accordance with the conditions laid down in the relevant agreements concluded with the Union;*

   (c) *other third countries, in accordance with an agreement concluded under Article 218 TFEU which meets the conditions set out in paragraph 2 of this Article.*

2. *The agreements referred to in paragraph 1 shall, where not already provided for:*

   (a) *ensure a fair balance between the contributions of the associated country and the benefits its undertakings derive from access to EUCRMS;*

   (b) *lay down the conditions of access, including the calculation of the associated country's financial contribution to the acquisition, storage, maintenance and release of the EUCRMS and to the administrative costs of the Centre, such contributions constituting assigned revenue within the meaning of Article 21(5) of Regulation (EU, Euratom) 2024/2509;*

   (c) *confer no decision-making power on the associated country in respect of the Centre, the EUCRMS or the Governing Board; the associated country may be invited to attend Governing Board discussions concerning it as an observer;*

   (d) *safeguard the Union's ability to ensure sound financial management and protect its economic, security and financial interests, including audit and investigation powers of the Court of Auditors and OLAF;*

   (e) *provide, as far as possible, for reciprocal access of Union undertakings to equivalent stocks or release mechanisms of the associated country;*

(f) set out the rules on how to apply Union restrictive measures, export controls and exclusion referred to in Article 25 and in Article 43t(7) to third countries as well as prohibit the re-export or resale outside the Union and the associated countries of critical raw materials released from the EUCRMS. require the associated country to apply Union restrictive measures and to implement export controls and exclusion rules equivalent to those referred to in Article 25 and in Article 43e(7);

(g) ensure a level of protection of secrecy and confidentiality of information equivalent to that provided under Article 43p;

(h) prohibit the re-export or resale outside the Union and the associated countries of critical raw materials released from the EUCRMS;

(i) provide for suspension and termination, including in the cases referred to in paragraph 5.

3. Access under Article43v shall be limited to undertakings which are established in an associated country, are registered under Article 43t(5), are not excluded under Article 25, and are not owned or controlled by a non-associated third country or a non-associated third country entity.

4. Access by undertakings of associated countries shall not prejudice the supply of Union undertakings and shall not affect the ownership of the EUCRMS under Article 43r(1). In any release under Article 43v(2), the Centre shall, after consulting the Governing Board, set the maximum quantities available to undertakings of associated countries, having regard to the associated country's contribution and to the needs of Union undertakings, which shall be served first.

5. The association agreement shall provide for the possibility to suspend in whole or in part the access of undertakings of the associated country in case of breaches of the agreement, or where necessary to safeguard the public security of the Union or the national security of a Member State within the meaning of Article 4(2) TEU.

6. The association agreement shall require the consent of the Parliament pursuant to Article 218(6)(a) TFEU. Pursuant to Article 218 (10) TFEU, the Parliament shall be immediately and fully informed at all stages of the procedure.

7. The Centre may conclude administrative arrangements with the competent authorities of associated countries for the operational implementation of the agreements referred to in paragraph 1 of this Article. Such arrangements shall not create legal obligations for the Union and shall be subject to Article 43b.

Article 43v

Release of the EUCRMS

1. The Centre shall have in place procedures to be able, when necessary, to release quickly and effectively some or all of the EUCRMS in the event of a particular situation as provided for in this Article.

2. After consultation of the Governing Board, the Centre may release some or all of the EUCRMS in one of the following situations:

(a) actual, predicted or potential supply disruption of critical raw materials, or a material risk thereof based on objective and substantiated indicators;

(b) response in case of particular urgency or crisis;

(c) deliberate market manipulations aimed at undermining EU undertakings impacting among others the price of the critical raw materials.

3. When releasing all or part of the EUCRMS, the Centre may reserve part of the quantity for specific sectors on the basis of economic security or Union's strategic interests or for SMEs and small midcaps.

4. The Centre shall, in consultation with the Governing Board, establish guidelines operationalising the conditions in paragraph 2 of this Article and outlining criteria for the application of paragraph 3 of this Article. The Centre shall undertake efforts to inform potentially affected companies of their content.

5. The Centre may decide to release some or all of the EUCRMS for stock rotation, adjustment of the quantities or quality control of the EUCRMS, provided that such release does not undermine the level of preparedness necessary to ensure Union security of supply. In such cases, the Centre shall inform the Governing Board.

6. *In case of release pursuant to paragraphs 2 and 3, the Centre shall keep informed the Member State in which territory the EUCRMS facilities concerned are located and of transit.*

7. *Releases shall take into account the release conditions, eligible users, allocation method and replenishment principles set out in the stockpiling strategy.*

8. *The release and distribution of stockpiles shall not discriminate between undertakings established in the Union, except where it is deemed necessary and duly justified for a certain group of undertakings on a priority basis.*

9. *Undertakings may only buy materials from EUCRMS to prevent acute disruptions of their operations. The Centre shall ensure that contracts contain adequate anti-abuse provisions, including proportionate penalties, and where appropriate, exclusion from future releases and recovery of the value of the materials received.*

Article 43w

Incentives for private stocks

1. *The Centre shall be able to provide support with financial instruments and grants to companies for maintaining private stocks. The Centre shall publish calls for projects specifying eligibility and evaluation criteria.*

2. *These instruments may be a blend of Union's budget resources, voluntary Member States contributions and private capital. The Centre may also provide technical assistance related to storage, rotation, risk management and supply-chain resilience.*

3. *Support under paragraph 2 shall be conditional on a clear contribution of the company to Union security of supply, business continuity, circularity or the resilience of small and medium-sized enterprises, small mid-caps enterprises, scale-ups or strategic sectors. Where public support is provided, it shall be linked to appropriate public-return obligations, including access, reporting or repayment conditions.*

4. *Companies referred to in paragraph 1 of this Article may request the Centre's authorisation to store the raw materials stockpiled pursuant to this*

Article in the EUCRMS facilities referred to in Article 43t. Such storage shall be subject to the availability of capacity and to the conditions mutually agreed between the Centre and the company concerned. Raw materials stored pursuant to this paragraph shall remain the property of the company concerned and shall not form part of the EUCRMS referred to in Article 43r (1).

SECTION 3

Purchase of strategic raw materials

Article 43x

Advanced joint purchasing systems and offtake

1. *From [OPC please add date of entry into force of this Regulation], the Centre shall operate the system referred to in Article 17 and in Article 25. That system shall also be used for the operations provided under this Article.*

2. *Upon request from undertakings participating to the system referred to in Article 25, the Centre may act as agent for the negotiation and the conclusion in their name of a purchasing agreement with one or more suppliers of critical raw materials, including on the price or other terms and conditions of the purchasing agreement.*

3. *Where the Centre acts as an agent as referred to in paragraph 2, it shall draw up a proposal of mandate agreement to be signed by the requesting undertakings.*

   Such mandate shall include in particular, the confidentiality aspects, the conditions, the respective rights and responsibilities of the Centre and the requesting undertakings, the quantity, the cost allocation and risk-bearing arrangements between the Centre and the requesting undertakings, the time frames for possible opt-in and opt-out and allocation between undertakings.

4. *The Centre may, after bringing off-takers and suppliers together in accordance with Article 17 and upon request of the off-takers, facilitate a joint purchase agreement in accordance with this Article.*

5. *The Centre shall prioritise purchasing, offtake and demand aggregation arrangements that strengthen Union security of supply, support*

diversification, reduce high-risk dependencies, or are linked to Strategic Projects, projects supported under this Chapter, recycling capacity or Strategic Partnership country projects contributing to Union supply security.

6. The Centre shall ensure that joint purchasing operations are voluntary, transparent, non-discriminatory and aim at diversifying suppliers.

Article 43y

Common interest procurements on behalf of Member States

1. By way of derogation from Article 168(3) of Regulation (EU, Euratom) 2024/2509, where 2 or more Member States request the Centre to procure on their behalf, or in their name, the Centre may initiate a procurement procedure under the conditions set out in this Article when the procurement relates to critical raw materials.

2. The procurement referred to in paragraph 1 shall have as objective to improve the security of supply of critical raw materials, strengthen resilient Union value chains and support diversification of supply of strategic raw materials originating from reliable third countries.

3. Procurements under this Article shall, where possible, draw primarily from Strategic Projects under this Regulation, projects financed by the European Critical Raw Materials Fund, and third-Strategic Partnership country projects contributing to Union diversification targets.

4. The participation in the procurement procedure shall be open to all Member States. The Centre shall inform all Member States of the request, through the Governing Board, and invite them to join the procurement.

5. The Centre shall assess the utility, necessity and proportionality of the request and whether the request is justified in light of the objectives referred to in paragraph 2. The Centre shall in particular verify whether the procurement could constitute discrimination or restriction to trade or a distortion to competition.

6. The Centre shall inform the interested Member States within one month of the request of its decision and state its reasons in case of a refusal.

If in light of the Centre assessment, it is necessary to conduct the

procurement as exclusive for the Member States or to agree to minimum binding quantities, the Centre agreement to pursue the procedure may be conditioned upon acceptance of these conditions by interested Member States.

7. ***Except for the derogations provided for in this Regulation, the procurement referred to in this Article shall be carried out in accordance with Article 168(3) of Regulation (EU, Euratom) 2024/2509.***

8. ***The Centre shall make the choice of the procurement procedure, in accordance with Article 167 and Annex I of Regulation (EU, Euratom) 2024/2509, that ensures the appropriate level of secrecy and protection of Union and national interests.***

SECTION 4

Investment pillar

Article 43z

Financial support

1. ***The Commission shall entrust the Centre with the implementation of the budget referred to in Article 4(2)(e) of Regulation [2025/0555 (COD)] (European Competitiveness Fund), in accordance with Article 42(2) of that Regulation for the implementation of the tasks referred to in that Article. That budget shall not be used to cover ordinary operational costs of the Centre.***

2. ***The Centre may support activities related to the exploration, extraction, processing and refining, manufacturing, recycling and substitution of critical raw materials, including separation, secondary raw materials, technology transfer, industrial scale-up, Strategic Projects and relevant Important Projects of Common European Interest, skills development and the production of machinery and other products that are essential to critical raw materials value chain. Support for projects outside the Union may be provided where they contribute to the Union's security of supply and complement the development of Union capacities.***

3. ***Support under paragraph 2 may take the form of:***

(a) equity and quasi-equity instruments;

(b) grants including for geological surveys, early-stage exploration, feasibility studies and pilot projects;

(c) bidding mechanisms, including contracts for difference for production;

(d) production-linked incentives;

(e) loans;

(f) guarantees and counter-guarantees;

(g) offtake support agreements;

(h) technology-transfer or licensing support.

4. In its annual work programmes, the Centre shall publish an indicative overview of its planned activities under this Article and of calls it aims to launch.

5. Where the Centre provides financial support pursuant to paragraph 2 of this Article, the support agreement shall provide for supply-security benefits for the Union. Such benefits may include a priority right of purchase, offtake arrangements, access to the future output of the supported project, allocation to Union-based undertakings or to the EUCRMS referred to in Article 43c, as well as reporting, delivery or repayment obligations.

6. The Centre may, for the purposes of this Article, co-establish or participate in joint ventures or special purpose vehicles with industrial or commercial partners, in order to combine the Centre's financing capacity with third-party operational and commercial expertise. The selection of industrial or commercial partners shall be based on objective and transparent criteria and shall be subject to appropriate safeguards concerning conflicts of interest, economic security and the protection of commercially sensitive information.

7. The Centre shall, where appropriate, prioritise instruments that mobilise private co-investment aligned with the Union's supply-security, diversification and resilience objectives. Direct equity or quasi-equity acquisition by the Centre may be used where necessary to address market failures, secure public-return obligations, prevent dependency on entities referred to in Article 25(6), or safeguard the Union's security of supply.

8. The Centre may, in case of a potential acquisition that threatens to severely harm the Union security of supply, act without delay to prevent such harm, including by acquiring equity in the relevant undertaking. The Centre shall consult and seek approval of the Governing Board of any action taken pursuant to this paragraph and provide the reasons for the intervention.

9. Where the Centre holds equity, it may request the ECRM Fund to act on its behalf in any functions related to the Centre's status as a shareholder.

10. Any instrument used pursuant to this Article shall be financed from the Union's budget, voluntary Member States contributions and they shall be used by the Centre in the Union's interest. The Centre may, where appropriate and proportionate in light of the nature of the project and the financial support provided, require adequate co-financing from the Member States or regional authorities.

Article 43aa

European Critical Raw Materials Fund

1. A European Critical Raw Materials Fund (the "ECRM Fund") is hereby established as a Union financial instrument contributing to the objectives and benchmarks laid down in this Regulation and to the functioning of the internal market by strengthening the security, resilience and sustainability of the Union's critical raw materials supply chains.

2. The objective of the ECRM Fund shall be to mobilise and provide financing for projects and investments of strategic importance to the Union's critical raw materials supply chains, including projects relating to exploration, extraction, processing, refining, separation, manufacturing, recycling, substitution and the recovery and use of secondary raw materials.

3. The ECRM Fund may provide financing in the form of equity, quasi-equity, loans, guarantees and other forms of risk-sharing and may invest in funds, specialised investment structures or other financial vehicles, in accordance with Regulation (EU, Euratom) 2024/2509.

4. The ECRM Fund shall support, in particular, the deployment and industrial scale-up of technologies and projects that address material-specific supply vulnerabilities, strategic capability gaps or bottlenecks in the Union's critical

raw materials value chains. The Fund shall complement existing Union and Member State financial instruments and shall avoid unnecessary duplication of Union support.

5. ***The ECRM Fund shall seek to mobilise additional capital from Member States, private-sector investors, the European Investment Bank and the European Investment Fund. Participation of other public or private investors shall be subject to appropriate safeguards concerning ownership and control, conflicts of interest, the protection of the Union's financial interests and risks to the Union's economic security.***

6. ***The Commission shall implement the ECRM Fund in accordance with Regulation (EU, Euratom) 2024/2509 and shall entrust the implementation of the Fund to the Centre under indirect management in accordance with Article 62, of that Regulation. The Centre shall implement the ECRM Fund within the framework established by this Regulation, its founding act, the applicable contribution agreement and the investment guidelines adopted pursuant to paragraph 7 of this Article.***

7. ***The Commission shall adopt the investment guidelines and detailed implementation arrangements necessary for the implementation of the ECRM Fund, including, where appropriate, the eligibility criteria, investment objectives, risk parameters, concentration limits, additionality requirements and safeguards concerning conflicts of interest, ownership and control and the Union's economic security.***

8. ***The Centre shall, within the framework referred to in paragraph 7, assess, select, finance and monitor eligible operations and shall ensure that financing operations contribute to the objectives of this Regulation. The Centre shall apply the principles of sound financial management, transparency, proportionality, additionality and Union added value.***

9. ***The ECRM Fund shall have an initial Union contribution of EUR 2 000 000 000, drawn from the amount referred to in Article 4(2) of Regulation [(2025/0555(COD)] (European Competitiveness Fund)]. The contribution shall be deployed in tranches in accordance with the investment strategy, the applicable budgetary procedure and Regulation (EU, Euratom) 2024/2509.***

10. The Centre shall report annually to the Commission, the Governing Board and to the Critical Raw Materials Board on the implementation and performance of the ECRM Fund, including the operations supported, the Union contribution committed and disbursed, additional capital mobilised, the financial performance and risk exposure of the portfolio, and the contribution of the Fund to the objectives and benchmarks laid down in this Regulation.

11. Revenue generated by the ECRM Fund, including dividends, interest, capital gains and repayments attributable to the Union contribution, shall be accounted for and shall remain within the Fund, by way of derogation from Article 212(3), first subparagraph, of Regulation (EU, Euratom) 2024/2509, and shall constitute internal assigned revenue.

12. The ECRM Fund shall be subject to the applicable Union rules on budgetary control, audit, discharge, fraud prevention and the protection of the Union's financial interests.

Article 43ab

Cooperation with the European Investment Bank

1. The Centre shall cooperate with the European Investment Bank Group to mobilise co-financing, blended finance guarantees and technical assistance for projects contributing to the achievement of the objectives of this Chapter and, where relevant, supported by the ECRM Fund.

2. The European Investment Bank Group may participate in the ECRM Fund as an investor and may, where appropriate, be entrusted with the implementation of specific financial instruments or operations supported by the ECRM Fund or by other Union financial instruments, in accordance with Regulation (EU, Euratom) 2024/2509 and the applicable contribution, financing or guarantee agreements.

3. Cooperation under paragraphs 1 and 2 of this Article shall be carried out in a manner that complements the role of the Centre as the entity entrusted with the implementation of the ECRM Fund pursuant to Article 43aa, avoids duplication of Union support and ensures appropriate safeguards

concerning conflicts of interest, additionality, the protection of the Union's financial interests and the Union's economic security.

4. ***The Centre may also cooperate with national promotional banks and institutions and with multilateral development banks to mobilise additional financing, including through co-financing, guarantees, blended finance and technical assistance, where such cooperation contributes to achieving the objectives of this Regulation, in particular the security of supply, diversification, resilience and responsible sourcing of critical raw materials***

Article 43ac

Coordination with Union external financing instruments

1. ***The Centre shall coordinate with the Commission services responsible for the Global Gateway strategy, the European Fund for Sustainable Development Plus and other Union external financing instruments, with a view to ensuring coherence between support under this Chapter and Union-supported raw materials projects in third countries.***

2. ***In the context of the coordination referred to in paragraph 1, the Centre shall identify and communicate to the Commission short-term supply arrangements with Strategic Partnership countries that it considers a priority to secure the availability of critical raw materials in the event of supply disruptions, including, where relevant, the case for seeking commitments to prior notification of prospective export restriction measures. The Centre shall provide the Commission with technical input to support the negotiation of such arrangements.***

3. ***Such coordination shall support the Union's supply diversification objectives, complement the development of critical raw materials capacities within the Union, comply with applicable Union requirements and contribute to reliable and resilient raw materials value chains for the Union.***

4. ***This Article shall be without prejudice to the legal bases, decision-making procedures and governance arrangements applicable to the Union external financing instruments referred to in paragraph 1.***

SECTION 5

Intelligence

Article 43ad

Intelligence Hub

1. *The Centre shall collect and manage all relevant data related to critical raw materials to support its activities and tasks under this Chapter, including the information and data collected pursuant to Articles 20, 21 and 24 and in accordance with Article 43p. Large companies choosing to withhold essential data may be excluded from the services organised by the Centre.*

2. *The Centre shall monitor critical raw materials markets in real time in order to identify and anticipate market developments, supply disruptions and other potential risks affecting the security and resilience of the Union's critical raw material supply chains.*

3. *The Centre shall support material-specific value-chain resilience plans, joint purchasing, strategic and contingency stockpiling, financial support, early-warning activities and release decisions under this Chapter.*

4. *By way of derogation from Article 22 of Regulation (EC) No 223/2009, the authorised officials and other staff of the Centre shall also have access, on a strict need-to-know basis, to the confidential information related to raw materials collected by the Commission (Eurostat), where necessary for the performance of the tasks entrusted to the Centre under this Chapter.*

5. *The Centre shall encourage the development of critical raw materials price indices, providing market participants with transparent, reliable and market-driven reference prices, based on robust and, where appropriate, anonymised market data.*

6. *In carrying out its tasks, the Centre shall build on existing expertise and infrastructure, including the Joint Research Centre Raw Materials Information System, national raw materials observatories, geological services, Eurostat and the standing working groups of the Governing Board, in order to avoid unnecessary duplication of data collection or analysis.*

7. The Centre shall cooperate, where relevant, with Strategic Partnership countries and multilateral platforms to exchange market intelligence and strengthen early-warning capacity.

Article 43ae
Crisis preparedness exercises

The Centre shall facilitate regular exercises and stress-testing with Member States authorities and other relevant stakeholders and bodies to enhance crisis preparedness.

SECTION 6
Final provisions

Article 43af
Presentation of the Centre's accounts and discharge

The presentation of the Centre's provisional and final accounts and the discharge shall follow the rules and timetable of Regulation (EU, Euratom) 2024/2509 and of Commission Delegated Regulation (EU) 2019/715.

Article 43ag
The Centre's staff

1. The Staff Regulations and the Conditions of Employment of Other Servants and the rules adopted by agreement between the institutions of the Union for giving effect to those Staff Regulations and the Conditions of Employment of Other Servants shall apply to the staff of the Centre.

2. The Centre may make use of other seconded national experts or other staff not employed by the Centre, in any areas of its work. The Governing Board shall adopt a decision laying down rules on the secondment of national experts.

3. The Centre shall identify the most appropriate means to ensure that it remains sufficiently attractive as an employer to recruit and retain the highly qualified experts necessary for the effective fulfilment of its mandate.

Article 43ah
Liability

1. *The Centre's contractual liability shall be governed by the law applicable to the contract in question.*

2. *The Court of Justice of the European Union shall have jurisdiction to give judgment pursuant to any arbitration clause contained in a contract concluded by the Centre.*

3. *In the event of non-contractual liability, the Centre shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its departments or by its servants in the performance of their duties.*

4. *The Court of Justice of the European Union shall have jurisdiction in disputes over compensation for the damage referred to in paragraph 3.*

5. *The personal liability of its staff towards the Centre shall be governed by the provisions laid down in the Staff Regulations or Conditions of Employment applicable to them.*

Article 43ai
Combating fraud

1. *In order to combat fraud, corruption and other unlawful activities, the provisions of Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council shall apply.*

2. *The Centre shall accede to the Interinstitutional Agreement of 25 May 1999 between the European Parliament, the Council of the European Union and the Commission of the European Communities concerning internal investigations by the European Anti-fraud Office (OLAF) and the European Public Prosecutor's Office (EPPO) and shall adopt the appropriate provisions applicable to its staff using the template set out in the Annex to that Agreement. The European Public Prosecutor's Office (EPPO) is empowered, in accordance with Regulation (EU) 2017/1939, to investigate and prosecute criminal offences affecting the financial interests of the Union as provided for in Directive (EU) 2017/1371 of the European Parliament and of the Council.*

3. The European Court of Auditors shall have the power of audit, on the basis of documents and on the spot, over all grant beneficiaries, contractors and subcontractors that have received Union funds from the Centre.

4. OLAF may carry out investigations, including on-the-spot checks and inspections with a view to establishing whether there has been fraud, corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant or a contract funded by the Centre, in accordance with the provisions and procedures laid down in Regulation (EU, Euratom) No 883/2013 and Council Regulation (Euratom, EC) No 2185/96.

Article 43aj

Reporting and evaluation

1. Every five years, the Commission shall commission an evaluation of the Centre's performance in relation to its objectives, mandate, tasks, governance and locations in accordance with Commission's guidelines. The evaluation shall, in particular, address the possible need to modify the mandate of the Centre and the financial implications of any such modification.

2. The Commission shall report to the European Parliament, the Council and the Governing Board on the evaluation findings. The findings of the evaluation shall be made public.

Article 2

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at,

For the European Parliament	*For the Council*
The President	*The President*