

The European Critical Raw Materials Centre

Commentary on the European Parliament's position, with recommendations for Member States

Geneva Platform for Resilient Value Chains

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Authors

Dr. Tom Moerenhout, Mr. Bryan Bille, Mr. Kevin Brunelli

Introduction

The European Parliament's amendments to the Critical Raw Materials Act (adopted on 20 October 2026) provide a solid basis for the European Critical Raw Materials Centre. Member States should maintain this level of ambition and further refine its provisions to improve and accelerate implementation.

The commentary below provides feedback on the Center's main building blocks. For each, it sets out what the Parliament text gets right and where further precision can make the Centre even more credible to markets, investors and partner countries.

Our main conclusions are:

- **Keep the Centre as a self-standing agency with control over project execution.** The Governing Board should set the mandate, and a small investment board should take financing decisions. The Executive Director should come from mining and market finance, the founding text should include derogations from the Staff Regulations, and the interim Commission phase needs a fixed handover date.
- **Make data sharing the price of support.** The intelligence hub needs company-level data, multi-tier supply chain mapping and future material needs. This needs to be protected by a watertight confidentiality regime. Data sharing should be a condition of all Center support, and private stocks should notify the Centre.
- **Treat €2bn as a floor and use it to crowd in capital for early-stage risk.** A review and top-up clause should move the Fund towards €10bn. The Centre should primarily own early-stage risk, which the EIB and national development banks do not engage in at scale. Its grants should carry conditions and returns that flow back into the Fund.
- **Midstream is the other top priority.** Processing and refining capacity, and the know-how behind it, should be the Center's other top priority, with skills support linked to capex.
- **Anchor offtake rather than rely on joint purchasing.** CfDs and backstop offtake should help projects reach FID. Trading houses (including non-EU allied ones) should have an explicit legal basis to work with the Centre, and the Centre should price against G7 ex-China references.
- **Target stockpiles at weaponisable materials.** The stockpile should cover a short list of illiquid materials, follow transparent release and buying rules, and work towards a quantified target of up to 180 days, with tax incentives for private stocks rather than purchase grants.

1. Legal form and governance

The Parliament text gets the legal form right and already separates strategic direction from operational execution. Member States should keep both, and sharpen the execution side so the Centre can move at market speed[1].

What the Parliament text gets right

- The Centre is a self-standing Union body with legal personality, for an unlimited period, with the operational autonomy necessary to carry out its tasks.[2]
- The Governing Board adopts the strategies, risk limits, financial envelopes and thresholds; the Executive Director takes individual purchase, stock and financing decisions below those thresholds.[3]
- The Executive Director must have substantial professional experience in fields relevant to critical raw materials, and reports to and appears before Parliament.[4]
- The need to attract and retain specialised staff is recognised.[5]

Points to retain and strengthen

- **The Centre should remain a self-standing agency, not a unit inside one DG.** The mandate cuts across GROW, TRADE, ENER, INTPA, DEFIS, the EEAS and the EIB. Placing it inside one DG would make it a DG instrument and invites turf fights between DGs that each own a piece of the CRM file. Japan can house JOGMEC under METI because METI is a natural single home; the EU has no equivalent. The Commission, Council and Parliament should set the strategy and hold the Centre accountable, but the Centre needs operational independence to execute it (the whole of the Commission as METI, the Centre as JOGMEC). Independence also gives continuity. A mining project takes 10 to 15 years to develop, while Commission priorities and staff change every few years, and companies, investors and third countries will only treat the Centre as a serious counterpart if it outlasts those cycles. The Parliament text secures this and Member States should retain it.
- **A two-tier model with public governance and mandate through the Governing Board, and commercial execution through a commercial operational arm.** The Centre needs market credibility to be taken seriously. A 27-member Governing Board would be slow and cumbersome to investors. Scrapping the board is not possible as a Member State board is standard for EU agencies, and EU case law limits how much discretionary power can be delegated to private bodies. So it is about balancing accountability and market credibility. The board sets the political and investment-risk mandate, while a commercial operator executes within it. The

[1] All article and recital references in the footnotes are to the Parliament text.
[2] Recital 10a; Art. 43a.
[3] Arts. 43h(2)(d)–(e) and 43j(5).
[4] Arts. 43i(2) and 43j(2)–(3).
[5] Recital 10k; Art. 43ag(3).

Parliament text already points this way: it allows the Centre to co-establish or participate in joint ventures or special purpose vehicles with industrial or commercial partners, which is the closest the text comes to a JOGMEC model,[6] and to contract service providers for storage.[7] This could be extended so the Centre can set up a vehicle to contract commercial operators for targeted trading, logistics and storage. For investment, the French state-anchored InfraVia Critical Metals Fund offers a good template with the French state providing an initial seed investment of €500m, while InfraVia raised the rest of the private funding towards a €2bn target.

- **The Member State board sets the mandate, but a small executive or investment board takes the financing decisions.** The decision thresholds the Governing Board sets are the right mechanism.[8] Individual financing decisions should go to a small executive or investment board acting within that mandate, for example the financing and investment working group with delegated authority,[9] with clear thresholds above which deals go back to the full board. Running every deal through 27 Member States is too slow for counterparties with whom the Centre would conclude minerals deals. Good projects are competed for, and a sponsor will not wait months or years for a board meeting when a US, Japanese or Gulf investor can move in weeks or months.
- **The Executive Director should come from the mining and market finance world.** The requirement of relevant experience is welcome[10] and could be made more specific by pointing to experience in mining finance, commodity trading or project investment. This person will be negotiating with sponsors, banks and trading houses, and needs to be credible to them from day one. In return for a leaner operational structure, Parliament could get a stronger say over who leads the Centre with the Executive Director being appointed only after a confirmation hearing and vote in Parliament.
- **The Centre needs derogations from the Staff Regulations to hire and keep market expertise.** The Parliament text recognises the problem but leaves the means to be identified later.[11] If the Centre takes equity, negotiates offtake and manages stock releases, it needs investment professionals, geologists, mining engineers and commodity specialists, and has to keep them for years. Standard Staff Regulations terms won't get them in, and the people who can do quick and solid due diligence mostly sit in the private sector. Derogations on recruitment and pay belong in the founding text. The US has already moved on this and now hires much more aggressively, including on salaries. Building and keeping in-house expertise over many years is one of the main lessons from JOGMEC as well, and the Centre should aim to have the same.

[6] Art. 43z(6).
[7] Art. 43t(2).
[8] Art. 43h(2)(d).
[9] Art. 43h(3)(b).
[10] Art. 43i(2).
[11] Art. 43ag(3).

- **The interim Commission phase needs a fixed handover date to the agency.** The Commission is responsible until the Centre has the operational capacity to implement its own budget, without an end date.[12] Setting up a standalone agency, including the seat, should not take years. While the wish to start acting in the meantime is understandable, the risk is that the interim unit settles into a DG and the agency is quietly postponed. The text should fix an early handover date.
- **Complement the CRM Forum with an industry and investor consultative council.** The broad, advisory Forum is a sound platform for dialogue across the value chain.[13] Given informal concerns that a broad forum could slow operational work, it should be complemented by an industry and investor consultative council of offtakers, processors, financiers and trading houses, as in South Korea. Such a council could get a formal role in setting offtake priorities and reviewing investment plans, for instance as a standing subgroup of the Forum,[14] with the Forum's confidentiality safeguards.[15]

2. Intelligence hub

The Parliament text gives the Centre real data powers and already links data sharing to access to Centre services. The remaining gaps are depth, scope, and the confidentiality regime that makes companies willing to share.

What the Parliament text gets right

- The Centre collects and manages all relevant data, including information gathered under the Act's monitoring, information-gathering and company risk-preparedness provisions,[16] monitors markets in real time, and has need-to-know access to confidential Eurostat data.[17]
- Large companies must now map the supply chain of components containing strategic raw materials and the ownership of the facilities where those materials are extracted, processed or recycled, not only the countries.[18]
- Large companies choosing to withhold essential data may be excluded from the services organised by the Centre.[19]

[12] Art. 43e.
[13] Art. 43l.
[14] Art. 43l(6).
[15] Art. 43l(12).
[16] Arts. 20, 21 and 24.
[17] Art. 43ad(1), (2) and (4).
[18] Art. 24(2)(a) and (ba).
[19] Art. 43ad(1).

- Confidentiality is anchored in a dedicated provision, with Commission security rules,[20] and resilience-plan findings are shared with industry only in aggregated form.[21]
- Resilience plans take into account processed materials, intermediate products and components.[22]

Points to retain and strengthen

- **The Centre needs company-level data, not aggregated statistics.** Aggregated statistics won't pick up bottlenecks or market manipulation early enough. Trade data is insufficient. The Centre needs powers to collect information from individual companies on volumes, sources, contract terms, stock levels and future outlooks. Companies that import materials facing export restrictions from China are forced to provide information to the Chinese government. The Centre needs that information too to meet its full potential. The Parliament text provides the basis; Member States should keep it intact.[23]
- **Large companies should map critical raw materials down through their supply chain.** The addition of component mapping is a real step forward.[24] It should be made clear that mapping goes down through suppliers, including what goes into intermediate components, and does not stop at direct inputs, and the qualifier "to the extent the required information is available to them" should not become a reason not to look. Most SMEs and many large firms don't know their supply chain a few tiers down. A company that only buys components from suppliers it considers low-risk can still be exposed to a disruption several tiers below. The Centre should help medium-sized companies to run those supply chain reviews. The Commission's new identification and information powers will also need adequate staff to be effective.[25]
- **Data sharing should be a condition for access to all Centre support.** The exclusion clause for companies that withhold data is the right principle.[26] It uses "may" and covers "services"; it should apply as a default to all Centre support (financing, stockpiles, joint purchasing). Firms that don't share are deprioritised. Encouragement alone won't work, because companies know there is no consequence for not sharing. Japan gets this through a culture of information sharing between industry and government, which is why JOGMEC does not see data sharing as a problem. Europe doesn't have that, so it has to be legislated. If this is too sensitive for the intelligence hub article, it could sit in a separate conditionality article covering all Centre support.

[20] Art. 43p.
[21] Art. 43q(9).
[22] Art. 43q(5).
[23] Art. 43ad.
[24] Art. 24(2)(a).
[25] Art. 24(1) and (5a).
[26] Art. 43ad(1).

- **Companies will only share data under a watertight confidentiality regime.** Firms treat their material needs as proprietary and as revealing of their IP and production methods. A leak could tell competitors a lot about how a firm produces and what it plans. The confidentiality provision in the Parliament text is a good basis.[27] The text should go further and set out who in the Centre can access company data, for what purposes, how it is stored, and what excruciating penalties apply for leaks. Sharing with Member States or any other EU bodies should only happen in aggregated form.
- **The hub should collect future material needs, not only current use.** The Parliament text already asks undertakings registering for the stocks to share information to anticipate needs.[28] Collecting what companies plan to need in future production is what lets the Centre go out and secure projects. Mining and refining projects take years to come online, so the Centre has to know today what industry will need in five to ten years. This also gives the Centre a basis for offtake matching, since it can link projects in the pipeline to identified future demand. JOGMEC is the example here as it knows this in real time through daily connections to Japan's trading houses and industry.
- **Private stocks should be notified to the Centre.** The Parliament text allows the Centre to obtain usage data through Member States.[29] Notification of private stocks should be mandatory. Without knowing what is already held by companies, the Centre cannot size public stocks properly or judge how exposed industry is in a crisis. Notification should be confidential and feed directly into the intelligence hub.
- **The hub should cover refined products, processing equipment and specialty chemicals.** The resilience plans and the financing provisions, which cover machinery and other essential products, already look beyond raw materials;[30] the hub's monitoring should do the same. What industry buys is a refined product at a given purity and spec. A focus on strategic raw materials alone only makes sense where there are refineries and processing plants in the EU, which is often not the case. Processing equipment and specialty chemicals are a dependency in their own right. These chokepoints are already acute and can hold back Europe's plans to build refining capacity at home. Without covering them now, the same exercise will have to be repeated for equipment and chemicals in a few years' time.

3. Financing

[27] Art. 43p.
[28] Art. 43t(4).
[29] Art. 43s(10).
[30] Arts. 43q(5) and 43z(2).

The Parliament text builds a broad and well-designed toolbox. The €2bn initial contribution should be treated as a floor, and the "how" of crowding in private and national capital matters as much as the public amount itself.

What the Parliament text gets right

- The instruments are broad and include equity and quasi-equity, grants including for geological surveys, early-stage exploration, feasibility studies and pilot projects, contracts for difference, production-linked incentives, loans, guarantees, offtake support and technology-transfer support.[31]
- The ECRM Fund has an "initial" Union contribution of €2bn,[32] may invest in funds and specialised investment structures,[33] and seeks additional capital from Member States, private investors, the EIB and the EIF.[34]
- Instruments that mobilise private co-investment are prioritised,[35] and joint ventures and SPVs with commercial partners are allowed.[36]
- Revenue from the Fund, including dividends, interest, capital gains and repayments, stays in the Fund.[37] This makes the Fund partly revolving and is an important improvement.
- Support is open across the value chain and to projects outside the Union, "including" but not limited to Strategic Projects and IPCEIs.[38]
- The Centre can take equity to prevent an acquisition that would severely harm Union security of supply.[39]

Points to retain and strengthen

- **€2bn should be a floor.** The word "initial" is welcome and should be preserved.[40] As an anchor investor, a single project can take a few hundred million at once. At that scale, €2bn covers a handful of deals before it runs out. The text should state a reference period and add a review and top-up clause. €10bn would be more apt to cover early-stage risk, project financing and stockpiling together. A bigger number also signals ambition to investors and partners, and the size of the Fund will shape how seriously the Centre is taken in the market and the EU policy ecosystem.
- **Create a co-investment window.** Given fiscal constraints in Europe, the €2bn should be used to crowd in private capital and corporate equity through public-private co-investment. This is what JOGMEC does by combining forces with

[31] Art. 43z(3).
[32] Art. 43aa(9).
[33] Art. 43aa(3).
[34] Art. 43aa(5).
[35] Art. 43z(7).
[36] Art. 43z(6).
[37] Art. 43aa(11).
[38] Art. 43z(2).
[39] Art. 43z(8).
[40] Art. 43aa(9).

Japanese trading houses and downstream companies. The Parliament text provides the legal basis.[41] Ideally, national money from the Italian, Dutch, German and French CRM funds could be alongside the Fund. Other EU funding, including Global Gateway, should also be aligned with it.[42] Every mining project needs a capital stack, but the EU side should be as coordinated as possible to allow for meaningful execution within a short time frame.

- **TheCentre should own early-stage risk.** Give the Centre early-stage risk explicitly to focus on exploration, pre-feasibility and bankable feasibility studies, pilots. Almost nobody funds this, and neither theEIB nor national DFIs are inclined, as these stages are risky and more focused on security of supply two decades from now, rather than project offtake risks that industry is currently confronted with. The EIB and national banks mainly fund later-stage projects and only a few Member States, including Germany, Finland and Sweden tie export credit finance to offtake for their own industry. The Centre should explicitly (but not exclusively) take on that part of JOGMEC's role which is focused on supporting early stage mine development..**Grants for early-stage projects should come with conditions attached.** The inclusion of grants for surveys, exploration, feasibility studies and pilots is an important gain and should be retained.[43] Junior miners have no collateral and no cash flow, so risk-sharing instruments don't work at that stage. Hardly any institutional actor can carry that risk. JOGMEC can take very large stakes in projects and in certain situations even quasi-fully fund feasibility studies. Grants can carry conditions such as the use of European contractors, or conversion to equity or a royalty at FID. That way the Centre can recover its money (and some) when a project succeeds and compensate for the failed projects.
- **Support agreements should include financial returns, recycled into the Fund.** The Parliament text covers supply-security benefits (priority purchase rights, offtake, repayment obligations) but says little about financial ones.[44] Support agreements should also provide for financial benefits at FID (equity upside, royalties). If the Centre takes a stake in a junior that reaches production, or gives a loan that converts to equity, the upside should flow back. Such returns would stay in the Fund, so it becomes partly revolving over time.[45]
- **The Centre's borrowing capacity needs clarifying.** The text does not say whether the Centre gets its own borrowing authority. Earlier drafts said the Centre could borrow against its own accumulated resources, similar to JOGMEC. Removing this was right, because it overstated the Japanese model. JOGMEC does not simply borrow against its asset base but issues government-guaranteed bonds under a

[41] Arts. 43aa(3), 43aa(5) and 43z(6).
[42] Art. 43ac.
[43] Art. 43z(3)(b).
[44] Art. 43z(5).
[45] Art. 43aa(11).

statutory guarantee ceiling and a METI-approved repayment plan. If borrowing is to be considered, that is the model to examine.

- **Support should not be limited to Strategic Projects and IPCEIs.** The financing provisions already read this way,[46] but other parts of the text could be read more narrowly.[47] Many good projects never applied for either status, because of the effort involved or because timing did not fit. Restricting eligibility shrinks a pipeline that is already thin. The Centre should be able to support any project that meets its criteria on supply security and value for the Union, with Strategic Project status counting as a plus. This should be made explicit.
- **The Centre should serve as an entry point for project financing in the EU.** The Parliament text asks the Centre to mobilise finance and cooperate with the EIB and national promotional banks.[48] This could go further by making the Centre a first point of contact that can match sponsors to EU, national and EIB instruments, and let it track disbursement timelines, including of Member State instruments.
- **The Centre should not publish its target project list.** The Parliament text requires an indicative overview of planned activities in the annual work programme.[49] This is good, but an indicative list of planned financing would point competitors to the best projects, and other buyers and investors can move faster than the Centre and take the deal. Planned financing of projects should therefore be discussed with the Commission and stakeholders under confidentiality; public reporting can be on calls, aggregate figures and closed deals. The logic of the provision that lets the Centre withhold information that would compromise its stockpiling could be applied here too.[50]

4. Processing, refining and know-how

The Parliament text puts processing, technology transfer and skills inside the Centre's mandate. Midstream capacity, and the know-how behind it, should be treated as the first priority within that mandate.

What the Parliament text gets right

- Mobilising finance prioritises the development of Union extraction, processing and recycling capacities.[51]
- The Centre facilitates technology transfer, licensing and industrial know-how, and supports initiatives that address skills shortages.[52]

[46] Art. 43z(2).
[47] Recital 10a; Art. 43c(c).
[48] Arts. 43c(h) and 43ab.
[49] Art. 43z(4).
[50] Art. 43s(11).
[51] Art. 43c(h).
[52] Art. 43c(j) and (l).

- Financial support covers separation, technology transfer, industrial scale-up, skills development and the production of machinery essential to the value chain, with a dedicated technology-transfer and licensing instrument.[53]

Points to retain and strengthen

- **Processing and refining capacity should be a bigger priority.** The bigger gap is European processing and refining capacity, and the IP behind it, for niche materials that are easy to weaponise. Without midstream capacity in Europe, upstream projects abroad will still end up processed in China, and offtake has nowhere to go. Carester shows what is possible. The Centre should be able to back these projects directly, including through equity, and treat process know-how as a strategic asset. The equity powers in the Parliament text provide the basis and should be retained.[54]
- **Public support should also rebuild the expertise Europe has lost.** More public support for these projects can bring back the older generation of engineers who still know how to build and run some of these plants, and get them to train the next generation. Europe had much of this expertise and lost most of it when production moved to China. The people who have it are close to retiring. Support should cover training and skills alongside capex, so that each new plant also builds a workforce. The skills provisions could be linked explicitly to capex support for midstream projects.[55]

5. Offtake and pricing

The Parliament text contains the key building blocks for anchoring demand: contracts for difference, production-linked incentives, a 40% concentration rule and a trigger for artificially low prices. The priority now is to use them to get projects to FID, to work with trading houses, and to anchor the Centre's pricing to qualified ex-China references.

What the Parliament text gets right

- Contracts for difference, production-linked incentives and offtake support agreements are part of the financing toolbox,[56] and joint purchasing and stockpiling are framed as complements to, not substitutes for, investment and diversification.[57]
- Temporary support measures, including price stabilisation mechanisms, contracts for difference, production-linked incentives and demand aggregation, can be activated not only for price spikes but also where prices are set at artificially low levels by a dominant supplier, threatening the viability of Union projects.[58] In that

[53] Art. 43z(2) and (3)(h).
[54] Art. 43z(7)–(8).
[55] Arts. 43c(l) and 43z(2).
[56] Art. 43z(3)(c), (d) and (g).
[57] Art. 43b(2).
[58] Art. 25(6a)(b).

situation the Centre may also buy beyond its stockpile plan to prevent the closure of Union capacity.[59] The current low-price situation is therefore already covered, not only emergencies in the narrow sense.

- The recitals task the Centre with creating a European market and pricing infrastructure,[60] and the operative text asks it to encourage the development of price indices.[61]

Points to retain and strengthen

- **The priority should be anchoring offtake through price support mechanisms, rather than joint purchasing.** Voluntary joint purchasing needs to be implemented under the CRMA, but industry is reluctant and results have reportedly been modest. Anchoring demand and offtake should be the priority, especially to help projects towards FID. What helps projects is a downstream or government buyer acting as a backstop buyer at a price that holds through a Chinese price cut, for instance through a CfD. Either a downstream company or the government could support a CfD while taking the volumes. Australia has done this through its strategic reserve and EFA (e.g. 500 tonnes a year of rare earths from Arafura's Nolans project), and Canada through its Growth Fund and other government funding (e.g. graphite from Nouveau Monde and scandium from Rio Tinto). The CfD and offtake instruments in the Parliament text allow this;[62] the Centre's work programme should make it the lead use.
- **Offtake is essential, but hard to secure with few refineries and slow qualification.** Private capital won't come in without an offtake agreement and a workable price. But Europe has few refineries, and downstream users hesitate to sign before material is qualified. Qualification can take one to two years, while the project needs the offtake before it can raise money. The Centre has to deal with this gap directly, or financing will stall at the same point every time.
- **Intermediary traders can bridge the offtake gap.** Traders can sign the take-or-pay contract, on conditions set with Centre financing (e.g. a right of first refusal for European offtakers). The trader takes the volume risk during qualification and sells on to end users once the material is accepted. This lets the project close its financing without waiting for every downstream user to commit. The Centre's conditions make sure the material ends up with European industry.
- **The text should explicitly allow the Centre to work with trading houses.** JOGMEC works with trading houses all the time; Europe lacks that infrastructure. The provision on joint ventures and SPVs with commercial partners is a good basis.[63] The text should state that the Centre can work with international trading houses,

[59] Art. 43s(9).
[60] Recital 10b.
[61] Art. 43ad(5).
[62] Art. 43z(3).
[63] Art. 43z(6).

including allied ones such as the Japanese houses and the Swiss- and Irish-based ones, and with newly established European houses (the German proposal), and attach offtake deals to its financing. Several of the traders best placed for this are not EU-incorporated, so eligibility rules should not shut them out (unlike the ownership restriction for storage providers).[64] A clear legal basis matters, because without it the Centre will default to working only with end users.

- **Consider adding a stick with respect to sourcing and resilience criteria.** Demand anchoring can be reinforced through sourcing rules, mandates or resilience criteria. Ideally, these would be tied to Union-origin rules in the Industrial Accelerator Act, defence procurement rules and the future EU diversification mechanism. The maximum single-country reliance shares the Commission is to specify are a step in this direction.[65] Such rules will not be popular among downstream companies, especially OEMs, and if used, should be phased in.
- **Link the low-price trigger to trade mechanisms.** The low-price trigger lists price stabilisation, CfDs, production-linked incentives and demand aggregation.[66] It could explicitly reference trade mechanisms, such as minimum prices or the use of trade defence instruments against dumping of critical raw materials. The Centre's intelligence hub should supply the objective indicators for activating these measures.
- **The articles should match the recitals on price indices and market infrastructure.** The recitals are forward-leaning ("creating a European market and pricing infrastructure");[67] the operative text only asks the Centre to "encourage" indices.[68] The EU has the ability to lead on this, as the US has not yet moved forward on it.
- **Seize the opportunity to become an anchor ex-China participant by shaping ex-China reference prices and futures markets.** Private investors can't underwrite loans on the China price. In practice there are two prices today, a China price and a higher ex-China price. An EU-only price makes no sense given the size of EU demand, so this needs to be at least a G7 ex-China price. Where the Centre references a price in CfDs, floor mechanisms, auctions, stock releases or project investments, it should use ex-China price assessments made by reputed price reporting agencies. A firm commitment by the Centre to hedge or settle against qualified ex-China prices would help liquidity in thin markets such as rare earths and help shape an allied price infrastructure in line with the G7 Évian declaration.

6. Stockpiling

[64] Art. 43t(2).
[65] Art. 24(5b).
[66] Art. 25(6a).
[67] Recital 10b.
[68] Art. 43ad(5).

The Parliament text sets up the EU stockpile on a firmer legal footing than comparable initiatives elsewhere. It should be targeted at a short list of illiquid, weaponisable materials, follow transparent rules, and work towards a quantified target.

What the Parliament text gets right

- Stocks are framed as targeted supply-security tools that complement, rather than replace, diversification and investment.[69]
- The Centre must avoid market distortion, in particular in materials with limited liquidity or few active suppliers, and draw on private-sector practice.[70] The plan covers grade, storage conditions and rotation needs.[71]
- The Governing Board adopts target reserve levels, and the Centre adopts a two-year plan for stock levels.[72]
- Release is possible for supply disruption, crisis and deliberate market manipulation, on objective and substantiated indicators, with anti-abuse and anti-resale rules.[73]
- Private stocks can use EU storage facilities without becoming Union property, and public support for them carries public-return conditions.[74]

Points to retain and strengthen

- **Stockpiling should target small, weaponisable materials, with transparent rules.** The focus should be small, illiquid materials subject to export controls (e.g. Ga, Ge, Dy, Tb, W, Sb). These are the materials where a short disruption hits industry hardest and where markets are too thin to absorb a shock. What matters here is not price, but availability. Release triggers and buying windows should be transparent to the market, for instance by publishing the release guidelines[75] and the principles for acquisition windows, while individual positions stay protected.[76] Without transparency, a public stockpile itself becomes a source of price uncertainty and can crowd out private buyers.
- **Stockpiling needs a quantified target, rising towards 180 days.** The text provides for target reserve levels but sets no number or trajectory. A rising path towards 180 days for the highest-risk materials (Korea-style), met by a mix of public and private stocks, would give the Centre a clear task and let Member States and industry see whether it is being met. Private stocks that are notified to the Centre can count towards it.

[69] Art. 43r(3).
[70] Art. 43s(5).
[71] Art. 43s(6).
[72] Arts. 43h(2)(b) and 43s(3).
[73] Art. 43v(2) and (9); recital 10r.
[74] Art. 43w(3)–(4).
[75] Art. 43v(4).
[76] Art. 43s(11).

- **Private stockpiling should be supported through tax incentives rather than purchase grants.** The Parliament text allows financial instruments and grants for private stocks, with public-return conditions, which limits the risk.[77] Mandatory notification combined with tax incentives would still be preferable to grants, to avoid deadweight loss and state-aid friction. Companies already have a commercial reason to hold buffer stock, so grants for buying stock mostly pay for what would have happened anyway. At most there should be a narrow SME window for technical capacity, not for purchases. Smaller firms often lack the know-how to manage stocks, and that is where public money can help; the technical assistance foreseen in the text is the right instrument for this.[78]
- **Geographic proximity should be dropped as a criterion for storage locations.** The Parliament text lists proximity to downstream users among cumulative criteria.[79] What matters is whether downstream users are Union-based. Proximity to buyers could alienate smaller and peripheral Member States, whose support the Centre needs in the board.

7. International partnerships and reciprocity

The Parliament text opens the stockpile to trusted third countries on a reciprocal basis and links the Centre to Global Gateway and the Strategic Partnerships. This can be made stronger by naming priority partners.

What the Parliament text gets right

- Association agreements open the stocks to EEA EFTA countries, the UK, Switzerland and other third countries, with financial contributions, reciprocal access to equivalent stocks and release mechanisms "as far as possible", alignment on export controls and a ban on re-export.[80]
- The Centre identifies priority short-term supply arrangements with Strategic Partnership countries, including prior notification of export restrictions, and coordinates with Global Gateway and EFSD+.[81]
- The Centre exchanges market intelligence with Strategic Partnership countries and multilateral platforms.[82]

Points to retain and strengthen

- **Increase international reach, supply integration and reciprocity through trusted partners.** The current text focuses on EEA, EFTA, the UK, Switzerland and

[77] Art. 43w.
[78] Art. 43w(2).
[79] Art. 43t(3).
[80] Art. 43u.
[81] Art. 43ac.
[82] Art. 43ad(7).

Strategic Partnership countries. This should be made stronger by naming real priority countries (Japan, Korea, Australia, Canada, Brazil) and by adding operational and concrete "arms and legs", such as joint project co-investments, reciprocal access and linked reserves. The text already provides the route for agreements with other third countries.[83]

- **Make linked reserves an early deliverable.** Linking reserves and stockpiles could be an early deliverable in the EU–Australia arrangement, as Australia's Strategic Reserve explicitly lists Europe among partners for collaboration.
- **Coordinate pricing with partners.** Cooperation with these partners is also the natural route to the G7 ex-China reference prices discussed under Offtake and pricing.

[83] Art. 43u(1)(c).

Annex. Summary of recommendations for the Council

Member States should retain the core of the Parliament text and add precision where it determines market credibility.

Area	Retain from the Parliament text	Strengthen
Legal form and governance	Self-standing agency, unlimited mandate; Board sets mandate and thresholds, Executive Director decides below them; JV/SPV powers	Small investment board with delegated authority; commercial operating arm; market-finance profile and EP hearing for the Executive Director; Staff Regulation derogations in the text; fixed handover date; industry and investor council alongside the Forum
Intelligence hub	Company-level data powers; component and ownership mapping; exclusion of non-sharing companies; confidentiality regime[84]	Multi-tier mapping; data sharing as a condition for all support; detailed confidentiality regime; future needs; mandatory notification of private stocks; refined products, equipment and chemicals
Financing	Broad toolbox incl. early-stage grants, CfDs, PLIs; "initial" €2bn; revolving revenue; eligibility beyond Strategic Projects and IPCEIs	€2bn as a floor with review and top-up clause; co-investment window; Centre–EIB split of early-stage and project finance; conditional grants; equity upside and royalties; clarity on borrowing; one-stop entry point; confidential pipeline
Processing and know-how	Priority for Union processing; technology transfer, licensing and skills	Midstream as first priority; process know-how as a strategic asset; skills linked to capex
Offtake and pricing	CfDs and offtake support; 40% concentration rule; low-price trigger	Offtake anchoring towards FID as lead use; explicit legal basis for trading houses, including non-EU allied ones; link to trade defence; operative text aligned with the recitals on pricing infrastructure;[85] G7 ex-China reference prices from IOSCO-compliant PRAs
Stockpiling	Targeted tools; non-distortion; target levels; release and anti-abuse rules	Short priority list to weaponisable minerals; transparent triggers and buying windows; trajectory towards 180 days; tax incentives over purchase grants; drop proximity criterion
International partnerships	Reciprocal association agreements; Global Gateway coordination	Named priority partners; joint co-investment and linked reserves, starting with Australia

[84] Art. 43p.
[85] Recital 10b; Art. 43ad(5).

About us

The Geneva Platform for Resilient Value Chains is a non-partisan, not-for-profit platform of excellence located within the Centre for Trade and Economic Integration at the Geneva Graduate Institute. Anchored in International Geneva's spirit, and in its trade, sustainability, mediation, and human rights expertise, the Platform focuses on supporting resilient and inclusive value chains that are vital to the energy transition and climate change. The Platform is a network of fellows in all major economies, including Brussels, Berlin, Washington, and New York.