4CD Cybersecurity Act (Version 16/03/2019)

Red issues to be discussed - political
Yellow issues which need technical discussion/ proposal to be agreed on
Green solved issues
Word changes to the wording of the General Approach
[Remarks] comments/ remarks by the Presidency

Purple text different (changed or added) to EP and Council text
Blue explanation about additions to column "proposals and remarks", i.e. text copied from EP , from Council, from both, or changed

COM(2017) 477	EP Position / First Reading	Council General Approach (08/06/2018)		Proposals and Remarks	0
2018/0328 (COD)	2018/0328 (COD)	2018/0328 (COD)			1
Proposal for a	Proposal for a	Proposal for a		Proposal for a	2
REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL	**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**	**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**		**REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**	3
establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the	**establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the**	**establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the**		**establishing the European Cybersecurity Industrial, Technology and Research ~~Competence~~ Centre and the**	4

Network of National Coordination Centres ***A contribution from the European Commission to the Leaders' meeting in Salzburg on 19-20 September 2018***	**Network of National Coordination Centres** ***A contribution from the European Commission to the Leaders' meeting in Salzburg on 19-20 September 2018***	**Network of National Coordination Centres** **A contribution from the European Commission to the Leaders' meeting in** **Salzburg on 19-20 September 2018**		**Network of National Coordination Centres** **A contribution from the European Commission to the Leaders' meeting in** **Salzburg on 19-20 September 2018**	

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 173(3) and the first paragraph of Article 188 thereof, Having regard to the proposal from the European Commission, Having regard to the opinion of the European Economic and Social Committee[1], Having regard to the opinion of the Committee of the Regions[2], Acting in accordance with the ordinary legislative procedure, Whereas:	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 173(3) and the first paragraph of Article 188 thereof, Having regard to the proposal from the European Commission, Having regard to the opinion of the European Economic and Social Committee[3], Having regard to the opinion of the Committee of the Regions[4], Acting in accordance with the ordinary legislative procedure, Whereas:	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 173(3) and the first paragraph of Article 188 thereof, Having regard to the proposal from the European Commission, Having regard to the opinion of the European Economic and Social Committee[5], Having regard to the opinion of the Committee of the Regions[6], Acting in accordance with the ordinary legislative procedure, Whereas:		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 173(3) and the first paragraph of Article 188 thereof, Having regard to the proposal from the European Commission, Having regard to the opinion of the European Economic and Social Committee[7], Having regard to the opinion of the Committee of the Regions[8], Acting in accordance with the ordinary legislative procedure, Whereas:	5
(1) Our daily lives and economies become increasingly dependent on digital technologies, citizens become more and more	(1) ***More than 80 % of the population of the Union is connected to the internet and*** our daily lives and economies	(1) Our daily lives and economies become increasingly dependent on digital technologies, citizens become		(1) ***More than 80 % of the population of the Union is connected to the internet and*** our daily lives and economies ***are***	6

exposed to serious cyber incidents. Future security depends, among others, on enhancing technological and industrial ability to protect the Union against cyber threats, as both civilian infrastructure and military capacities rely on secure digital systems.	***are becoming*** increasingly dependent on digital technologies, ***with*** citizens ***becoming*** more and more exposed to serious cyber incidents. Future security depends, among others, on ***contributing to overall resilience, on*** enhancing technological and industrial ability to protect the Union against ***constantly evolving*** cyber threats, as both infrastructure and ***security*** capacities rely on secure digital systems. ***Such security can be achieved by raising the awareness for cybersecurity threats, by developing competences, capacities, capabilities throughout the Union, thoroughly taking into account the interplay of***	more and more exposed to serious cyber incidents. Future security depends, among others, on enhancing technological and industrial ability to protect the Union against cyber threats, as both civilian infrastructure and military capacities rely on secure digital systems.		***becoming*** increasingly dependent on digital technologies, ***with*** citizens ***becoming*** more and more exposed to serious cyber incidents. Future security depends, among others, on ***contributing to overall resilience, on*** enhancing technological and industrial ability to protect the Union against ***constantly evolving*** cyber threats, as both infrastructure and ***security*** capacities rely on secure digital systems. ***Such security can be achieved by raising the awareness for cybersecurity threats, by developing competences, capacities, capabilities throughout the Union, thoroughly taking into account the interplay of hardware and software infrastructure, networks,***	

[1] OJ C , p. .
[2] OJ C , , p. .
[3] OJ C , p. .
[4] OJ C , , p. .
[5] OJ C , , p. .
[6] OJ C , , p. .
[7] OJ C , , p. .
[8] OJ C , , p. .

	hardware and software infrastructure, networks, products and processes, and the societal and ethical implications and concerns.			***products and processes, and the societal and ethical implications and concerns.*** [Council proposes no changes. All EP changes retained]	
	(1a) Cybercrime is a fast growing threat to the Union, its citizens and its economy. In 2017, 80 % of the European companies experienced at least one cyber incident. The Wannacry-attack in May 2017 affected more than 150 countries and 230 000 IT-systems and had significant impacts on critical infrastructures, such as hospitals. This underlines the necessity for the highest cybersecurity standards and holistic cybersecurity solutions, involving people, products, processes and technology in the Union, as well as for the Union's leadership in the matter, and for digital autonomy.			***(1a) Cybercrime is a fast growing threat to the Union, its citizens and its economy. In 2017, 80 % of the European companies experienced at least one cyber incident. The Wannacry-attack in May 2017 affected more than 150 countries and 230 000 IT-systems and had significant impacts on critical infrastructures, such as hospitals. This underlines the necessity for the highest cybersecurity standards and holistic cybersecurity solutions, involving people, products, processes and technology in the Union, as well as for the Union's leadership in the matter, and for digital autonomy.*** [Council proposes no changes. All EP changes retained]	7
(2) The Union has steadily increased its activities to address	(2) The Union has steadily increased its activities to address	(2) The Union has steadily increased its activities to address		(2) The Union has steadily increased its activities to address	8

growing cybersecurity challenges following the 2013 Cybersecurity Strategy[9] aimed to foster a reliable, safe, and open cyber ecosystem. In 2016 the Union adopted the first measures in the area of cybersecurity through Directive (EU) 2016/1148 of the European Parliament and of the Council[10] on security of network and information systems.	growing cybersecurity challenges following the 2013 Cybersecurity Strategy[11] aimed to foster a reliable, safe, and open cyber ecosystem. In 2016 the Union adopted the first measures in the area of cybersecurity through Directive (EU) 2016/1148 of the European Parliament and of the Council[12] on security of network and information systems.	growing cybersecurity challenges following the 2013 Cybersecurity Strategy[13] aimed to foster a reliable, safe, and open cyber ecosystem. In 2016 the Union adopted the first measures in the area of cybersecurity through Directive (EU) 2016/1148 of the European Parliament and of the Council[14] on security of network and information systems.		growing cybersecurity challenges following the 2013 Cybersecurity Strategy[15] aimed to foster a reliable, safe, and open cyber ecosystem. In 2016 the Union adopted the first measures in the area of cybersecurity through Directive (EU) 2016/1148 of the European Parliament and of the Council[16] on security of network and information systems.	

9 Joint Communication to the European Parliament and the Council:: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace JOIN(2013) 1 final.

10 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).

11 Joint Communication to the European Parliament and the Council:: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace JOIN(2013) 1 final.

12 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).

13 Joint Communication to the European Parliament and the Council: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace, JOIN(2013) 1 final.

14 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).

15 Joint Communication to the European Parliament and the Council: Cybersecurity Strategy of the European Union: An Open, Safe and Secure Cyberspace, JOIN(2013) 1 final.

16 Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).

(3) In September 2017, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication[17] on "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" to further reinforce the Union's resilience, deterrence and response to cyber-attacks.	(3) In September 2017, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication[18] on "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" to further reinforce the Union's resilience, deterrence and response to cyber-attacks.	(3) In September 2017, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication[19] on "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" to further reinforce the Union's resilience, deterrence and response to cyber-attacks.		(3) In September 2017, the Commission and the High Representative of the Union for Foreign Affairs and Security Policy presented a Joint Communication[20] on "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" to further reinforce the Union's resilience, deterrence and response to cyber-attacks.	9
(4) The Heads of State and Government at the Tallinn Digital Summit, in September 2017, called for the Union to become "a global leader in cyber-security by 2025, in order to ensure trust, confidence and protection of our citizens, consumers and	(4) The Heads of State and Government at the Tallinn Digital Summit, in September 2017, called for the Union to become a global leader in cybersecurity by 2025, in order to ensure trust, confidence and protection of our citizens,	(4) The Heads of State and Government at the Tallinn Digital Summit, in September 2017, called for the Union to become "a global leader in cyber-security by 2025, in order to ensure trust, confidence and protection of our citizens,		(4) The Heads of State and Government at the Tallinn Digital Summit, in September 2017, called for the Union to become a global leader in cybersecurity by 2025, in order to ensure trust, confidence and protection of our citizens, consumers and	10

[17] Joint Communication to the European Parliament and the Council "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU", JOIN(2017) 450 final.

[18] Joint Communication to the European Parliament and the Council "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU", JOIN(2017) 450 final.

[19] Joint Communication to the European Parliament and the Council "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU", JOIN(2017) 450 final.

[20] Joint Communication to the European Parliament and the Council "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU", JOIN(2017) 450 final.

enterprises online and to enable a free and law-governed internet."	consumers and enterprises online and to enable a free***, safer*** and law-governed internet***, and declared to "make more use of open source solutions and/or open standards when (re)building ICT systems and solutions (among else, to avoid vendor lock-ins), including those developed and/or promoted by EU programmes for interoperability and standardisation, such as ISA² ".***	consumers and enterprises online and to enable a free and law-governed internet."		enterprises online and to enable a free***, safer*** and law-governed internet***, and declared to "make more use of open source solutions and/or open standards when (re)building ICT systems and solutions (among else, to avoid vendor lock-ins), including those developed and/or promoted by EU programmes for interoperability and standardisation, such as ISA² ".*** [Council proposes no changes. All EP changes retained]	
	(4a) The European Cybersecurity Industrial, Technology and Research Competence Centre (the 'Competence Centre') should help to increase the resilience and reliability of the infrastructure of network and information systems, including the internet and other critical infrastructure for the functioning of society such as transport, health, and banking systems.				11
	(4b) The Competence Centre and its actions should take into			***(4b) The ~~Competence~~ Centre and its actions should take into***	12

	account the implementation of Regulation (EU) 2019/XXX [recast of Regulation (EC) No 428/2009 as proposed by COM(2016)616] [1a]. _____ ***[1a] Regulation (EU) 2019/... of the European Parliament and of the Council of ... setting up a Union regime for the control of exports, transfer, brokering, technical assistance and transit of dual-use items (OJ L ..., ..., p. ...).***			***account the implementation of Regulation (EU) 2019/XXX [recast of Regulation (EC) No 428/2009 as proposed by COM(2016)616] [1a].*** _____ ***[1a] Regulation (EU) 2019/... of the European Parliament and of the Council of ... setting up a Union regime for the control of exports, transfer, brokering, technical assistance and transit of dual-use items (OJ L ..., ..., p. ...).*** [Council proposes no changes. All EP changes retained]	
(5) Substantial disruption of network and information systems can affect individual Member States and the Union as a whole. The security of network and information systems is therefore essential for the smooth functioning of the internal market. At the moment, the Union depends on non-European cybersecurity providers. However, it is in the Union's strategic interest to ensure that it retains and develops essential	(5) Substantial disruption of network and information systems can affect individual Member States and the Union as a whole. The ***highest level of*** security of network and information systems ***throughout the Union*** is therefore essential for ***society and economy alike***. At the moment, the Union depends on non-European cybersecurity providers. However, it is in the Union's strategic interest to ensure that it	(5) Substantial disruption of network and information systems can affect individual Member States and the Union as a whole. The security of network and information systems is therefore essential for the smooth functioning of the internal market. At the moment, the Union depends on non-European cybersecurity providers. However, it is in the Union's strategic interest to ensure that it retains and		(5) Substantial disruption of network and information systems can affect individual Member States and the Union as a whole. The ***highest level of*** security of network and information systems ***throughout the Union*** is therefore essential for ***society and economy alike***. At the moment, the Union depends on non-European cybersecurity providers. However, it is in the Union's strategic interest to ensure that it retains and develops essential	13

cybersecurity technological capacities to secure its Digital Single Market, and in particular to protect critical networks and information systems and to provide key cybersecurity services.	retains and develops essential cybersecurity technological capacities ***and capabilities*** to secure ***the protection of data and*** critical networks and information systems ***of European citizens and companies, including critical infrastructures for the functioning of society such as transport systems, health systems and banking, and the Digital Single Market,*** and to provide key cybersecurity services.	develops essential cybersecurity **research and** technological capacities to secure its Digital Single Market, and in particular to protect critical networks and information systems and to provide key cybersecurity services.		cybersecurity technological capacities ***and capabilities*** to secure ***the protection of data and*** critical networks and information systems ***of European citizens and companies, including critical facilities for the functioning of society such as transport systems, health systems and banking, and the Digital Single Market,*** and to provide key cybersecurity services. [Council proposes no changes. All EP changes retained, except: "critical infrastructures" replaced by "critical facilities" (marked in purple). Reason: the term "critical infrastructures" is problematic for Council because specific legislation exists in that domain, which may create confusion]	
(6) A wealth of expertise and experience in cybersecurity research, technology and industrial development exists in the Union but the efforts of industrial and research communities are fragmented, lacking alignment and a common mission, which hinders competitiveness in this domain.	(6) A wealth of expertise and experience in cybersecurity research, technology and industrial development exists in the Union but the efforts of industrial and research communities are fragmented, lacking alignment and a common mission, which hinders competitiveness ***and effective***	(6) A wealth of expertise and experience in cybersecurity research, technology and industrial development exists in the Union but the efforts of industrial and research communities are fragmented, lacking alignment and a common mission, which hinders competitiveness in this domain.		(6) A wealth of expertise and experience in cybersecurity research, technology and industrial development exists in the Union but the efforts of industrial and research communities are fragmented, lacking alignment and a common mission, which hinders competitiveness ***and effective***	14

These efforts and expertise need to be pooled, networked and used in an efficient manner to reinforce and complement existing research, technology and industrial capacities at Union and national levels.	***protection of critical data, networks and systems*** in this domain. These efforts and expertise need to be pooled, networked and used in an efficient manner to reinforce and complement existing research, technology***, skills*** and industrial capacities at Union and national levels. ***Whereas Information and Communication Technology (ICT) sector faces important challenges, such as fulfilling its demand for skilled workers, it can benefit from representing the diversity of society at large, and from achieving a balanced representation of genders, ethnic diversity, and non-discrimination against disabled persons, as well as from facilitating the access to knowledge and training for future cybersecurity experts, including their education in non-formal contexts, for example in Free and Open Source Software projects, civic tech projects, start-ups and microenterprises.***	These efforts and expertise need to be pooled, networked and used in an efficient manner to reinforce and complement existing research, technology and industrial capacities at Union and national levels.		***protection of critical data, networks and systems*** in this domain. These efforts and expertise need to be pooled, networked and used in an efficient manner to reinforce and complement existing research, technology***, skills*** and industrial capacities at Union and national levels. ***Whereas Information and Communication Technology (ICT) sector faces important challenges, such as fulfilling its demand for skilled workers, it can benefit from representing the diversity of society at large, and from achieving a balanced representation of genders, ethnic diversity, and non-discrimination against disabled persons, as well as from facilitating the access to knowledge and training for future cybersecurity experts, including their education in non-formal contexts, for example in Free and Open Source Software projects, civic tech projects, start-ups and microenterprises.*** [Council proposes no changes. All EP changes retained]	

	(6a) Small and medium-sized enterprises (SMEs) are crucial actors in the Union's cybersecurity sector, which can provide cutting-edge solutions due to their agility. SMEs that are not specialised in cybersecurity are, however, also prone to be more vulnerable to cyber incidents due to high investment and knowledge requirements to establish effective cybersecurity solutions. It is therefore necessary that the Competence Centre and the Cybersecurity Competence Network (the 'Network') provide special support for SMEs by facilitating their access to knowledge and training in order to allow them to secure themselves sufficiently and to allow those who are active in cybersecurity to contribute to the Union's leadership in the field.			***(6a) Small and medium-sized enterprises (SMEs) are crucial actors in the Union's cybersecurity sector, which can provide cutting-edge solutions due to their agility. SMEs that are not specialised in cybersecurity are, however, also prone to be more vulnerable to cyber incidents due to high investment and knowledge requirements to establish effective cybersecurity solutions. It is therefore necessary that the ~~Competence~~ Centre and the Cybersecurity Competence Network (the 'Network') provide special support for SMEs to facilitate their access to knowledge and training in order to allow them to secure themselves sufficiently and to allow those who are active in cybersecurity to contribute to the Union's leadership in the field.*** [Council proposes no changes. All EP changes retained, except: "by facilitating" replaced by "to facilitate" (marked in purple). Reason: Council doesn't want to suggest that the centre will	15

				provide services directly. The new formula proposed is more neutral in tt regard.]	
	(6b) Expertise exists beyond industrial and research contexts. Non-commercial and pre-commercial projects, referred to as "civic tech" projects, make use of open standards, Open Data, and Free and Open Source Software, in the interest of society and the public good. They contribute to the resilience, awareness and development of competence in cybersecurity matters and play an important role in building capacities for industry and research in the field.			***(6b) Expertise exists beyond industrial and research contexts. Non-commercial and pre-commercial projects, referred to as "civic tech" projects, make use of open standards, Open Data, and Free and Open Source Software, in the interest of society and the public good. They contribute to the resilience, awareness and development of competence in cybersecurity matters and play an important role in building capacities for industry and research in the field.*** [Council proposes no changes. All EP changes retained]	
	(6c) The term 'stakeholders', when used in the context of this Regulation, refers to, inter alia, industry, public entities and other entities which deal with operational and technical matters in the area of cybersecurity, as well as to civil society, inter alia trade unions,			***(6c) The term 'stakeholders', when used in the context of this Regulation, refers to, inter alia, industry, public entities and other entities which deal with operational and technical matters in the area of cybersecurity, as well as to civil society, inter alia trade unions, consumer***	16

	consumer associations, the Free and Open Source Software community, and the academic and research community.			***associations, the Free and Open Source Software community, and the academic and research community.*** [Council proposes no changes. All EP changes retained]	
(7) The Council Conclusions adopted in November 2017 called on the Commission to provide rapidly an impact assessment on the possible options to create a network of cybersecurity competence centres with the European Research and Competence Centre and propose by mid-2018 the relevant legal instrument.	(7) The Council Conclusions adopted in November 2017 called on the Commission to provide rapidly an impact assessment on the possible options to create a network of cybersecurity competence centres with the European Research and Competence Centre and propose by mid-2018 the relevant legal instrument.	(7) The Council Conclusions adopted in November 2017 called on the Commission to provide rapidly an impact assessment on the possible options to create a network of cybersecurity competence centres with the European Research and Competence Centre and propose by mid-2018 the relevant legal instrument.		(7) The Council Conclusions adopted in November 2017 called on the Commission to provide rapidly an impact assessment on the possible options to create a network of cybersecurity competence centres with the European Research and Competence Centre and propose by mid-2018 the relevant legal instrument.	17
		(7a) [...]			18
(8) The Competence Centre should be the Union's main instrument to pool investment in cybersecurity research, technology and industrial development and to implement relevant projects and initiatives together with the Cybersecurity Competence Network. It should deliver cybersecurity-related	(8) The Competence Centre should be the Union's main instrument to pool investment in cybersecurity research, technology and industrial development and to implement relevant projects and initiatives together with the Network. It should deliver cybersecurity-related financial support from	(8) The ~~Competence~~ Centre should be the Union's main instrument to pool investment in cybersecurity research, technology and industrial development and to implement relevant projects and initiatives together with the Cybersecurity Competence Network. It should deliver cybersecurity-related		(8) The ~~Competence~~ Centre should be the Union's main instrument to pool investment in cybersecurity research, technology and industrial development and to implement relevant projects and initiatives together with the Network. It should deliver cybersecurity-related financial support from the	19

financial support from the Horizon Europe and Digital Europe programmes, and should be open to the European Regional Development Fund and other programmes where appropriate. This approach should contribute to creating synergies and coordinating financial support related to cybersecurity research, innovation, technology and industrial development and avoiding duplication.	the Horizon Europe and Digital Europe programmes, ***as well as from the European Defence Fund for actions and administrative costs related to defence,*** and should be open to the European Regional Development Fund and other programmes where appropriate. This approach should contribute to creating synergies and coordinating financial support related to ***Union initiatives in the field of*** cybersecurity research ***and development***, innovation, technology and industrial development and avoiding duplication.	financial support from the Horizon Europe and Digital Europe programmes, and should be open to the European Regional Development Fund and other programmes where appropriate. This approach should contribute to creating synergies and coordinating financial support related to cybersecurity research, innovation, technology and industrial development and avoiding **unnecessary** duplication**. The Centre should not play an operational or technical assistance role.**		Horizon Europe and Digital Europe programmes, ***as well as from the European Defence Fund for actions and administrative costs related to defence,*** and should be open to the European Regional Development Fund and other programmes where appropriate. This approach should contribute to creating synergies and coordinating financial support related to ***Union initiatives in the field of*** cybersecurity research ***and development***, innovation, technology and industrial development and avoiding **unnecessary** duplication. **The Centre should primarily focus on defining and implementing cybersecurity priorities in relation to relevant EU funding programmes.** [All EP changes retained. All Council changes retained (text marked in dark green above to facilitate identification) except "The Centre should not play an operational or technical assistance role", which the EP disagrees with, an is replaced by a alternative formula, (marked in	

				purple) that is less categorical, while still stressing that the Centre essentially manages EU programmes]	
	(8a) "Security by design" as a principle established in Commission Joint Communication of 13 September 2017 entitled "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" includes state-of-the-art methods by which to increase security, at all stages of the lifecycle of a product or service, starting with secure design and development methods, reducing the attack surface, and incorporating adequate security testing and security audits. For the duration of operation and maintenance, producers or providers need to make available updates remedying new vulnerabilities or threats	**(8a) The implementation of the present initiative should take into account results of four projects[21] launched in early 2019 under Horizon 2020. These projects will be informative in particular with regard to the content of research and innovation roadmaps and with regard to concrete ways of interaction within the Network and Community. Lesson learned from the projects should be used in particular to ensure an effective division of work and cooperation between the Network and the Centre.**		***8a) "Security by design" as a principle established in Commission Joint Communication of 13 September 2017 entitled "Resilience, Deterrence and Defence: Building strong cybersecurity for the EU" includes state-of-the-art methods by which to increase security, at all stages of the lifecycle of a product or service, starting with secure design and development methods, reducing the attack surface, and incorporating adequate security testing and security audits. For the duration of operation and maintenance, producers or providers need to make available updates remedying new vulnerabilities or threats without delay, for the estimated lifetime***	20

[21] CONCORDIA, ECHO, SPARTA and CyberSec4Europe are the four winning pilot projects of the 2018 Horizon 2020 cybersecurity call "establishing and operating a pilot for a European Cybersecurity Competence Network and developing a common European Cybersecurity Research & Innovation Roadmap".

	without delay, for the estimated lifetime of a product and beyond. This can also be achieved by enabling third parties to create and provide such updates. The provision of updates is especially necessary in the case of commonly used infrastructures, products and processes.			***of a product and beyond. This can also be achieved by enabling third parties to create and provide such updates. The provision of updates is especially necessary in the case of commonly used infrastructures, products and processes.*** **(8a) The implementation of the present initiative should take into account results of four projects[22] launched in early 2019 under Horizon 2020. These projects will be informative in particular with regard to the content of research and innovation roadmaps and with regard to concrete ways of interaction within the Network and Community. Lesson learned from the projects should be used in particular to ensure an effective division of work and cooperation between the Network and the Centre.**	

[22] CONCORDIA, ECHO, SPARTA and CyberSec4Europe are the four winning pilot projects of the 2018 Horizon 2020 cybersecurity call "establishing and operating a pilot for a European Cybersecurity Competence Network and developing a common European Cybersecurity Research & Innovation Roadmap".

				[All EP changes retained. All Council changes retained (text marked in dark green above to facilitate identification)]	
	(8b) In view of the extent of the cybersecurity challenge and in view of the investments made in cybersecurity capacities and capabilities in other parts of the world, the Union and its Member States should step up their financial support to research, development and deployment in this area. In order to realise economies of scale and achieve a comparable level of protection across the union, the Member States should put their efforts into a European framework by investing through the Competence Centre mechanism where relevant.			***(8b) In view of the extent of the cybersecurity challenge and in view of the investments made in cybersecurity capacities and capabilities in other parts of the world, the Union and its Member States should step up their financial support to research, development and deployment in this area. In order to realise economies of scale and achieve a comparable level of protection across the union, the Member States should put their efforts into a European framework by investing through the ~~Competence~~ Centre mechanism where relevant.*** [Council proposes no changes. All EP changes retained]	21
	(8c) The Competence Centre and the Cybersecurity Competence Community should, in order to foster the Union's competitiveness and			***(8c) The ~~Competence~~ Centre and the Cybersecurity Competence Community should, in order to foster the Union's competitiveness and the highest***	22

	the highest cybersecurity standards internationally, seek the exchange on cybersecurity products and processes, standards and technical standards with the international community. Technical standards include the creation of reference implementations, published under open standard licences. The secure design of, in particular, reference implementations is crucial for the overall reliability and resilience of commonly used network and information system infrastructure like the internet and critical infrastructures.			***cybersecurity standards internationally, seek the exchange on cybersecurity products and processes, standards and technical standards with the international community. Technical standards include the creation of reference implementations, published under open standard licences. The secure design of, in particular, reference implementations is crucial for the overall reliability and resilience of commonly used network and information system infrastructure like the internet and critical infrastructures.*** [Council proposes no changes. All EP changes retained]	
(9) Taking into account that the objectives of this initiative can be best achieved if all Member States or as many Member States as possible participate, and as an incentive for Member States to take part, only Member States who contribute financially to the administrative and operational	(9) Taking into account that the objectives of this initiative can be best achieved if all Member States or as many Member States as possible ***contribute***, and as an incentive for Member States to take part, only Member States who contribute financially to the administrative and operational	~~(9) Taking into account that the objectives of this initiative can be best achieved if all Member States or as many Member States as possible participate, and as an incentive for Member States to take part, only Member States who contribute financially to the administrative and operational~~		~~(9) Taking into account that the objectives of this initiative can be best achieved if all Member States or as many Member States as possible participate, and as an incentive for Member States to take part, only Member States who contribute financially to the administrative and operational costs of the Competence Centre should hold voting rights.~~	23

costs of the Competence Centre should hold voting rights.	costs of the Competence Centre should hold voting rights.	~~costs of the Competence Centre should hold voting rights.~~		[EP proposes no changes. All Council changes retained (text marked in dark green above to facilitate identification)]	
(10) The participating Member States' financial participation should be commensurate to the Union's financial contribution to this initiative.	(10) The participating Member States' financial participation should be commensurate to the Union's financial contribution to this initiative.	~~(10) The participating Member States' financial participation should be commensurate to the Union's financial contribution to this initiative.~~		~~(10) The participating Member States' financial participation should be commensurate to the Union's financial contribution to this initiative.~~ [EP proposes no changes. All Council changes retained (text marked in dark green above to facilitate identification).	24
(11) The Competence Centre should facilitate and help coordinate the work of the Cybersecurity Competence Network ("the Network"), made up of National Coordination Centres in each Member State. National Coordination Centres should receive direct Union financial support, including grants awarded without a call for proposals, in order to carry out activities related to this Regulation.	(11) The Competence Centre should facilitate and help coordinate the work of the Cybersecurity Competence Network ("the Network"), made up of National Coordination Centres in each Member State. National Coordination Centres should receive direct Union financial support, including grants awarded without a call for proposals, in order to carry out activities related to this Regulation.	(11) The ~~Competence~~ Centre should facilitate and ~~help~~ coordinate the work of the Cybersecurity Competence Network ("the Network"), made up of National Coordination Centres in each Member State. National Coordination Centres should receive direct Union financial support, including grants awarded without a call for proposals, in order to carry out **their** activities related to this Regulation.		(11) The ~~Competence~~ Centre should facilitate and ~~help~~ coordinate the work of the Cybersecurity Competence Network ("the Network"), made up of National Coordination Centres in each Member State. National Coordination Centres should receive direct Union financial support, including grants awarded without a call for proposals, in order to carry out **their** activities related to this Regulation. [EP proposes no changes. All Council changes retained (text	25

				marked in dark green above to facilitate identification)].	
(12) National Coordination Centres should be selected by Member States. In addition to the necessary administrative capacity, Centres should either possess or have direct access to cybersecurity technological expertise in cybersecurity, notably in domains such as cryptography, ICT security services, intrusion detection, system security, network security, software and application security, or human and societal aspects of security and privacy. They should also have the capacity to effectively engage and coordinate with the industry, the public sector, including authorities designated pursuant to the Directive (EU) 2016/1148 of the European Parliament and of the Council[23], and the research community.	(12) National Coordination Centres should be selected by Member States. In addition to the necessary administrative capacity, Centres should either possess or have direct access to cybersecurity technological expertise in cybersecurity, notably in domains such as cryptography, ICT security services, intrusion detection, system security, network security, software and application security, or human***, ethical,*** societal ***and environmental*** aspects of security and privacy. They should also have the capacity to effectively engage and coordinate with the industry, the public sector, including authorities designated pursuant to the Directive (EU) 2016/1148 of the European Parliament and of the Council[23] , and the research community ***in order to***	(12) National Coordination Centres should be **public sector entities or entities with a majority of public participation subjects to public law obligations** selected by Member States. In addition to the necessary administrative capacity, Centres should ~~either~~ possess or have ~~direct~~ access to cybersecurity **research and** technological expertise ~~in cybersecurity, notably in domains such as cryptography, ICT security services, intrusion detection, system security, network security, software and application security, or human and societal aspects of security and privacy. They should also have the capacity~~ **and be in a position** to effectively engage and coordinate with the industry, the public sector~~, including authorities designated pursuant to the Directive (EU) 2016/1148~~		(12) National Coordination Centres should be **public sector entities or entities with a majority of public participation subjects to public law obligations** selected by Member States. In addition to the necessary administrative capacity, Centres should ~~either~~ possess or have ~~direct~~ access to cybersecurity technological expertise in cybersecurity, notably in domains such as cryptography, ICT security services, intrusion detection, system security, network security, software and application security, or human***, ethical,*** societal ***and environmental*** aspects of security and privacy. They should also ~~have the capacity~~ **and be in a position** to effectively engage and coordinate with the industry, the public sector, including authorities designated pursuant to the Directive (EU) 2016/1148 of	26

[23] Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).

	establish a continuous public-private dialogue on cybersecurity**. **In addition, awareness should be raised among the general public about cybersecurity through appropriate means of communication.	~~of the European Parliament and of the Council~~[24], and the research community.		the European Parliament and of the Council[23] , and the research community ***in order to establish a continuous public-private dialogue on cybersecurity**. **In addition, awareness should be raised among the general public about cybersecurity through appropriate means of communication.*** [All EP changes retained. Several Council changes retained (marked in dark green above to facilitate identification). Enumeration of illustrative competences required from the national coordination centres left in, with EP additions]	
		(12a) The function of National Coordination Centre in a given Member State can be carried out by the same entity also fulfilling other functions created under European law, such as that of a national competent authority and/or single point of contact in the meaning of the NIS Directive,		**(12a) The function of National Coordination Centre in a given Member State can be carried out by the same entity also fulfilling other functions created under European law, such as that of a national competent authority and/or single point of contact in the meaning of the NIS Directive, any other EU**	27

[24] ~~Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).~~

		any other EU Regulation, or digital innovation hub in the meaning of the Digital Europe Programme.		**Regulation, or digital innovation hub in the meaning of the Digital Europe Programme.** [No EP. All Council changes retained (marked in dark green above to facilitate identification)]	
(13) Where financial support is provided to National Coordination Centres in order to support third parties at the national level, this shall be passed on to relevant stakeholders through cascading grant agreements.	(13) Where financial support is provided to National Coordination Centres in order to support third parties at the national level, this shall be passed on to relevant stakeholders through cascading grant agreements.	(13) Where financial support is provided to National Coordination Centres in order to support third parties at the national level, this shall be passed on to relevant stakeholders through cascading grant agreements.		(13) Where financial support is provided to National Coordination Centres in order to support third parties at the national level, this shall be passed on to relevant stakeholders through cascading grant agreements.	28
(14) Emerging technologies such as artificial intelligence, Internet of Things, high-performance computing (HPC) and quantum computing, blockchain and concepts such as secure digital identities create at the same time new challenges for cybersecurity as well as offer solutions. Assessing and validating the robustness of existing or future ICT systems will require testing security solutions against attacks run on HPC and quantum machines. The Competence Centre, the Network and the	(14) Emerging technologies such as artificial intelligence, Internet of Things, high-performance computing (HPC) and quantum computing, ***as well as*** concepts such as secure digital identities create at the same time new challenges for cybersecurity as well as offer ***products and processes***. Assessing and validating the robustness of existing or future ICT systems will require testing security ***products and processes*** against attacks run on HPC and quantum machines. The	(14) ~~Emerging technologies such as artificial intelligence, Internet of Things, high-performance computing (HPC) and quantum computing, blockchain and concepts such as secure digital identities create at the same time new challenges for cybersecurity as well as offer solutions. Assessing and validating the robustness of existing or future ICT systems will require testing security solutions against attacks run on HPC and quantum machines.~~ The ~~Competence~~ Centre, the		(14) Emerging technologies such as artificial intelligence, Internet of Things, high-performance computing (HPC) and quantum computing, ***as well as*** concepts such as secure digital identities create at the same time new challenges for cybersecurity as well as offer ***products and processes***. Assessing and validating the robustness of existing or future ICT systems will require testing security ***products and processes*** against attacks run on HPC and quantum machines. The ~~Competence~~	29

Cybersecurity Competence Community should help advance and disseminate the latest cybersecurity solutions. At the same time the Competence Centre and the Network should be at the service of developers and operators in critical sectors such as transport, energy, health, financial, government, telecom, manufacturing, defence, and space to help them solve their cybersecurity challenges.	Competence Centre, the Network***, the European Digital Innovation Hubs*** and the Cybersecurity Competence Community should help advance and disseminate the latest cybersecurity ***products and processes, including dual use, in particular those that help organisations to be in a constant state of building capacity, resilience and appropriate governance. The Competence*** Centre and the Network ***should stimulate the whole innovation cycle and contribute to bridging the valley of death of innovation of cybersecurity technologies and services. At the same time the Competence Centre, the Network and the Community*** should be at the service of developers and operators in critical sectors such as transport, energy, health, financial, government, telecom, manufacturing, defence, and space to help them solve their cybersecurity challenges***, and research the various motivations of attacks on the***	Network and the Cybersecurity Competence Community should help advance and disseminate the latest cybersecurity solutions. At the same time the ~~Competence~~ Centre and the Network should ~~be at the service of~~ **support the demand side industry in particular promotinge activities supporting** developers and operators in ~~critical~~ sectors such as transport, energy, health, financial, government, telecom, manufacturing, defence, and space to help them solve their cybersecurity challenges**, for example in order to achieve security-by-design.**		Centre, the Network***, the European Digital Innovation Hubs*** and the Cybersecurity Competence Community should help advance and disseminate the latest cybersecurity ***products and processes, including dual use, in particular those that help organisations to be in a constant state of building capacity, resilience and appropriate governance. The ~~Competence~~*** Centre and the Network ***should stimulate the whole innovation cycle and contribute to bridging the valley of death of innovation of cybersecurity technologies and services. At the same time the ~~Competence~~ Centre, the Network and the Community*** ~~be at the service of~~ **support the demand side industry in particular promotinge activities supporting** developers and operators in critical sectors such as transport, energy, health, financial, government, telecom, manufacturing, defence, and space to help them solve their cybersecurity challenges**, for example in order to achieve security-by-design***, and research***	

	integrity of networks and information systems, such as crime, industrial espionage, defamation, and disinformation.			***the various motivations of attacks on the integrity of networks and information systems, such as crime, industrial espionage, defamation, and disinformation***. [All EP changes retained. Several Council changes retained (marked in dark green above to facilitate identification). Enumeration of illustrative technologies to be supported was left in, with EP additions]	
	(14a) Due to the fast changing nature of cyber threats and cybersecurity, the Union needs to be able to adapt fast and continuously to new developments in the field. Hence, the Competence Centre, the Network and the Cybersecurity Competence Community should be flexible enough to ensure the required reactivity. They should facilitate solutions that help entities to be able to constantly build capability to enhance their and the Union's resilience.			***(14a) Due to the fast changing nature of cyber threats and cybersecurity, the Union needs to be able to adapt fast and continuously to new developments in the field. Hence, the Competence Centre, the Network and the Cybersecurity Competence Community should be flexible enough to ensure the required reactivity. They should facilitate solutions that help entities to be able to constantly build capability to enhance their and the Union's resilience.***	30

				[All EP changes retained. Several Council changes retained. Council proposed no changes]	
	(14b) The Competence Centre should have the objectives to establish the Union's leadership and expertise in cybersecurity, and by that guarantee the highest security standards in the Union, ensure the protection of data, information systems, networks and critical infrastructures in the Union, create new high-quality jobs in the area, prevent brain drain from the European cybersecurity experts to third countries, and add European value to the already existing national cybersecurity measures.			***(14b) The Competence Centre should have the objectives to establish the Union's leadership and expertise in cybersecurity, and by that guarantee the highest security standards in the Union, ensure the protection of data, information systems, networks and critical facilities in the Union, create new high-quality jobs in the area, prevent brain drain from the European cybersecurity experts to third countries, and add European value to the already existing national cybersecurity measures.*** [Council proposes no changes. All EP changes retained, except: "critical infrastructures" replaced by "critical facilities" (marked in purple). Reason: the term "critical infrastructures" is problematic for Council because specific legislation exists in that domain, which may create confusion]	31

(15) The Competence Centre should have several key functions. First, the Competence Centre should facilitate and help coordinate the work of the European Cybersecurity Competence Network and nurture the Cybersecurity Competence Community. The Centre should drive the cybersecurity technological agenda and facilitate access to the expertise gathered in the Network and the Cybersecurity Competence Community. Secondly, it should implement relevant parts of Digital Europe and Horizon Europe programmes by allocating grants, typically following a competitive call for proposals. Thirdly, the Competence Centre should facilitate joint investment by the Union, Member States and/or industry.	(15) The Competence Centre should have several key functions. First, the Competence Centre should facilitate and help coordinate the work of the Network and nurture the Cybersecurity Competence Community. The Centre should drive the cybersecurity technological agenda and ***pool, share and*** facilitate access to the expertise gathered in the Network and the Cybersecurity Competence Community***, and to cybersecurity infrastructure***. Secondly, it should implement relevant parts of Digital Europe and Horizon Europe programmes by allocating grants, typically following a competitive call for proposals. Thirdly, the Competence Centre should facilitate joint investment by the Union, Member States and/or industry ***as well as joint training opportunities and awareness raising programmes in line with the Digital Europe Programme for citizens and businesses to overcome the skill gap***. ***It should pay special attention to the enabling of***	(15) The ~~Competence~~ Centre ~~should have several key functions. First, the Competence Centre~~ should facilitate and ~~help~~ coordinate the work of the ~~European Cybersecurity Competence~~ Network and nurture the Cybersecurity Competence Community. The Centre should ~~drive~~ **implement relevant parts of Digital Europe and Horizon Europe programmes in accordance with its multi annual strategic plan and the strategic planning process of Horizon Europe by allocating grants, typically following a competitive call for proposals** ~~the cybersecurity technological agenda~~ **in accordance with its multi-annual strategic plan**, ~~and~~ facilitate **transfer of** ~~access to the~~ expertise ~~gathered~~ in the Network and the Cybersecurity Competence Community **and** ~~. Secondly, it should implement relevant parts of Digital Europe and Horizon Europe programmes by allocating grants, typically following a competitive call for proposals.~~		15) The ~~Competence~~ Centre should ~~should have several key functions. First, the Competence Centre~~ facilitate and ~~help~~ coordinate the work of the ~~European Cybersecurity Competence~~ Network and nurture the Cybersecurity Competence Community. The Centre focus should ~~drive~~ be to **implement relevant parts of Digital Europe and Horizon Europe programmes in accordance with its multi annual strategic plan and the strategic planning process of Horizon Europe by allocating grants, typically following a competitive call for proposals** ~~the cybersecurity technological agenda~~ **in accordance with its multi-annual strategic plan**, ~~and~~ facilitate **transfer of** ~~access to the~~ expertise ~~gathered~~ in the Network and the Cybersecurity Competence Community **and** ~~. Secondly, it should implement relevant parts of Digital Europe and Horizon Europe programmes by allocating grants, typically following a competitive call for proposals. Thirdly, the~~	32

	SMEs in the area of cybersecurity.	~~Thirdly, the Competence Centre should facilitate~~ **support** joint investment by the Union, Member States and/or industry.		~~Competence Centre should facilitate~~ **support** joint investment by the Union, Member States and/or industry. ***The Centre should also support joint training opportunities and awareness raising programmes in line with the Digital Europe Programme for citizens and businesses to overcome the skill gap. It should pay special attention to the enabling of SMEs in the area of cybersecurity.*** [All Council changes retained (text marked in dark green above to facilitate identification), with the addition of "focus"… "be to", for the same reason as in recital 8, i.e. to stress hat the Centre essentially manages EU programmes but without categorically excluding some direct intervention as wanted by the EP. EP references to skills and SMEs retained]	
(16) The Competence Centre should stimulate and support the cooperation and coordination of the activities of the Cybersecurity Competence Community, which	(16) The Competence Centre should stimulate and support the ***long-term strategic*** cooperation and coordination of the activities of the Cybersecurity	(16) ~~The Competence Centre and the National Coordination Centres should stimulate and support the cooperation and coordination of the activities of~~		(16) ~~The Competence Centre and the National Coordination Centres should stimulate and support the cooperation and coordination of the activities of the Cybersecurity~~	33

would involve a large, open, and diverse group of actors involved in cybersecurity technology. That Community should include in particular research entities, supply-side industries, demand side industries, and the public sector. The Cybersecurity Competence Community should provide input to the activities and work plan of the Competence Centre and it should also benefit from the community-building activities of the Competence Centre and the Network, but otherwise should not be privileged with regard to calls for proposals or calls for tender.	Competence Community, which would involve a large, open, ***interdisciplinary*** and diverse group of ***European*** actors involved in cybersecurity technology. That Community should include in particular research entities, ***including those working on cybersecurity ethics,*** supply-side industries, ***demand-side*** industries ***including SMEs***, and the public sector. The Cybersecurity Competence Community should provide input to the activities and work plan of the Competence Centre and it should also benefit from the community-building activities of the Competence Centre and the Network, but otherwise should not be privileged with regard to calls for proposals or calls for tender.	~~the Cybersecurity Competence Community, which would involve a large, open, and diverse group of actors involved in cybersecurity technology. That Community should include in particular research entities, supply-side industries, demand side industries, civil society groups in the area of cybersecurity and the public sector.~~ The Cybersecurity Competence Community should provide input to the activities and work plan of the ~~Competence~~ Centre and it should also benefit from the community-building activities of the ~~Competence~~ Centre and the Network, but otherwise should not be privileged with regard to calls for proposals or calls for tender.		~~Competence Community, which would involve a large, open, and diverse group of actors involved in cybersecurity technology. That Community should include in particular research entities, supply-side industries, demand side industries, civil society groups in the area of cybersecurity and the public sector.~~ The Cybersecurity Competence Community should provide input to the activities and work plan of the ~~Competence~~ Centre and it should also benefit from the community-building activities of the ~~Competence~~ Centre and the Network, but otherwise should not be privileged with regard to calls for proposals or calls for tender. The Community should include in particular research entities, ***including those working on cybersecurity ethics,*** supply-side industries, ***demand-side*** industries ***including SMEs***, and the public sector. [All Council changes retained (text marked in dark green above to facilitate identification). EP	

				references to ethics and SMEs retained]	
	(16a) The Competence Centre should provide the appropriate support to ENISA in its tasks defined by Directive (EU) 2016/1148 ("NIS Directive") and Regulation (EU) 2019/XXX of the European Parliament and of the Council[1a]("Cybersecurity Act"). Therefore, ENISA should provide relevant inputs to the Competence Centre in its task of defining funding priorities. _____ ***[1a] Regulation (EU) 2019/… of the European Parliament and of the Council of … on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and repealing Regulation (EU) No 526/2013 (Cybersecurity Act) (OJ L ...) (2017/0225(COD)).***			[Council proposed no changes. EP changes not retained. Reason: ENISA resources have already been significantly increased by the cybersecurity act. EU funding from the Horizon Europe and Digital Europe Programmes should be allocated to final beneficiaries of actions/ projects (research centres, enterprises, public authorities…), not to subsidise other EU bodies which they have their own funding already]	34
(17) In order to respond to the needs of both demand and supply	(17) In order to respond to the needs of ***the public sector and***	(17) In order to respond to the needs of both demand and		(17) In order to respond to the needs of ***the public sector and***	35

side industries, the Competence Centre's task to provide cybersecurity knowledge and technical assistance to industries should refer to both ICT products and services and all other industrial and technological products and solutions in which cybersecurity is to be embedded.	both demand and supply side industries, the Competence Centre's task to provide cybersecurity knowledge and technical assistance to ***the public sector and*** industries should refer to both ICT products**,** ***processes*** and services and all other industrial and technological products and ***processes*** in which cybersecurity is to be embedded. ***In particular, the Competence Centre should facilitate the deployment of dynamic enterprise-level solutions focused on building capabilities of entire organisations, including people, processes and technology, in order to effectively protect the organizations against constantly changing cyber threats.***	supply side-industries, the ~~Competence Centre's task of the~~ **Centre and the Network** ~~to~~ **should**-provide **access to** cybersecurity knowledge ~~and technical assistance to industries should refer to~~ **in** both ICT products and services and all other industrial and technological products and solutions in which cybersecurity is to be embedded.		both demand and supply side industries, the ~~Competence Centre's task of the~~ **Centre and the Network** ~~to~~ **should**-provide **access to** cybersecurity knowledge ~~and technical assistance to industries should refer to~~ **in** ICT products**,** ***processes*** and services and all other industrial and technological products and ***processes*** in which cybersecurity is to be embedded. ***In particular, the Competence Centre should facilitate the deployment of dynamic enterprise-level solutions focused on building capabilities of entire organisations, including people, processes and technology, in order to effectively protect the organizations against constantly changing cyber threats.*** [Changes from both Council and EP retained]	
	(17a) The Competence Centre should contribute to the wide deployment of state-of-the-art cybersecurity products and solutions, in particular those			***(17a) The ~~Competence~~ Centre should contribute to the wide deployment of state-of-the-art cybersecurity products and solutions, in particular those that are internationally recognised.***	36

	that are internationally recognised.			[Council proposed no changes. EP changes retained]	
(18) Whereas the Competence Centre and the Network should strive to achieve synergies between the cybersecurity civilian and defence spheres, projects financed by the Horizon Europe Programme will be implemented in line with Regulation XXX [Horizon Europe Regulation], which provides that research and innovation activities carried out under Horizon Europe shall have a focus on civil applications.	(18) Whereas the Competence Centre and the Network should strive to achieve synergies ***and coordination*** between the cybersecurity civilian and defence spheres, projects financed by the Horizon Europe Programme will be implemented in line with Regulation XXX [Horizon Europe Regulation], which provides that research and innovation activities carried out under Horizon Europe shall have a focus on civil applications.	(18) Whereas the ~~Competence~~ Centre and the Network should strive to achieve synergies **and exchange of knowledge** between the cybersecurity civilian and defence spheres, projects financed by the Horizon Europe Programme will be implemented in line with Regulation XXX [Horizon Europe Regulation], which provides that research and innovation activities carried out under Horizon Europe shall have a focus on civil applications.		(18) Whereas the Competence Centre and the Network should strive to achieve synergies, **exchange of knowledge** ~~***and coordination***~~ between the cybersecurity civilian and defence spheres, projects financed by the Horizon Europe Programme will be implemented in line with Regulation XXX [Horizon Europe Regulation], which provides that research and innovation activities carried out under Horizon Europe shall have a focus on civil applications. [Changes from both Council and EP retained (Council change marked in dark green to facilitate identification)]	37
		(18a) This initiative should not utilise resources from Horizon Europe to fund projects which have a focus on military applications.		**(18a) This initiative should not utilise resources from Horizon Europe to fund projects which have a focus on military applications.** [EP proposed no changes. Council changes retained (marked in dark green to facilitate identification)]	38

		(18b) The enhancement of dual use application of cybersecurity technologies for cybersecurity purposes is without prejudice to the civilian nature of this Regulation and should therefore reflect specificities of Member States in cases when cybersecurity policy is pursued by civil-military or military authorities, and ensure complementarity but not overlap to the cyber defence related funding instruments.		**18b) The enhancement of dual use application of cybersecurity technologies for cybersecurity purposes is without prejudice to the civilian nature of this Regulation and should therefore reflect specificities of Member States in cases when cybersecurity policy is pursued by civil-military or military authorities, and ensure complementarity but not overlap to the cyber defence related funding instruments.** [EP proposed no changes. Council changes retained (marked in dark green to facilitate identification)]	39
(19) In order to ensure structured and sustainable collaboration, the relation between the Competence Centre and the National Coordination Centres should be based on a contractual agreement.	(19) In order to ensure structured and sustainable collaboration, the relation between the Competence Centre and the National Coordination Centres should be based on a contractual agreement ***that should be harmonised at Union level***.	(19) ~~In order to ensure structured and sustainable collaboration, the relation between the Competence Centre and the National Coordination Centres should be based on a contractual agreement.~~		(19) ~~In order to ensure structured and sustainable collaboration, the relation between the Competence Centre and the National Coordination Centres should be based on a contractual agreement.~~ [Council changes retained (marked in dark green to facilitate identification). EP changes not retained. Reason: understanding that EP is flexible on governance issues]	40

(20) Appropriate provisions should be made to guarantee the liability and transparency of the Competence Centre.	(20) Appropriate provisions should be made to guarantee the liability and transparency of the Competence Centre ***and those undertakings receiving funding***.	(20) Appropriate provisions should be made to guarantee the liability and transparency of the ~~Competence~~ Centre.		(20) Appropriate provisions should be made to guarantee the liability and transparency of the ~~Competence~~ Centre ***and those undertakings receiving funding***. [Council proposed no changes, apart from the usual removal of "competence" from the name. EP changes retained]	41
	(20a) The implementation of deployment projects, in particular those relating to infrastructures and capabilities deployed at European level or in joint procurement, can be divided into different phases of implementation, such as separate tenders for the architecture of hard- and software, their production and their operation and maintenance, whereas companies may only participate in one of the phases each and requiring that the beneficiaries in one or several of those phases meet certain conditions in terms of European ownership or control.			***20a) The implementation of deployment projects, in particular those relating to infrastructures and capabilities deployed at European level or in joint procurement, can be divided into different phases of implementation, such as separate tenders for the architecture of hard- and software, their production and their operation and maintenance, whereas companies may only participate in one of the phases each and requiring that the beneficiaries in one or several of those phases meet certain conditions in terms of European ownership or control.***	42

				[Council proposed no changes. EP changes retained. Council should take a position on this additional text, which is rather specific (although not prescriptive as it is indicated "can be", and refers to European ownership or control.]	
	(20b) With ENISA being the dedicated Union cybersecurity agency, the Competence Centre should seek the greatest possible synergies with it and the Governing Board should consult ENISA due to its experience in the field in all matters regarding cybersecurity, in particular on research-related projects.			[Council proposed no changes. EP changes not retained. Reason: ENISA should not scrutinise the Centre, which should keep its independence, but cooperate with it. Synergies between the Centre and ENISA are already stressed in several other parts of the text]	43
	(20c) In the process of the nomination of the representative to the Governing Board, the European Parliament should include details of the mandate, including the obligation to report regularly to the European Parliament, or the committees responsible.			[Council proposed no changes. EP changes not retained. Reason: EP should not scrutinise MS nominations, in the same way it does not oversee MS nominations to eg H2020 programme committees or to ENISA Management Board. The EP will in any case scrutinise report on the Centre activities (article 38.2)]	44

(21) In view of their respective expertise in cybersecurity, the Joint Research Centre of the Commission as well as the European Network and Information Security Agency (ENISA) should play an active part in the Cybersecurity Competence Community and the Industrial and Scientific Advisory Board.	(21) In view of their respective expertise in ***cybersecurity and in order to ensure greatest possible synergies,*** the Joint Research Centre of the Commission as well as the European Network and Information Security Agency (ENISA) should play an active part in the Cybersecurity Competence Community and the Industrial and Scientific Advisory Board. ***ENISA should continue to fulfil its strategic objectives especially in the field of cybersecurity certification as defined in Regulation (EU) 2019/XXX [Cybersecurity Act][1a] while the Competence Centre should act as an operational body in cybersecurity .*** _____ ***[1a] Regulation (EU) 2019/… of the European Parliament and of the Council of … on ENISA (the European Union Agency for Cybersecurity) and on information and communications technology cybersecurity certification and***	(21) In view of ~~their respective~~ **its** expertise in cybersecurity **and its mandate as a reference point for advice and expertise on cybersecurity for Union institutions, agencies and bodies as well as relevant Union stakeholders, as well as its collection of inputs through its missions for instance on cybersecurity certification and standardisation** ~~the Joint Research Centre of the Commission as well as~~ the European **Union** ~~Network and Information Security~~ Agency **for Cybersecurity** (ENISA) should play an active part ~~in the Cybersecurity Competence Community and the Industrial and Scientific Advisory Board~~ **in the activities of the Centre, avoiding any duplication of their efforts in particular through its role as observer in the Governing Board.**		(21) In view of their respective expertise in cybersecurity***, and in order to ensure greatest possible synergies,*** the Joint Research Centre of the Commission as well as the European Network and Information Security Agency (ENISA) should play an active part in the Cybersecurity Competence Community and the Industrial and Scientific Advisory Board**, avoiding any duplication of their efforts in particular through ~~its~~ ENISA role as observer in the Governing Board.** [Some Council and EP changes retained but not all. Reason: re-stating here the details of ENISA mandate is unnecessary. Moreover, the EP proposed change stating that ENISA focuses on certification as opposed t the Centre being "an operational body on cybersecurity" is controversial and not accurate. ENISA has acquired "operational tasks" on certification, and stressing the operational capacities of the Centre is problematic for the	45

	repealing Regulation (EU) No 526/2013 (Cybersecurity Act) (OJ L ...) (2017/0225(COD)).			Council. The point on synergies is otherwise sufficiently made with the retained text]	
(22) Where they receive a financial contribution from the general budget of the Union, the National Coordination Centres and the entities which are part of the Cybersecurity Competence Community should publicise the fact that the respective activities are undertaken in the context of the present initiative.	(22) Where they receive a financial contribution from the general budget of the Union, the National Coordination Centres and the entities which are part of the Cybersecurity Competence Community should publicise the fact that the respective activities are undertaken in the context of the present initiative.	(22) Where they receive a financial contribution from the general budget of the Union, the National Coordination Centres and the entities which are part of the Cybersecurity Competence Community should publicise the fact that the respective activities are undertaken in the context of the present initiative.		(22) Where they receive a financial contribution from the general budget of the Union, the National Coordination Centres and the entities which are part of the Cybersecurity Competence Community should publicise the fact that the respective activities are undertaken in the context of the present initiative.	46
(23) The Union contribution to the Competence Centre should finance half of the costs arising from the establishment, administrative and coordination activities of the Competence Centre, In order to avoid double funding, those activities should not benefit simultaneously from a contribution from other Union programmes.	(23) The Union contribution to the Competence Centre should finance half of the costs arising from the establishment, administrative and coordination activities of the Competence Centre, In order to avoid double funding, those activities should not benefit simultaneously from a contribution from other Union programmes.	~~(23) The Union contribution to the Competence Centre should finance half of the costs arising from the establishment, administrative and coordination activities of the Competence Centre, In order to avoid double funding, those activities should not benefit simultaneously from a contribution from other Union programmes.~~		~~(23) The Union contribution to the Competence Centre should finance half of the costs arising from the establishment, administrative and coordination activities of the Competence Centre, In order to avoid double funding, those activities should not benefit simultaneously from a contribution from other Union programmes.~~ [EP made no changes. Council changes retained].	47
(24) The Governing Board of the Competence Centre, composed of the Member States and the	(24) The Governing Board of the Competence Centre, composed of the Member States	(24) The Governing Board of the ~~Competence~~ Centre, composed of the Member States		(24) The Governing Board of the ~~Competence~~ Centre, composed of the Member States and the	48

Commission, should define the general direction of the Competence Centre's operations, and ensure that it carries out its tasks in accordance with this Regulation. The Governing Board should be entrusted with the powers necessary to establish the budget, verify its execution, adopt the appropriate financial rules, establish transparent working procedures for decision making by the Competence Centre, adopt the Competence Centre's work plan and multiannual strategic plan reflecting the priorities in achieving the objectives and tasks of the Competence Centre, adopt its rules of procedure, appoint the Executive Director and decide on the extension of the Executive Director's term of office and on the termination thereof.	and the Commission, should define the general direction of the Competence Centre's operations, and ensure that it carries out its tasks in accordance with this Regulation. The Governing Board should be entrusted with the powers necessary to establish the budget, verify its execution, adopt the appropriate financial rules, establish transparent working procedures for decision making by the Competence Centre, adopt the Competence Centre's work plan and multiannual strategic plan reflecting the priorities in achieving the objectives and tasks of the Competence Centre, adopt its rules of procedure, appoint the Executive Director and decide on the extension of the Executive Director's term of office and on the termination thereof. ***In order to benefit from synergies, ENISA should be a permanent observer in the Governing Board and contribute the work of the Competence Centre, including by being consulted on the multi-***	and the Commission, should define the general direction of the ~~Competence~~ Centre's operations, and ensure that it carries out its tasks in accordance with this Regulation. The Governing Board should be entrusted with the powers necessary to establish the budget, verify its execution, adopt the appropriate financial rules, establish transparent working procedures for decision making by the ~~Competence~~ Centre, adopt the ~~Competence~~ Centre's work plan and multiannual strategic plan reflecting the priorities in achieving the objectives and tasks of the ~~Competence~~ Centre, adopt its rules of procedure, appoint the Executive Director and decide on the extension of the Executive Director's term of office and on the termination thereof.		Commission, should define the general direction of the ~~Competence~~ Centre's operations, and ensure that it carries out its tasks in accordance with this Regulation. The Governing Board should be entrusted with the powers necessary to establish the budget, verify its execution, adopt the appropriate financial rules, establish transparent working procedures for decision making by the ~~Competence~~ Centre, adopt the ~~Competence~~ Centre's work plan and multiannual strategic plan reflecting the priorities in achieving the objectives and tasks of the ~~Competence~~ Centre, adopt its rules of procedure, appoint the Executive Director and decide on the extension of the Executive Director's term of office and on the termination thereof. ***In order to benefit from synergies, ENISA should be a permanent observer in the Governing Board and contribute the work of the Competence Centre.*** [Council proposed no changes apart from usual removal of "competence" from name. EP changes not retained. Reason: as	

	annual strategic plan and on the work plan and on the list of actions selected for funding.			for amendments 16a and 20b, ENISA should not scrutinise the Centre, especially not regarding strategic or implementation choices regarding support from EU funding. The Centre should keep its independence why seeking synergies with ENISA]	
	(24a) The Governing Board should aim to promote the Competence Centre globally, so as to raise its attractiveness and make it a world-class body for excellence in cybersecurity.			[Council proposed no changes. EP changes not retained. Reason: this suggests operational capacities of the Centre, which is controversial for Council so should not be stressed, while main focus of the Centre is anyway management of EU programmes]	49
(25) In order for the Competence Centre to function properly and effectively, the Commission and the Member States should ensure that persons to be appointed to the Governing Board have appropriate professional expertise and experience in functional areas. The Commission and the Member States should also make efforts to limit the turnover of their respective Representatives on the Governing Board in order to ensure continuity in its work.	(25) In order for the Competence Centre to function properly and effectively, the Commission and the Member States should ensure that persons to be appointed to the Governing Board have appropriate professional expertise and experience in functional areas. The Commission and the Member States should also make efforts to limit the turnover of their respective Representatives on the Governing Board in order to ensure continuity in its work	(25) In order for the ~~Competence~~ Centre to function properly and effectively, the Commission and the Member States should ensure that persons to be appointed to the Governing Board have appropriate professional expertise and experience in functional areas. The Commission and the Member States should also make efforts to limit the turnover of their respective Representatives on the Governing Board in order to ensure continuity in its work.		(25) In order for the ~~Competence~~ Centre to function properly and effectively, the Commission and the Member States should ensure that persons to be appointed to the Governing Board have appropriate professional expertise and experience in functional areas. The Commission and the Member States should also make efforts to limit the turnover of their respective Representatives on the Governing Board in order to ensure continuity in its work	50

	and aim to achieve gender balance.			***and aim to achieve gender balance***. [Changes from Council and EP both retained]	
	(25a) The weight of the Commission vote in the decisions of the Governing Board should be in line with the contribution of the Union budget to the Competence Centre, according to the Commission responsibility to ensure proper management of the Union budget in the Union interest, as set in the Treaties.			***(25a) The weight of the Commission vote in the decisions of the Governing Board should be in line with the contribution of the Union budget to the Competence Centre, according to the Commission responsibility to ensure proper management of the Union budget in the Union interest, as set in the Treaties.*** [Council proposed no changes. EP changes retained]	51
(26) The smooth functioning of the Competence Centre requires that its Executive Director be appointed on grounds of merit and documented administrative and managerial skills, as well as competence and experience relevant for cybersecurity, and that the duties of the Executive Director be carried out with complete independence.	(26) The smooth functioning of the Competence Centre requires that its Executive Director be appointed ***in a transparent manner on the*** grounds of merit and documented administrative and managerial skills, as well as competence and experience relevant for cybersecurity, and that the duties of the Executive Director be carried out with complete independence.	(26) The smooth functioning of the ~~Competence~~ Centre requires that its Executive Director be appointed on grounds of merit and documented administrative and managerial skills, as well as competence and experience relevant for cybersecurity, and that the duties of the Executive Director be carried out with complete independence.		(26) The smooth functioning of the ~~Competence~~ Centre requires that its Executive Director be appointed ***in a transparent manner on the*** grounds of merit and documented administrative and managerial skills, as well as competence and experience relevant for cybersecurity, and that the duties of the Executive Director be carried out with complete independence.	52

				[Changes from Council and EP both retained]	
(27) The Competence Centre should have an Industrial and Scientific Advisory Board as an advisory body to ensure regular dialogue with the private sector, consumers' organisations and other relevant stakeholders. The Industrial and Scientific Advisory Board should focus on issues relevant to stakeholders and bring them to the attention of the Competence Centre's Governing Board. The composition of the Industrial and Scientific Advisory Board and the tasks assigned to it, such as being consulted regarding the work plan, should ensure sufficient representation of stakeholders in the work of the Competence Centre.	(27) The Competence Centre should have an Industrial and Scientific Advisory Board as an advisory body to ensure regular ***and appropriately transparent*** dialogue with the private sector, consumers' organisations and other relevant stakeholders***. It should also provide the Executive Director and the Governing Board with independent advice on deployment and procurement***. The Industrial and Scientific Advisory Board should focus on issues relevant to stakeholders and bring them to the attention of the Competence Centre's Governing Board. The composition of the Industrial and Scientific Advisory Board and the tasks assigned to it, such as being consulted regarding the work plan, should ensure sufficient representation of stakeholders in the work of the Competence Centre. ***A minimum number of seats should be allocated to each***	(27) The ~~Competence~~ Centre should have an Industrial and Scientific Advisory Board as an advisory body to ensure regular dialogue with the private sector, consumers' organisations and other relevant stakeholders. The Industrial and Scientific Advisory Board should focus on issues relevant to stakeholders and bring them to the attention of the ~~Competence~~ Centre's Governing Board. The composition of the Industrial and Scientific Advisory Board and the tasks assigned to it, such as being consulted regarding the work plan, should ensure sufficient representation of stakeholders in the work of the ~~Competence~~ Centre.		(27) The ~~Competence~~ Centre should have an Industrial and Scientific Advisory Board as an advisory body to ensure regular ***and appropriately transparent*** dialogue with the private sector, consumers' organisations and other relevant stakeholders***. It should also provide the Executive Director and the Governing Board with independent advice on deployment and procurement***. The Industrial and Scientific Advisory Board should focus on issues relevant to stakeholders and bring them to the attention of the ~~Competence~~ Centre's Governing Board. The composition of the Industrial and Scientific Advisory Board and the tasks assigned to it, such as being consulted regarding the work plan, should ensure sufficient representation of various categories of stakeholders in the work of the Competence Centre***, with particular attention paid to the representation of SMEs.***	53

	***category of industry stakeholders, with particular attention paid to the representation of SMEs*.**			[Changes from EP both partially retained. Reason: the Centre should remain free to decide the most appropriate representatives in the Advisory Board, seeking for the right balance between diversity, representativeness, expertise… No rigidities should be introduced upfront in terms or nationality, profile or otherwise. The point on the importance of SME representation is otherwise made]	
(28) The Competence Centre should benefit from the particular expertise and the broad and relevant stakeholders' representation built through the contractual public-private partnership on cybersecurity during the duration of Horizon2020, through its Industrial and Scientific Advisory Board.	(28) The Competence Centre ***and its activities*** should benefit from the particular expertise and the broad and relevant stakeholders' representation built through the contractual public-private partnership on cybersecurity during the duration of Horizon2020, ***and the pilot projects under Horizon2020 on the Cybersecurity Competence Network,*** through its Industrial and Scientific Advisory Board. ***The Competence Centre and Industrial and Scientific Advisory Board should, if appropriate, consider***	(28) The ~~Competence~~ Centre should benefit from the particular ~~expertise~~**experience** and the broad and relevant stakeholders' representation built through the contractual public-private partnership on cybersecurity during the duration of Horizon 2020, **and the four pilot projects, thereby building on the existing experience that has been set up by the contractual public-private partnership on cybersecurity, for the management of the Community, and the representation of the**		(28) The ~~Competence~~ Centre ***and its activities*** should benefit from the particular expertise and the broad and relevant stakeholders' representation built through the contractual public-private partnership on cybersecurity during the duration of Horizon2020, ***and the pilot projects under Horizon2020 on the Cybersecurity Competence Network,*** **for the management of the Community, and the representation of the Community in the Centre's** ~~through its~~ Industrial and Scientific Advisory Board. ***The Competence Centre and***	54

	replications of existing structures, for example as working groups.	**Community in the Centre's** ~~through its~~ Industrial and Scientific Advisory Board.		***Industrial and Scientific Advisory Board should, if appropriate, consider replications of existing structures, for example as working groups.*** [Changes from EP and Council both retained on substance, combining them]	
	(28a) The Competence Centre and its bodies should make use of the experience and contributions of past and current initiatives, such as the contractual public-private partnership (cPPP) on cybersecurity, the European Cyber Security Organisation (ECSO), and the pilot project and preparatory action on Free and Open Source Software Audits (EU FOSSA).			[Changes from EP not retained. Reason: the point about building on existing activities, notably the cPPP and the 4 pilots, is already made in previous amendment. ECSO can be referred in previous amendment. As to EU FOSSA, while this a relevant activity, it doesn't seem appropriate to mention such specific project here, prejudging on the topics should support. This is a programing decision for the Governing Board to take.]	55
(29) The Competence Centre should have in place rules regarding the prevention and the management of conflict of interest. The Competence Centre should also apply the relevant Union provisions concerning public access to documents as set	(29) The Competence Centre should have in place rules regarding the prevention***, identification and resolution of conflicts*** of interest ***in respect of its members, bodies and staff, the Governing Board, as well as the Scientific and Industrial***	(29) The ~~Competence~~ Centre should have in place rules regarding the prevention and the management of conflict of interest. The ~~Competence~~ Centre should also apply the relevant Union provisions concerning public access to documents as		(29) The ~~Competence~~ Centre should have in place rules regarding the prevention***, identification and resolution of conflicts*** of interest ***in respect of its members, bodies and staff, the Governing Board, as well as the Scientific and Industrial***	56

out in Regulation (EC) No 1049/2001 of the European Parliament and of the Council[25]. Processing of personal data by the Competence Centre will be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council. The Competence Centre should comply with the provisions applicable to the Union institutions, and with national legislation regarding the handling of information, in particular sensitive non classified information and EU classified information.	***Advisory Board, and the Community. Member States should ensure the prevention, identification, and resolution of conflicts of interest in respect of the National Coordination Centres***. The Competence Centre should also apply the relevant Union provisions concerning public access to documents as set out in Regulation (EC) No 1049/2001 of the European Parliament and of the Council[24] . Processing of personal data by the Competence Centre will be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council. The Competence Centre should comply with the provisions applicable to the Union institutions, and with national legislation regarding the handling of information, in particular sensitive non classified information and EU classified information.	set out in Regulation (EC) No 1049/2001 of the European Parliament and of the Council[26]. Processing of personal data by the ~~Competence~~ Centre will be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council. The ~~Competence~~ Centre should comply with the provisions applicable to the Union institutions, and with national legislation regarding the handling of information, in particular sensitive non classified information and EU classified information.		***Advisory Board, and the Community. Member States should ensure the prevention, identification, and resolution of conflicts of interest in respect of the National Coordination Centres***. The ~~Competence~~ Centre should also apply the relevant Union provisions concerning public access to documents as set out in Regulation (EC) No 1049/2001 of the European Parliament and of the Council[24] . Processing of personal data by the ~~Competence~~ Centre will be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council. The ~~Competence~~ Centre should comply with the provisions applicable to the Union institutions, and with national legislation regarding the handling of information, in particular sensitive non classified information and EU classified information.	

[25] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).

[26] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).

	_____ [24] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43).			_____ [24] Regulation (EC) No 1049/2001 of the European Parliament and of the Council of 30 May 2001 regarding public access to European Parliament, Council and Commission documents (OJ L 145, 31.5.2001, p. 43). [EP and Council changes both retained.]	
(30) The financial interests of the Union and of the Member States should be protected by proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of lost, wrongly paid or incorrectly used funds and, where appropriate, the application of administrative and financial penalties in accordance with Regulation XXX (EU, Euratom) of the European Parliament and of the Council[27] [the Financial Regulation].	(30) The financial interests of the Union and of the Member States should be protected by proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of lost, wrongly paid or incorrectly used funds and, where appropriate, the application of administrative and financial penalties in accordance with Regulation XXX (EU, Euratom) of the European Parliament and	(30) The financial interests of the Union and of the Member States should be protected by proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of lost, wrongly paid or incorrectly used funds and, where appropriate, the application of administrative and financial penalties in accordance with Regulation XXX (EU, Euratom) of the European Parliament and		(30) The financial interests of the Union and of the Member States should be protected by proportionate measures throughout the expenditure cycle, including the prevention, detection and investigation of irregularities, the recovery of lost, wrongly paid or incorrectly used funds and, where appropriate, the application of administrative and financial penalties in accordance with Regulation XXX (EU, Euratom) of the European	57

[27] [add title and OJ reference]

	of the Council[28] [the Financial Regulation].	of the Council[29] [the Financial Regulation].		Parliament and of the Council[30] [the Financial Regulation].	
(31) The Competence Centre should operate in an open and transparent way providing all relevant information in a timely manner as well as promoting its activities, including information and dissemination activities to the wider public. The rules of procedure of the bodies of the Competence Centre should be made publicly available.	(31) The Competence Centre should operate in an open and transparent way ***comprehensively*** providing information in a timely manner as well as promoting its activities, including information and dissemination activities to the wider public. ***It should provide the public and any interested parties with a list of the Cybersecurity Competence Community members and should make public the declarations of interest made by them in accordance with Article 42.*** The rules of procedure of the bodies of the Competence Centre should be made publicly available .	(31) The ~~Competence~~ Centre should operate in an open and transparent way providing all relevant information in a timely manner as well as promoting its activities, including information and dissemination activities to the wider public. The rules of procedure of the bodies of the ~~Competence~~ Centre should be made publicly available.		(31) The ~~Competence~~ Centre should operate in an open and transparent way ***comprehensively*** providing information in a timely manner as well as promoting its activities, including information and dissemination activities to the wider public. ***It should should make public the list of the Cybersecurity Competence Community members.*** The rules of procedure of the bodies of the ~~Competence~~ Centre should be made publicly available . [EP changes partly retained. Reason: it seems not justified and not proportionate to request the Community members to provide a declaration interest, while they're not getting any EU funding for being community members but rather cooperating voluntarily. This requirement doesn't apply	58

[28] [add title and OJ reference]

[29] [add title and OJ reference]

[30] [add title and OJ reference]

				today in the cPPP and may put many away potential community members, thus weakening the community. Article 42 refers to the Governing Board, not the Community]	
	(31a) It is advisable that both the Competence Centre and the National Coordination Centres monitor and follow the international standards as much as possible, in order to encourage development towards global best practices.			***(31a) It is advisable that both the ~~Competence~~ Centre and the National Coordination Centres monitor and follow the international standards as much as possible, in order to encourage development towards global best practices.*** [EP change retained]	59
(32) The Commission's internal auditor should exercise the same powers over the Competence Centre as those exercised in respect of the Commission.	(32) The Commission's internal auditor should exercise the same powers over the Competence Centre as those exercised in respect of the Commission.	(32) The Commission's internal auditor should exercise the same powers over the ~~Competence~~ Centre as those exercised in respect of the Commission.		(32) The Commission's internal auditor should exercise the same powers over the ~~Competence~~ Centre as those exercised in respect of the Commission. [Council change retained]	
(33) The Commission, the Competence Centre, the Court of Auditors and the European Anti-Fraud Office should get access to all necessary information and the premises to conduct audits and investigations on the grants,	(33) The Commission, the Competence Centre, the Court of Auditors and the European Anti-Fraud Office should get access to all necessary information and the premises to conduct audits and investigations on the grants,	(33) The Commission, the ~~Competence~~ Centre, the Court of Auditors and the European Anti-Fraud Office should get access to all necessary information and the premises to conduct audits and investigations on the grants,		(33) The Commission, the ~~Competence~~ Centre, the Court of Auditors and the European Anti-Fraud Office should get access to all necessary information and the premises to conduct audits and investigations on the grants,	60

contracts and agreement signed by the Competence Centre.	contracts and agreement signed by the Competence Centre.	contracts and agreement signed by the ~~Competence~~ Centre.		contracts and agreement signed by the ~~Competence~~ Centre. [Council changes retained]	
	(33a) The power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission in respect of defining the elements of contractual agreements between the Competence Centre and National Coordination Centres, and in respect of specifying criteria for assessing and accrediting entities as members of the Cybersecurity Competence Community. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[1a]. In particular, to ensure equal participation in the preparation of delegated			[EP changes not retained. Reason: not in Commission proposal and goes in opposite direction of Council changes in view to reduce Commission control, leaving more autonomy to MS to nominate national coordination centres]	61

	acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts. _____ ***[1a] OJ L 123, 12.5.2013, p. 1.***				
(34) Since the objectives of this Regulation, namely retaining and developing Union's cybersecurity technological and industrial capacities, increasing the competitiveness of the Union's cybersecurity industry and turning cybersecurity into a competitive advantage of other Union industries, cannot be sufficiently achieved by the Member States due the fact that existing, limited resources are dispersed as well as due to the scale of the investment necessary, but can rather by reason of avoiding unnecessary duplication of these efforts, helping to achieve critical mass of investment and ensuring that	(34) The objectives of this Regulation, namely ***strengthening the Union's competitiveness and capacities in cybersecurity through, and reducing its digital dependence by increasing the uptake of cybersecurity products, processes and services developed within the Union,*** retaining and developing Union's cybersecurity technological and industrial capacities, increasing the competitiveness of the Union's cybersecurity industry and turning cybersecurity into a competitive advantage of other Union industries, cannot be sufficiently achieved by the	(34) Since the objectives of this Regulation, namely retaining and developing Union's cybersecurity **research,** technological and industrial capacities, increasing the competitiveness of the Union's cybersecurity industry and turning cybersecurity into a competitive advantage of other Union industries, cannot be sufficiently achieved by the Member States due the fact that existing, limited resources are dispersed as well as due to the scale of the investment necessary, but can rather by reason of avoiding unnecessary duplication of these efforts,		(34) The objectives of this Regulation, namely ***strengthening the Union's competitiveness and capacities in cybersecurity through, and reducing its digital dependence by increasing the uptake of cybersecurity products, processes and services developed within the Union,*** retaining and developing Union's cybersecurity **research,** technological and industrial capacities, increasing the competitiveness of the Union's cybersecurity industry and turning cybersecurity into a competitive advantage of other Union industries, cannot be sufficiently achieved by the Member States due the fact that existing, limited	62

public financing is used in an optimal way be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.	Member States due the fact that existing, limited resources are dispersed as well as due to the scale of the investment necessary, but can rather by reason of avoiding unnecessary duplication of these efforts, helping to achieve critical mass of investment and ensuring that public financing is used in an optimal way be better achieved at Union level***. In addition, only actions at Union level can ensure the highest level of cybersecurity in all Member States and thus close security gaps existing in some Member States that create security gaps for the whole Union. Hence***, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.	helping to achieve critical mass of investment and ensuring that public financing is used in an optimal way be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.		resources are dispersed as well as due to the scale of the investment necessary, but can rather by reason of avoiding unnecessary duplication of these efforts, helping to achieve critical mass of investment and ensuring that public financing is used in an optimal way be better achieved at Union level***. In addition, only actions at Union level can ensure the highest level of cybersecurity in all Member States and thus close security gaps existing in some Member States that create security gaps for the whole Union. Hence***, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective. [EP and Council changes both retained.]	

HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:		HAVE ADOPTED THIS REGULATION:	63
CHAPTER I	**CHAPTER I**	**CHAPTER I**		**CHAPTER I**	64
GENERAL PROVISIONS AND PRINCIPLES OF THE COMPETENCE CENTRE AND THE NETWORK	**GENERAL PROVISIONS AND PRINCIPLES OF THE COMPETENCE CENTRE AND THE NETWORK**	**GENERAL PROVISIONS AND PRINCIPLES OF THE ~~COMPETENCE~~ CENTRE AND THE NETWORK**		**GENERAL PROVISIONS AND PRINCIPLES OF THE ~~COMPETENCE~~ CENTRE AND THE NETWORK**	65
Article 1	*Article 1*	*Article 1*		*Article 1*	66
Subject matter	**Subject matter**	**Subject matter**		**Subject matter**	67
1. This Regulation establishes the European Cybersecurity Industrial, Technology and Research Competence Centre (the 'Competence Centre'), as well as the Network of National Coordination Centres, and lays down rules for the nomination of National Coordination Centres as well as for the establishment of	1. This Regulation establishes the European Cybersecurity Industrial, Technology and Research Competence Centre (the 'Competence Centre'), as well as the Network of National Coordination Centres (the "***Network")***, and lays down rules for the nomination of National Coordination Centres as well as	1. This Regulation establishes the European Cybersecurity Industrial, Technology and Research ~~Competence~~ Centre (the '~~Competence~~ Centre'), as well as the Network of National Coordination Centres **(the "Network")**, and lays down rules for the nomination of National Coordination Centres		1. This Regulation establishes the European Cybersecurity Industrial, Technology and Research ~~Competence~~ Centre (the '~~Competence~~ Centre'), as well as the Network of National Coordination Centres ***(the "Network")***, and lays down rules for the nomination of National Coordination Centres as well as for the establishment of the	68

the Cybersecurity Competence Community.	for the establishment of the Cybersecurity Competence Community ***(the "Community")***. ***The Competence Centre and the Network shall contribute to the overall resilience and awareness in the Union towards cybersecurity threats, thoroughly taking into account societal implications.***	as well as for the establishment of the Cybersecurity Competence Community **(the "Community")**.		Cybersecurity Competence Community ***(the "Community")***. ***The Competence Centre and the Network shall contribute to the overall resilience and awareness in the Union towards cybersecurity threats, thoroughly taking into account societal implications.*** [Both changes from EP and Council retained]	
2. The Competence Centre shall contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] thereof and of the Horizon Europe Programme established by Regulation No XXX and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref.	2. The Competence Centre shall contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] thereof and of the Horizon Europe Programme established by Regulation No XXX and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref.	2. The ~~Competence~~ Centre shall contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] thereof and of the Horizon Europe Programme established by Regulation No XXX and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref.		2. The ~~Competence~~ Centre shall contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] thereof and of the Horizon Europe Programme established by Regulation No XXX and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref.	69

number of the Specific Programme].	number of the Specific Programme].	number of the Specific Programme].		number of the Specific Programme].	
3. The seat of the Competence Centre shall be located in [Brussels, Belgium.]	~~3. The seat of the Competence Centre shall be located in [Brussels, Belgium.]~~	3. ~~The seat of the Competence Centre shall be located in [XXXBrussels, Belgium]~~[31]~~.~~		[Both changes from EP and Council retained]	70
4. The Competence Centre shall have legal personality. In each Member State, it shall enjoy the most extensive legal capacity accorded to legal persons under the laws of that Member State. It may, in particular, acquire or dispose of movable and immovable property and may be a party to legal proceedings.	~~4. The Competence Centre shall have legal personality. In each Member State, it shall enjoy the most extensive legal capacity accorded to legal persons under the laws of that Member State. It may, in particular, acquire or dispose of movable and immovable property and may be a party to legal proceedings.~~ (moved to Art 38a (new) as not considered subject matter)	4. The ~~Competence~~ Centre shall have legal personality. In each Member State, it shall enjoy the most extensive legal capacity accorded to legal persons under the laws of that Member State. It may, in particular, acquire or dispose of movable and immovable property and may be a party to legal proceedings.		4. The ~~Competence~~ Centre shall have legal personality. In each Member State, it shall enjoy the most extensive legal capacity accorded to legal persons under the laws of that Member State. It may, in particular, acquire or dispose of movable and immovable property and may be a party to legal proceedings. [Change from EP (deletion or article) not retained. Check with EP why they want to delete this]	
		5. This Regulation is without prejudice to the competences of the Member		**5. This Regulation is without prejudice to the competences of the Member States regarding**	71

		States regarding activities concerning public security, defence, national security and the activities of the state in areas of criminal law.		**activities concerning public security, defence, national security and the activities of the state in areas of criminal law.** [Change from Council retained. No change from EP.]	
Article 2	*Article 2*	*Article 2*		*Article 2*	72
Definitions	**Definitions**	**Definitions**		**Definitions**	73
For the purpose of this Regulation, the following definitions shall apply:	For the purpose of this Regulation, the following definitions shall apply:	For the purpose of this Regulation, the following definitions shall apply:		For the purpose of this Regulation, the following definitions shall apply:	74
(1) 'cybersecurity' means the protection of network and information systems, their users, and other persons against cyber threats;	(1) 'cybersecurity' means ***all activities necessary to protect*** network and information systems, their users, and ***affected*** persons ***from*** cyber threats;	(1) 'cybersecurity' means ~~the protection~~ **the activities necessary to protect** network and information systems**,** ~~their~~ users **of such systems**, and other persons **affected by** ~~against~~ cyber threats;		(1) 'cybersecurity' means ~~the protection~~ **the activities necessary to protect** network and information systems**,** ~~their~~ users **of such systems**, and other persons **affected by** ~~against~~ cyber threats; [Changes from Council and EP almost identical and mean the same. Council changes retained, just because one had to be picked]	75
	(1a) 'cyber defence' and 'defence dimensions of cybersecurity' means exclusively defensive and	**(1a) 'network and information system' means a network and information system as defined in point (1)**		***(1a) 'cyber defence' and 'defence dimensions of cybersecurity' means exclusively defensive and reactive cyber defence technology***	

	reactive cyber defence technology which aims to protect critical infrastructures, military networks and information systems, their users, and affected persons, against cyber threats including situational awareness, threat detection and digital forensics;	**of Article 4 of Directive (EU) 2016/1148";**		***which aims to protect critical infrastructures, military networks and information systems, their users, and affected persons, against cyber threats including situational awareness, threat detection and digital forensics;*** **(1a) 'network and information system' means a network and information system as defined in point (1) of Article 4 of Directive (EU) 2016/1148";** [Both changes from EP and Council retained]	
(2) 'cybersecurity products and solutions' means ICT products, services or process with the specific purpose of protecting network and information systems, their users and affected persons from cyber threats;	(2) 'products and ***processes*** ' means ***commercial and non-commercial*** ICT products, services or ***processes*** with the specific purpose of protecting ***data,*** network and information systems, their users and ***other*** persons from ***cybersecurity*** threats;	(2) 'cybersecurity products and solutions' means ICT products, services or process with the specific purpose of protecting network and information systems, the~~ir~~ users **of such systems** and **other** affected persons **affected by** ~~from~~ cyber threats;		(2) 'products and ***processes*** ' means ***commercial and non-commercial*** ICT products, services or ***processes*** with the specific purpose of protecting ***data,*** network and information systems, their users and ***other*** persons from ***cybersecurity*** threats; [Changes from EP retained. Council changes are not material]	76
	(2a) 'cyber threat' means any potential circumstance, event or action that may damage, disrupt			***(2a) 'cyber threat' means any potential circumstance, event or action that may damage, disrupt***	77

	or otherwise adversely impact network and information systems, their users and affected persons;			***or otherwise adversely impact network and information systems, their users and affected persons;*** [Changes from EP retained. Council has no changes]	
(3) 'public authority' means any government or other public administration, including public advisory bodies, at national, regional or local level or any natural or legal person performing public administrative functions under national law, including specific duties;	(3) 'public authority' means any government or other public administration, including public advisory bodies, at national, regional or local level or any natural or legal person performing public administrative functions under ***Union and*** national law, including specific duties;	~~**(3) 'public authority' means any government or other public administration, including public advisory bodies, at national, regional or local level or any natural or legal person performing public administrative functions under national law, including specific duties;**~~		(3) 'public authority' means any government or other public administration, including public advisory bodies, at national, regional or local level or any natural or legal person performing public administrative functions under ***Union and*** national law, including specific duties; [Changes from EP retained. Council changes (deletion of article) not retained. Check with Council why they want o delete this definition]	78
(4) 'participating Member State' means a Member State which voluntarily contributes financially to the administrative and operational costs of the Competence Centre.	(4) '***contributing*** Member State' means a Member State which voluntarily contributes financially to the administrative and operational costs of the Competence Centre***;***	~~(4) participating Member State contributing Member State means a Member State which voluntarily contributes financially to the administrative and operational costs of the Competence Centre.~~		(4) '***contributing*** Member State' means a Member State which voluntarily contributes financially to the administrative and operational costs of the Competence Centre***;*** [Changes from EP retained. Council changes (deletion of	79

				article) not retained. Reason: MS may contribute voluntarily]	
	(*4a) 'European Digital Innovation Hubs' means a legal entity as defined in Regulation (EU) 2019/XXX of the European Parliament and of the Council[1a].* *[1a] Regulation (EU) 2019/XXX of the European Parliament and of the Council of ... establishing the Digital Europe programme for the period 2021-2027 (OJ L ...) (2018/0227(COD)).*			(*4a) 'European Digital Innovation Hubs' means a legal entity as defined in Regulation (EU) 2019/XXX of the European Parliament and of the Council[1a].* *[1a] Regulation (EU) 2019/XXX of the European Parliament and of the Council of ... establishing the Digital Europe programme for the period 2021-2027 (OJ L ...) (2018/0227(COD)).* [Changes from EP retained. Council has no changes]	80
		(5) joint actions mean actions funded through voluntary contribution from one or more Member States, and may receive complementary EU funding if so decided by the Governing Board.		**(5) joint actions mean actions funded through voluntary contribution from one or more Member States, and may receive complementary EU funding if so decided by the Governing Board.** [Changes from Council (in dark green) retained. EP has no changes]	81

Article 3	*Article 3*	*Article 3*			82
Mission of the Centre and the Network	**Mission of the Centre and the Network**	**Mission of the ~~Competence~~ Centre and the Network**		**Mission of the ~~Competence~~ Centre and the Network**	83
1. The Competence Centre and the Network shall help the Union to:	1. The Competence Centre and the Network shall help the Union to:	1. The ~~Competence~~ Centre and the Network shall help the Union to:		1. The ~~Competence~~ Centre and the Network shall help the Union to: [EP amendments to article 3.1 are mostly retained. They shouldn't be problematic regarding Council concerns about giving the impression that the Centre has operational capacities, insofar as article 3.1 starts "The Competence Centre and the Network shall help the Union to". But, if necessary to provide Council with furthr reassurance, the text of the EP amendments could start: (ba)"Support awarenes raising…; (bb) "Support the Union's leadership in cybersecurity… ", etc]	84
(a) retain and develop the cybersecurity technological and industrial capacities necessary to secure its Digital Single Market;	(a) develop the cybersecurity technological**,** industrial**,** ***societal, academic and research expertise*** capacities ***and capabilities*** necessary to secure its Digital Single Market ***and***	(a) retain and develop **Union's ~~the~~** cybersecurity **research,** technological and industrial capacities **in an autonomous manner** necessary to **strengthen trust and**		(a) develop **Union's ~~the~~** cybersecurity technological**,** industrial**, *societal, academic and research expertise*** capacities ***and capabilities*** **in an autonomous manner** necessary to **strengthen**	85

	further the protection of data of Union citizens, companies and public administrations;	**security in** ~~secure~~ **the** Digital Single Market;		**trust and security** in view to secure its Digital Single Market ***and further the protection of data of Union citizens, companies and public administrations***; [Both changes from Council (in dark green) and EP retained]	
	(aa) increase the resilience and reliability of the infrastructure of network and information systems, including critical infrastructure, the internet and commonly used hardware and software in the Union;			***(aa) increase the resilience and reliability of the infrastructure of network and information systems, including critical facilities , the internet and commonly used hardware and software in the Union;*** [Changes from EP retained, changing one word, for the reason given under recitals 5 and 14b]	86
(b) increase the competitiveness of the Union's cybersecurity industry and turn cybersecurity into competitive advantage of other Union industries.	(b) increase the competitiveness of the Union's cybersecurity industry and turn cybersecurity into ***a*** competitive advantage of other Union industries.	(b) increase the competitiveness of the Union's cybersecurity industry and turn cybersecurity into competitive advantage of other Union industries.		(b) increase the competitiveness of the Union's cybersecurity industry and turn cybersecurity into ***a*** competitive advantage of other Union industries.	87
	(ba) raise the awareness for cybersecurity threats, and related societal and ethical implications and concerns and			***(ba) raise the awareness for cybersecurity threats, and related societal and ethical implications and concerns and reduce the***	88

	reduce the skills gap in cybersecurity in the Union;			***skills gap in cybersecurity in the Union;*** [Changes from EP retained]	
	(bb) develop the Union's leadership in cybersecurity and ensure the highest cybersecurity standards throughout the Union;			***(bb) develop the Union's leadership in cybersecurity and ensure the highest cybersecurity standards throughout the Union;*** [Changes from EP retained]	89
	(bc) strengthen the Union's competitiveness and capacities while reducing its digital dependence by increasing the uptake of cybersecurity products, processes and services developed within the Union;			***(bc) strengthen the Union's competitiveness and capacities while reducing its digital dependence by increasing the uptake of cybersecurity products, processes and services developed within the Union;*** [Changes from EP retained]	90
	(bd) reinforce the trust of citizens, consumers and businesses in the digital world, and therefore contribute to the goals of the Digital Single Market strategy;			***(bd) reinforce the trust of citizens, consumers and businesses in the digital world, and therefore contribute to the goals of the Digital Single Market strategy;*** [Changes from EP retained]	91
2. The Competence Centre shall undertake its tasks, where	2. The Competence Centre shall undertake its tasks, where	2. The ~~Competence~~ Centre **and the Network** shall		2. The ~~Competence~~ Centre **and the Network** shall undertake	92

appropriate, in collaboration with the Network of National Coordination Centres and a Cybersecurity Competence Community.	appropriate, in collaboration with the Network of National Coordination Centres and a Cybersecurity Competence Community	undertake **their** ~~its~~ tasks, where appropriate, in collaboration with ~~the Network of National Coordination Centres and a~~ **the** Cybersecurity Competence Community.		**their** ~~its~~ tasks, where appropriate, in collaboration with ~~the Network of National Coordination Centres and a~~ **the** Cybersecurity Competence [Changes from Council retained]	
		(2a) Only actions contributing to the missions set out in paragraph 1 shall be eligible for support through Union financial assistance.		**(2a) Union financial assistance should support actions contributing to the missions set out in paragraph.** [Changes from Council not retained literally but alternative formulation proposed. Reason: the Centre regulation should not limit the eligibility rules established in the relevant EU programs. However, the Centre can always establish the scope, objectives and conditions of specific work programs and calls for proposals, which the proposals will be assessed against]	93
Article 4	*Article 4*	*Article 4*		*Article 4*	94
Objectives and Tasks of the Centre	**Objectives and Tasks of the Centre**	**Objectives** ~~and Tasks~~ of the Centre		**Objectives** ~~and Tasks~~ of the Centre	95

The Competence Centre shall have the following objectives and related tasks:	The Competence Centre shall have the following objectives and related tasks:	The ~~Competence~~ Centre shall **enhance the coordination of research, ~~and~~ innovation and deployment in the field of cybersecurity in order to fulfil the missions as described in Article 3, strengthen the competitiveness of the European Union and its Digital Single Market, by defining strategic orientations for research, innovation and deployment in cybersecurity, implementing actions under relevant EU funding programmes in line with the defined Union's strategic orientationsand by-stimulating cooperation and coordination within National Coordination Centres and–Cybersecurity Competence Community.** ~~: have the following objectives and related tasks:~~		The ~~Competence~~ Centre shall [For this article, the Council text was used as basis and EP text added (marked in dark green). Text not coming from Council or EP marked in purple. Content unaltered but order slightly changed (to put the most strategic objective upfront) article break down this article into different numbers, in order to improve readability] 1. enhance cybersecurity ***resilience, capacities,*** capabilities, knowledge and infrastructures at the service of ***society,*** industries, the public sector and research communities, as well as **strengthen the competitiveness of the European Union and its Digital Single Market, by defining strategic orientations for research, innovation and deployment in cybersecurity**	96
				2. **enhance the coordination of research, ~~and~~ innovation and deployment in the field of**	97

				cybersecurity in order to fulfil the missions as described in Article 3, contributing to the wide deployment of state-of-the-art and sustainable cyber security products and processes across the Union, in particular by: (a) stimulating cybersecurity research, development and the uptake of Union cybersecurity products and holistic processes throughout the entire innovation cycle, by, inter alia, public authorities, the industry and the market; (b) assisting public authorities, demand side industries and other users in increasing their resilience by adopting and integrating state-of-the-art cybersecurity products and processes;	

				(c) supporting in particular public authorities in organising their public procurement, or carrying out procurement of state-of-the-art cybersecurity products and processes on behalf of public authorities, including by providing support for procurement, to increase the security of and the benefits from public investment; (d) ensuring respect for fundamental rights and ethical conduct in cybersecurity research projects supported by the Competence Centre	
				3. **implementing actions under relevant EU funding programmes in line with the defined Union's strategic orientations**	98

				4. **and by-stimulating cooperation and coordination within National Coordination Centres and–Cybersecurity Competence Community.** ~~. have the following objectives and related tasks:~~	99
1. facilitate and help coordinate the work of the National Coordination Centres Network ('the Network') referred to in Article 6 and the Cybersecurity Competence Community referred to in Article 8;	1. ***create, manage and*** facilitate the Network referred to in Article 6 and the Community referred to in Article 8;	~~1. facilitate and help coordinate the work of the National Coordination Centres Network ('the Network') referred to in Article 6 and the Cybersecurity Competence Community referred to in Article 8;~~		*CNS Art 4a(4*)	100
2. contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX[32] and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] and of the Horizon Europe Programme established by	2. ***coordinate*** the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX[26] and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] and of the Horizon Europe Programme established by Regulation No XXX[27] and in	~~2. contribute to the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX[34] and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] and of the Horizon Europe Programme established~~		*CNS Art 4a(2)* [EP text added to article 4a.2]	101

[32] [add full title and OJ reference]

[34] [add full title and OJ reference]

Regulation No XXX[33] and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref. number of the Specific Programme]. and of other Union programmes when provided for in legal acts of the Union];	particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref. number of the Specific Programme]. and of other Union programmes when provided for in legal acts of the Union] ***and contribute to the implementation of the actions funded by the European Defence Fund established by Regulation (EU) 2019/XXX***; _____ 26 [add full title and OJ reference] 27 [add full title and OJ reference]	~~by Regulation No XXX[35] and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref. number of the Specific Programme]. and of other Union programmes when provided for in legal acts of the Union];~~			
3. enhance cybersecurity capabilities, knowledge and	3. enhance cybersecurity ***resilience, capacities,***	~~3. enhance cybersecurity capabilities, knowledge and~~		*Art 4a (2)CNS*	102

[33] [add full title and OJ reference]
[35] [add full title and OJ reference]

infrastructures at the service of industries, the public sector and research communities, by carrying out the following tasks:	capabilities, knowledge and infrastructures at the service of ***society,*** industries, the public sector and research communities, by carrying out the following tasks***, having regard to the state-of-the-art cybersecurity industrial and research infrastructures and related services***:	~~infrastructures at the service of industries, the public sector and research communities, by carrying out the following tasks:~~		[EP text added to new article 4.1]	
(a) having regard to the state-of-the-art cybersecurity industrial and research infrastructures and related services , acquiring, upgrading, operating and making available such infrastructures and related services to a wide range of users across the Union from industry including SMEs, the public sector and the research and scientific community;	(a) acquiring, upgrading, operating and making available ***the Competence Centre's facilities*** and related services ***in a fair, open and transparent way*** to a wide range of users across the Union from industry ***in particular*** SMEs, the public sector and the research and scientific community;	~~having regard to the state-of-the-art cybersecurity industrial and research infrastructures and related services , acquiring, upgrading, operating and making available such infrastructures and related services to a wide range of users across the Union from industry including SMEs, the public sector and the research and scientific community;~~		[EP text added to article 4a.5]	103
(b) having regard to the state-of-the-art cybersecurity industrial and research infrastructures and related services, providing support to other entities, including financially, to acquiring, upgrading, operating and making available such infrastructures and related services to a wide range of	(b) providing support to other entities, including financially, to acquiring, upgrading, operating and making available such ***facilities*** and related services to a wide range of users across the Union from industry***, in particular*** SMEs, the public	~~(b) having regard to the state-of-the-art cybersecurity industrial and research infrastructures and related services, providing support to other entities, including financially, to acquiring, upgrading, operating and making available such infrastructures~~		*Art 4a(3)* *EP particular attention to SMEs* [EP text added to article 4a.5]	104

users across the Union from industry including SMEs, the public sector and the research and scientific community;	sector and the research and scientific community;	~~and related services to a wide range of users across the Union from industry including SMEs, the public sector and the research and scientific community;~~			
	(ba) providing financial support and technical assistance to cybersecurity start-ups, SMEs, microenterprises, associations, individual experts and to civic tech projects;			*Art 4a (4) CNS + add non infringement eligibility programme + microenterprises, associations, individual experts and to civic tech projects;* [EP text added to article 4a.5]	105
	(bb) financing software security code audits and related improvements for Free and Open Source Software projects, commonly used for infrastructure, products and processes;			*Sensitive issue for rapporteur* [EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if finally retained, this could be placed under article 4a2]	106
(c) providing cybersecurity knowledge and technical assistance to industry and public authorities, in particular by supporting actions aimed at facilitating access to the expertise available in the Network and the Cybersecurity Competence Community;	(c) ***facilitating the sharing of*** cybersecurity knowledge and technical assistance ***among others to civil society, the*** industry and public authorities***, and the academic and research community***, in particular by supporting actions aimed at facilitating access to the expertise available in the	~~(c) providing cybersecurity knowledge and technical assistance to industry and public authorities, in particular by supporting actions aimed at facilitating access to the expertise available in the Network and the Cybersecurity Competence Community;~~		*Art 4a(5), COM compromise wording awaited* [EP text added to article 4a.5]	107

	Network and the Cybersecurity Competence Community ***with the aim of improving cyber resilience within the Union***;				
	(ca) promoting "security by design" as principle in the process of developing, maintaining, operating, and updating infrastructures, products and services, in particular by supporting state-of-the-art secure development methods, adequate security testing, security audits, and including the commitment of producer or provider to make available updates remedying new vulnerabilities or threats, without delay, and beyond the estimated product lifetime, or enabling a third party to create and provide such updates;			*Art 4a(2)CNS "good cybersecurity practices"*	108
	(cb) assisting source code contribution policies and their development, in particular for public authorities where Free and Open Source Software projects are used;			*Can be linked with EP (bb)* [EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if finally retained, this could be placed under article 4a2]	109

	(cc) bringing together stakeholders from industry, trade unions, academia, research organisations and public entities to ensure long-term cooperation on developing and implementing cybersecurity products and processes, including pooling and sharing of resources and information regarding such products and processes if appropriate;			*Art 4a(5) CNS* [EP text added to article 4a.5]	110
4. contribute to the wide deployment of state-of-the-art cyber security products and solutions across the economy, by carrying out the following tasks:	4. contribute to the wide deployment of state-of-the-art ***and sustainable*** cyber security products and ***processes*** across the ***Union***, by carrying out the following tasks:	~~4. contribute to the wide deployment of state-of-the-art cyber security products and solutions across the economy, by carrying out the following tasks:~~		*Art 4a(2) CNS* *COM proposal awaited,* [EP text added to new article 4.2]	111
(d) stimulating cybersecurity research, development and the uptake of Union cybersecurity products and solutions by public authorities and user industries;	(a) stimulating cybersecurity research, development and the uptake of Union cybersecurity products and ***holistic processes throughout the entire innovation cycle, by, inter alia,*** public authorities***, the industry and the market***;	~~(a) stimulating cybersecurity research, development and the uptake of Union cybersecurity products and solutions by public authorities and user industries;~~		*Art 4a(2) CNS* *COM proposal awaited,* [EP text added to new article 4.2]	112
(e) assisting public authorities, demand side industries and other	(b) assisting public authorities, demand side	~~(b) assisting public authorities, demand side~~		*Art 4a(2) CNS*	113

users in adopting and integrating the latest cyber security solutions;	industries and other users in ***increasing their resilience by*** adopting and integrating ***state-of-the-art cybersecurity products and processes***;	~~industries and other users in adopting and integrating the latest cyber security solutions;~~		*COM proposal awaited,* [EP text added to new article 4.2]	
(f) supporting in particular public authorities in organising their public procurement, or carrying out procurement of state-of-the-art cybersecurity products and solutions on behalf of public authorities;	(c) supporting in particular public authorities in organising their public procurement, or carrying out procurement of state-of-the-art cybersecurity products and ***processes*** on behalf of public authorities***, including by providing support for procurement, to increase the security of and the benefits from public investment***;	~~(c) supporting in particular public authorities in organising their public procurement, or carrying out procurement of state-of-the-art cybersecurity products and solutions on behalf of public authorities;~~		*Art 4a(2) CNS* *COM proposal awaited,* [EP text added to new article 4.2]	114
(g) providing financial support and technical assistance to cybersecurity start-ups and SMEs to connect to potential markets and to attract investment;	(d) providing financial support and technical assistance to cybersecurity start-ups and SMEs***, micro-enterprises, individual experts, commonly used Free and Open Source Software projects, and civic tech projects, to enhance expertise on cybersecurity,*** connect to potential markets and ***deployment opportunities, and*** to attract investment;	~~(d) providing financial support and technical assistance to cybersecurity start-ups and SMEs to connect to potential markets and to attract investment;~~		*Art 4a(2) CNS* *COM proposal awaited* [EP text added to new article 4.2]	115
5. improve the understanding of cybersecurity and contribute to	5. improve the understanding of cybersecurity and contribute	~~5. improve the understanding of cybersecurity and contribute~~		*Art 4a(5) CNS*	116

reducing skills gaps in the Union related to cybersecurity by carrying out the following tasks:	to reducing skills gaps ***and strengthening the level of skills*** in the Union related to cybersecurity by carrying out the following tasks:	~~to reducing skills gaps in the Union related to cybersecurity by carrying out the following tasks:~~		[EP text added to new article 4.5]	
	(a) supporting, where appropriate, the achievement of the specific objective 4, Advanced digital skills, of the Digital Europe Programme in cooperation with European Digital Innovation Hubs;			[EP text added to article 4a.5]	117
(h) supporting further development of cybersecurity skills , where appropriate together with relevant EU agencies and bodies including ENISA.	(a) supporting further development***, pooling, and sharing*** of cybersecurity skills ***and competences at all relevant educational levels, supporting the objective of achieving gender balance, facilitating a common high level of cybersecurity knowledge and contributing to the resilience of users and infrastructures throughout the Union in cooperation with the Network and***, where appropriate***, aligning*** with relevant EU agencies and bodies including ENISA***;***	~~(h) supporting further development of cybersecurity skills , where appropriate together with relevant EU agencies and bodies including ENISA.~~		[EP text added to article 4a.5]	118
6. contribute to the reinforcement of cybersecurity	6. contribute to the reinforcement of cybersecurity	~~6. contribute to the reinforcement of cybersecurity~~			119

research and development in the Union by:	research and development in the Union by:	~~research and development in the Union by:~~			
(i) providing financial support to cybersecurity research efforts based on a common, continuously evaluated and improved multiannual strategic, industrial, technology and research agenda;	(a) providing financial support to cybersecurity research efforts based on a common, continuously evaluated and improved multiannual strategic, industrial, technology and research ***plan referred to in Article 13*** ;	~~(i) providing financial support to cybersecurity research efforts based on a common, continuously evaluated and improved multiannual strategic, industrial, technology and research agenda;~~			120
(j) support large-scale research and demonstration projects in next generation cybersecurity technological capabilities, in collaboration with the industry and the Network;	(b) ***supporting*** large-scale research and demonstration projects in next generation cybersecurity technological capabilities, in collaboration with the industry***, the academic and research community, public sector and authorities, including*** the Network ***and the Community*** ;	~~(j) support large-scale research and demonstration projects in next generation cybersecurity technological capabilities, in collaboration with the industry and the Network;~~		[EP text added to article 4a.3]	121
	(ba) ensuring respect for fundamental rights and ethical conduct in cybersecurity research projects supported by the Competence Centre;			[EP text added to new article 4.2]	122
	(bb) monitoring reports of vulnerabilities discovered by the Community and facilitating the disclosure of			[EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if	123

	vulnerabilities, the development of patches, fixes and solutions, and the distribution of those;			finally retained, this could be placed under article 4a2]	
	(bc) monitoring research results regarding self-learning algorithms used for malicious cyber activities in collaboration with ENISA and supporting the implementation of Directive (EU) 2016/1148 ;			[EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if finally retained, this could be placed under article 4a2]	124
	(bd) supporting research in the field of cybercrime;			[EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if finally retained, this could be placed under article 4a2]	125
	(be) supporting the research and development of products and processes that can be freely studied, shared, and built upon, in particular in the field of verified and verifiable hardware and software, in close cooperation with the industry, the Network and the Community;			[EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if finally retained, this could be placed under article 4a2]	126
(k) support research and innovation for standardisation in cybersecurity technology	(c) support research and innovation for ***formal and non-formal*** standardisation ***and certification*** in cybersecurity			[EP text not retained. Reason: this doesn't belong to a Regulation but to work programme choices. But if	127

	technology***, linking to the existing work and where appropriate in close cooperation with the European Standardisation Organisations, certification bodies and ENISA;***			finally retained, this could be placed under article 4a2]	
	(ca) provide special support to SMEs by facilitating their access to knowledge and training through tailored access to the deliverables of research and development reinforced by the Competence Centre and the Network in order to increase competitiveness;			[EP text added to new article 4.4, although replacing "tailored" by "easy"]	128
7. enhance cooperation between the civil and defence spheres with regard to dual use technologies and applications in cybersecurity, by carrying out the following tasks:	7. enhance cooperation between the civil and defence spheres with regard to dual use technologies and applications in cybersecurity, by carrying out the following tasks, ***which shall be reactive and defensive cyber defence technology, applications and services:***	~~7. enhance cooperation between the civil and defence spheres with regard to dual use technologies and applications in cybersecurity, by carrying out the following tasks:~~		*Art 4a(6) and recital 18a CNS* *Political issue* [EP text added to new article 4.6]	129
(l) supporting Member States and industrial and research stakeholders with regard to	(a) supporting Member States and industrial and research stakeholders with regard to	~~(l) supporting Member States and industrial and research stakeholders with regard to~~			130

research, development and deployment;	research, development and deployment;	~~research, development and deployment;~~			
(m) contributing to cooperation between Member States by supporting education, training and exercises ;	(b) contributing to cooperation between Member States by supporting education, training and exercises ;	~~(m) contributing to cooperation between Member States by supporting education, training and exercises ;~~			131
(n) bringing together stakeholders, to foster synergies between civil and defence cyber security research and markets;	(c) bringing together stakeholders, to foster synergies between civil and defence cyber security research and markets;	~~(n) bringing together stakeholders, to foster synergies between civil and defence cyber security research and markets;~~			132
8. enhance synergies between the civil and defence dimensions of cybersecurity in relation to the European Defence Fund by carrying out the following tasks:	8. enhance synergies between the civil and defence dimensions of cybersecurity in relation to the European Defence Fund by carrying out the following tasks ***which shall be reactive and defensive cyber defence technology, applications and services:***	~~8. enhance synergies between the civil and defence dimensions of cybersecurity in relation to the European Defence Fund by carrying out the following tasks:~~		[EP text added to new article 4.6]	133
(o) providing advice, sharing expertise and facilitating collaboration among relevant stakeholders;	(a) providing advice, sharing expertise and facilitating collaboration among relevant stakeholders;	~~(o) providing advice, sharing expertise and facilitating collaboration among relevant stakeholders;~~			134
(p) managing multinational cyber defence projects, when requested by Member States, and thus acting as a project manager within the meaning of Regulation	(b) managing multinational cyber defence projects, when requested by Member States, and thus acting as a project manager within the meaning of	(p) ~~managing multinational cyber defence projects, when requested by Member States, and thus acting as a project manager within the meaning of~~			135

XXX [Regulation establishing the European Defence Fund].	Regulation XXX [Regulation establishing the European Defence Fund].	~~Regulation XXX [Regulation establishing the European Defence Fund].~~			
	(ba) assisting and providing advice to the Commission with regard to the implementation of Regulation (EU) 2019/XXX [recast of Regulation (EC) No 428/2009 as proposed by COM(2016)616].				136
	8a. contribute to the Union's efforts to enhance international cooperation with regard to cybersecurity by:			*Art 10 CNS*	137
	(a) facilitating the participation of the Competence Centre in international conferences and governmental organisations as well as the contribution to international standardisation organisations;				138
	(b) cooperating with third countries and international organisations within relevant international cooperation frameworks.				139
		Article 4a		[For this article, the Council text used as basis and EP text added	140

				(marked in dark green). Text not coming from Council or EP marked in purple]	
		Tasks of the Centre		**Tasks of the Centre**	141
		In order to fulfill the mission laid out in Article 3 and the objectives laid out in Article 4, the Centre shall in close cooperation with the Network have the following tasks:		**In order to fulfill the mission laid out in Article 3 and the objectives laid out in Article 4, the Centre shall in close cooperation with the Network have the following tasks:**	142
		1. **Set up and update the multi-annual strategic plan for the Centre, the Network and the Community, with a view to supporting European excellence, capacities and competitiveness on cybersecurity;**		1. **Set up and update the multi-annual strategic plan for the Centre, the Network and the Community, with a view to supporting European excellence, capacities and competitiveness on cybersecurity;**	143
		2. Establish annual work plan for the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] and of the Horizon Europe Programme established by		**2. Establish annual work plan for the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX and in particular actions related to Article 6 of Regulation (EU) No XXX [Digital Europe Programme] and of the Horizon Europe Programme established by Regulation No XXX and in**	144

		Regulation No XXX and in particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref. number of the Specific Programme] and of other Union programmes when provided for in legal acts of the Union]. This shall in particular facilitate the use of results from scientific research projects in ~~within~~ actions related to the development of cyber products and solutions, seeking to avoid ~~fragmentation~~ duplication of efforts and to replicate good cybersecurity practices, products and solutions, including those developed by SMEs and those based on open-source software. Support to deployment of cybersecurity products and solutions shall to the extent possible rely on the European certification		**particular Section 2.2.6 of Pillar II of Annex I. of Decision No XXX on establishing the specific programme implementing Horizon Europe – the Framework Programme for Research and Innovation[ref. number of the Specific Programme] and of other Union programmes when provided for in legal acts of the Union]. Contribute to the implementation of the actions funded by the European Defence Fund established by Regulation (EU) 2019/XXX This shall in particular facilitate the use of results from scientific research projects in ~~within~~ actions related to the development of cyber products and solutions, seeking to avoid ~~fragmentation~~ duplication of efforts and to replicate good cybersecurity practices, products and solutions, including those developed by SMEs and those based on open-source software. Support to deployment of cybersecurity products and solutions shall to the extent possible rely on the European certification**	

		framework as defined by the cybersecurity act;		**framework as defined by the cybersecurity act;**	
		3. Facilitate the acquisition of cybersecurity infrastructures – at the service of industries, the public sector and research communities, through voluntary contributions from Member States and EU funding for joint actions, in line with the strategic plan and the work plans. EU funding shall not be conditioned to voluntary funding from Member States;		[Sentence on EU funding may be problematic. Check] **3. Facilitate the acquisition of cybersecurity infrastructures – at the service of industries, the public sector and research communities, through voluntary contributions from Member States and EU funding for joint actions, in line with the strategic plan and the work plans. *Support*** large-scale research and demonstration projects in next generation cybersecurity technological capabilities, in collaboration with the industry***, the academic and research community, public sector and authorities, including*** the Network ***and the Community.*** **EU funding shall not be conditioned to voluntary funding from Member States;**	145
		4. Coordinate the work of the Network and the Community in order to		*add non infringement eligibility programme + microenterprises,*	146

		achieve the mission set out in Article 3, in particular supporting cybersecurity start-ups and SMEs in Europe, facilitating their access to expertise, funding, investment and to markets;		*associations, individual experts and to civic tech projects* **4. coordinate the work of the Network and the Community in order to achieve the mission set out in Article 3, in particular supporting cybersecurity start-ups and SMEs in Europe, facilitating their access to expertise, funding, investment and to markets in particular by:** a) ensuring that facilities, services and products developed with funding managed by the centre are available in a fair, open and transparent way to a wide range of users across the Union from industry in particular SMEs, the public sector and the research and scientific community; (b) providing support to other entities, including financially, to acquiring, upgrading, operating and	

				making available such facilities and related services to a wide range of users across the Union from industry, in particular SMEs, the public sector and the research and scientific community; (c) providing financial support and technical assistance to cybersecurity start-ups, SMEs, microenterprises, associations, individual experts and to civic tech projects; (d) providing special support to SMEs by facilitating their access to knowledge and training through easy access to the deliverables of research and development reinforced by the Competence Centre and the Network in order to increase competitiveness;	

		5. Facilitate collaboration and sharing of expertise among relevant stakeholders, in particular members of the Community; this may include financially supporting education, training, ~~and~~ exercises and building up cyber security skills;		**5. Facilitate collaboration and sharing of expertise among relevant stakeholders, in particular members of the Community** **and strengthen the level of skills in the Union related to cybersecurity;** **including by financially supporting education, training, ~~and~~ exercises and building up cyber security skills, and by:** (a) facilitating the sharing of cybersecurity knowledge and technical assistance among others to civil society, the industry and public authorities, and the academic and research community, in particular by supporting actions	147

				aimed at facilitating access to the expertise available in the Network and the Cybersecurity Competence Community with the aim of improving cyber resilience within the Union; (b) promoting “security by design” as principle in the process of developing, maintaining, operating, and updating infrastructures, products and services, in particular by supporting state-of-the-art secure development methods, adequate security testing, security audits, and including the commitment of producer or provider to make available updates remedying new vulnerabilities or threats, without delay, and beyond the estimated product lifetime, or	

				enabling a third party to create and provide such updates; (cc) bringing together stakeholders from industry, trade unions, academia, research organisations and public entities to ensure long-term cooperation on developing and implementing cybersecurity products and processes, including pooling and sharing of resources and information regarding such products and processes if appropriate; (c) providing financial support and technical assistance to cybersecurity start-ups and SMEs**,** ***micro-enterprises, individual experts, commonly used Free and Open Source Software projects,***	

				and civic tech projects, to enhance expertise on cybersecurity, connect to potential markets and ***deployment opportunities, and*** to attract investment; (d) improve the understanding of cybersecurity and contribute to reducing skills gaps and strengthening the level of skills in the Union related to cybersecurity by carrying out the following tasks: (e) supporting, where appropriate, the achievement of the specific objective 4, Advanced digital skills, of the Digital Europe Programme in cooperation with European Digital Innovation Hubs; (f) supporting further development, pooling, and sharing of cybersecurity skills and	

				competences at all relevant educational levels, supporting the objective of achieving gender balance, facilitating a common high level of cybersecurity knowledge and contributing to the resilience of users and infrastructures throughout the Union in cooperation with the Network and, where appropriate, aligning with relevant EU agencies and bodies including ENISA;	
		6. Without prejudice to the civilian nature of projects to be financed from Horizon Europe and Digital Europe Programme and in line with the respective program regulations. enhance synergies and exchange of knowledge and coordination between the cybersecurity civilian and defence spheres,		**6. Without prejudice to the civilian nature of projects to be financed from Horizon Europe and Digital Europe Programme and in line with the respective program regulations, enhance synergies and exchange of knowledge and coordination between the cybersecurity civilian and defence spheres, carrying out tasks** which shall be reactive and defensive cyber defence technology, applications and services, including assisting and providing advice to the	148

				Commission with regard to the implementation of Regulation (EU) 2019/XXX [recast of Regulation (EC) No 428/2009 as proposed by COM(2016)616].	
Article 5	*Article 5*	~~*Article 5*~~			149
Investment in and use of infrastructures, capabilities, products or solutions	Investment in and use of infrastructures, capabilities, products or ***processes***	~~Investment in and use of infrastructures, capabilities, products or solutions~~			150
1. Where the Competence Centre provides funding for infrastructures, capabilities, products or solutions pursuant to Article 4(3) and (4) in the form of a grant or a prize, the work plan of the Competence Centre may specify in particular:	1. Where the Competence Centre provides funding for infrastructures, capabilities, products or ***processes*** pursuant to Article 4(3) and (4) in the form of a ***procurement,*** grant or a prize, the work plan of the Competence Centre may specify in particular:	~~1. Where the Competence Centre provides funding for infrastructures, capabilities, products or solutions pursuant to Article 4(3) and (4) in the form of a grant or a prize, the work plan of the Competence Centre may specify in particular:~~ ~~rules governing the operation of an infrastructure or capability, including where relevant entrusting the operation to a hosting entity based on criteria that the Competence Centre shall define;~~ ~~rules governing access to and use of an infrastructure or capability.~~			151

(c) rules governing the operation of an infrastructure or capability, including where relevant entrusting the operation to a hosting entity based on criteria that the Competence Centre shall define;	(a) ***specific*** rules governing the operation of an infrastructure or capability, including where relevant entrusting the operation to a hosting entity based on criteria that the Competence Centre shall define;				152
(d) rules governing access to and use of an infrastructure or capability.	(b) rules governing access to and use of an infrastructure or capability.				153
	(ba) specific rules governing different phases of implementation;				154
	(bb) that as a result of Union contribution, access is as open as possible and as closed as necessary, and re-use is possible.				155
2. The Competence Centre may be responsible for the overall execution of relevant joint procurement actions including pre-commercial procurements on behalf of members of the Network, members of the cybersecurity Competence Community, or other third parties representing the users of	2. The Competence Centre may be responsible for the overall execution of relevant joint procurement actions including pre-commercial procurements on behalf of members of the Network. For this purpose, the Competence Centre may be assisted by one or more National Coordination	~~2. The Competence Centre may be responsible for the overall execution of relevant joint procurement actions including pre-commercial procurements on behalf of members of the Network, members of the cybersecurity Competence Community, or other third parties representing~~			156

cybersecurity products and solutions. For this purpose, the Competence Centre may be assisted by one or more National Coordination Centres or members of the Cybersecurity Competence Community.	Centres**,** members of the Cybersecurity Competence Community ***or relevant European Digital Innovation Hubs***.	~~the users of cybersecurity products and solutions. For this purpose, the Competence Centre may be assisted by one or more National Coordination Centres or members of the Cybersecurity Competence Community.~~			
Article 6	*Article 6*	*Article 6*		*Article 6*	157
Nomination of National Coordination Centres	**Nomination of National Coordination Centres**	**Nomination of National Coordination Centres**		**Nomination of National Coordination Centres**	158
	-1. A single National Coordination Centre shall be set up in each Member State.			***-1. A single National Coordination Centre shall be set up in each Member State.***	159
1. By [date], each Member State shall nominate the entity to act as the National Coordination Centre for the purposes of this Regulation and notify it to the Commission.	1. By [date], each Member State shall nominate the entity to act as the National Coordination Centre for the purposes of this Regulation and notify it to the Commission.	1. By [date], each Member State shall nominate the entity to act as the National Coordination Centre for the purposes of this Regulation and notify it to the **Governing Board of the Centre** ~~Commission~~**.**		1. By [date], each Member State shall nominate the entity to act as the National Coordination Centre for the purposes of this Regulation and notify it to the Commission. [Text as EC proposal and EP report. Assessment of nominated NCCs, which will receive direct financial support, is a red line for the Commission.]	160
2. On the basis of an assessment concerning the compliance of that entity with the	2. On the basis of an assessment concerning the compliance of that entity with	2. On the basis of **the nomination by a Member State of an entity which fulfils** the		2. On the basis of an assessment concerning the compliance of that entity with the criteria laid down in	161

criteria laid down in paragraph 4, the Commission shall issue a decision within 6 months from the nomination transmitted by the Member State providing for the accreditation of the entity as a National Coordination Centre or rejecting the nomination. The list of National Coordination Centres shall be published by the Commission.	the criteria laid down in paragraph 4, the Commission shall issue a decision within 6 months from the nomination transmitted by the Member State providing for the accreditation of the entity as a National Coordination Centre or rejecting the nomination. The list of National Coordination Centres shall be published by the Commission.	criteria laid down in paragraph 4, the ~~Commission~~ **Governing Board** shall ~~issue a decision within 6 months from the nomination transmitted by the Member State providing for the accreditation~~ **register** the entity as a National Coordination Centre **no later than 3 months** ~~or rejecting the nomination~~. The list of National Coordination Centres shall be published by the **Centre** ~~**Commission**~~**.**		paragraph 4, the Commission shall issue a decision within 6 months from the nomination transmitted by the Member State providing for the accreditation of the entity as a National Coordination Centre or rejecting the nomination. The list of National Coordination Centres shall be published by the Commission. [Text as EC proposal and EP report. Assessment of nominated NCCs, which will receive direct financial support, is a red line for the Commission.]	
3. Member States may at any time nominate a new entity as the National Coordination Centre for the purposes of this Regulation. Paragraphs 1 and 2 shall apply to nomination of any new entity.	3. Member States may at any time nominate a new entity as the National Coordination Centre for the purposes of this Regulation. Paragraphs 1 and 2 shall apply to nomination of any new entity.	3. Member States may at any time nominate a new entity as the National Coordination Centre for the purposes of this Regulation. Paragraphs 1 and 2 shall apply to **the** nomination of any new entity.		3. Member States may at any time nominate a new entity as the National Coordination Centre for the purposes of this Regulation. Paragraphs 1 and 2 shall apply to **the** nomination of any new entity.	162
4. The nominated National Coordination Centre shall have the capability to support the Competence Centre and the Network in fulfilling their mission laid out in Article 3 of this Regulation. They shall possess or have direct access to technological expertise in	4. The nominated National Coordination Centre shall have the capability to support the Competence Centre and the Network in fulfilling their mission laid out in Article 3 of this Regulation. They shall possess or have direct access to technological expertise in	4. The nominated National Coordination Centre shall ~~have~~**be a public sector or an entity with a majority of public participation performing public administrative functions under national law or upon general delegation, subject to public**		4. The nominated National Coordination Centre shall ~~have~~**be a public sector or an entity with a majority of public participation performing public administrative functions under national law or upon general delegation, subject to public law obligations having** the capability to support the	163

cybersecurity and be in a position to effectively engage and coordinate with industry, the public sector and the research community.	cybersecurity and be in a position to effectively engage and coordinate with industry, the public sector***, the academic and*** research community***, and citizens***. ***The Commission shall issue guidelines further detailing the assessment procedure and explaining the application of the criteria.***	**law obligations having** the capability to support the ~~Competence~~ Centre and the Network in fulfilling their mission laid out in Article 3 of this Regulation. ~~They~~ **It** shall **either** possess or have ~~direct~~ access to **research and** technological expertise in cybersecurity**.** ~~and be in a position~~**It shall** ~~should~~ **also have the capacity** to effectively engage and coordinate with **the** industry, the public sector**, including authorities designated pursuant to the Directive (EU) 2016/1148 of the European Parliament and of the Council**[36]**,** and the research community. **They shall also have the administrative capacity to manage funds.**		~~Competence~~ Centre and the Network in fulfilling their mission laid out in Article 3 of this Regulation. ~~They~~ **It** shall **either** possess or have ~~direct~~ access to **research and** technological expertise in cybersecurity**.** ~~and be in a position~~**It shall** ~~should~~ **also have the capacity** to effectively engage and coordinate with **the** industry, the public sector**, including authorities designated pursuant to the Directive (EU) 2016/1148 of the European Parliament and of the Council**[37]**,** and the **academic and** research community. **They shall also have the administrative capacity to manage funds.** [Council text plus EP reference to "academic". No need for delegated acts as this would impede the swift implementation of this Regulation.**.]**	

[36] **Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).**

[37] **Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union (OJ L 194, 19.7.2016, p. 1).**

5. The relationship between the Competence Centre and the National Coordination Centres shall be based on a contractual agreement signed between the Competence Centre and each of the National Coordination Centres. The agreement shall provide for the rules governing the relationship and division of tasks between the Competence Centre and each National Coordination Centre.	5. The relationship between the Competence Centre and the National Coordination Centres shall be based on a ***standard*** contractual agreement signed between the Competence Centre and each of the National Coordination Centres. The agreement shall ***consist of the same set of harmonised general conditions providing*** the rules governing the relationship and division of tasks between the Competence Centre and each National Coordination Centre ***and special conditions tailored to the particular National Coordination Centre***.	~~5. The relationship between the Competence Centre and the National Coordination Centres shall be based on a harmonised contractual agreement signed between the Competence Centre and each of the National Coordination Centres. The agreement shall provide for the rules governing the relationship and division of tasks between the Competence Centre and each National Coordination Centre.~~		[No text If the Commission retains a role in assessing the nominated entities, and in view of the fact that there will be grant agreemnts for direct financial support to each NCC, the need for a contractual agreement is not absolute.]	164
	5a. The Commission shall adopt delegated acts in accordance with Article 45a in order to supplement this Regulation by establishing the harmonised general conditions of the contractual agreements referred to in paragraph 5 of this Article, including their format.			Horizontal issue - EP text bracketed ***[5a. The Commission shall adopt delegated acts in accordance with Article 45a in order to supplement this Regulation by establishing the harmonised general conditions of the contractual agreements referred to in paragraph 5 of this Article, including their format.]*** If the Commission retains a role in assessing the nominated entities,	165

				and in view of the fact that there will be grant agreemnts for direct financial support to each NCC, the need for a contractual agreement is not absolute.]	
6. The National Coordination Centres Network shall be composed of all the National Coordination Centres nominated by the Member States.	6. The National Coordination Centres Network shall be composed of all the National Coordination Centres nominated by the Member States.	6. The National Coordination Centres Network shall be composed of all the National Coordination Centres nominated by the Member States.		6. The National Coordination Centres Network shall be composed of all the National Coordination Centres nominated by the Member States.	166
Article 7	*Article 7*	*Article 7*		*Article 7*	167
Tasks of the National Coordination Centres	**Tasks of the National Coordination Centres**	**Tasks of the National Coordination Centres**		**Tasks of the National Coordination Centres**	168
1. The National Coordination Centres shall have the following tasks:	1. The National Coordination Centres shall have the following tasks:	1. The National Coordination Centres shall have the following tasks:		1. The National Coordination Centres shall have the following tasks:	169
(e) supporting the Competence Centre in achieving its objectives and in particular in coordinating the Cybersecurity Competence Community;	(a) supporting the Competence Centre in achieving its objectives and in particular in ***establishing and*** coordinating the Cybersecurity Competence Community;	a) **acting as contact point at the national level for the Cybersecurity Competence Community** support~~ing~~ the ~~Competence~~ Centre in achieving its objective **and mission**~~s and~~ in particular in coordinating the Cybersecurity Competence Community **through the**		a) **acting as contact point at the national level for the Cybersecurity Competence Community** support~~ing~~ the ~~Competence~~ Centre in achieving its objective **and mission**~~s and~~ in particular in ***establishing and*** coordinating the Cybersecurity Competence Community **through**	170

		coordination of its national members;		**the coordination of its national members**; [EP and Council texts merged.]	
		aa) providing expertise to the strategic planning of the activities according to Article 4a taking into account relevant challenges for cybersecurity from different sectors;		**aa) providing expertise to the strategic planning of the activities according to Article 4a taking into account relevant challenges for cybersecurity from different sectors; (possible deletion tbc)**	171
(f) facilitating the participation of industry and other actors at the Member State level in cross-border projects;	(b) ***promoting, encouraging and*** facilitating the participation of ***civil society,*** industry***, in particular start-ups and SMEs, academic and research community*** and other actors at the Member State level in cross-border projects;	b) facilitating the participation of industry**, research institutions** and other actors at the Member State level in cross-border projects;		(b) ***promoting, encouraging and*** facilitating the participation of ***civil society,*** industry***, in particular start-ups and SMEs, academic and research community*** and other actors at the Member State level in cross-border projects, without prejudice to the financial programmes' provisions; [EP text]	172
	(ba) in cooperation with other entities with similar tasks, operating as a one-stop-shop for cybersecurity products and processes financed through other Union programmes like InvestEU or the Single Market			[to be clarified] cooperation with other relevant entities with similar tasks in the area of cybersecurity EP proposal to follow	173

	Programme, in particular for SMEs;			Move cooperation aspect to other article???	
(g) contributing, together with the Competence Centre, to identifying and addressing sector-specific cyber security industrial challenges;	(c) contributing, together with the Competence Centre, to identifying and addressing sector-specific cyber security ~~intustrial~~ challenges;	~~c) contributing, together with the Competence Centre, to identifying and addressing sector-specific cyber security industrial challenges;~~		[Council text on aa covers the same topic but is more specific.]	174
	(ca) cooperating closely with National Standardisation Organisations to promote the uptake of existing standards and to involve all relevant stakeholders, particularly SMEs, in setting new standards;			[Commission proposes to address the link to standardisation organisations in Article 10.]	175
(h) acting as contact point at the national level for the Cybersecurity Competence Community and the Competence Centre;	(a) acting as contact point at the national level for the Cybersecurity Competence Community and the Competence Centre;	d) ~~acting as contact point at the national level for the Cybersecurity Competence Community and the Competence Centre;~~		[Counsel to clarify its concerns with this provision.] d) ~~acting as contact point at the national level for the Cybersecurity Competence Community and the Competence Centre;~~	176
(i) seeking to establish synergies with relevant activities at the national and regional level;	(e) seeking to establish synergies with relevant activities at the national**,** regional ***and local*** level;	e) seeking to establish synergies with relevant activities at the national and regional level**, such as including national policies on research, development and**		e) seeking to establish synergies with relevant activities at the national, regional ***and local*** level**, such as including national policies on research, development**	177

		innovation in the area of cybersecurity, and in particular those stated in the national cybersecurity strategies;		**and innovation in the area of cybersecurity, and in particular those stated in the national cybersecurity strategies**; [Council and EP texts merged.]	
(j) implementing specific actions for which grants have been awarded by the Competence Centre, including through provision of financial support to third parties in line with Article 204 of Regulation XXX [new Financial Regulation] under conditions specified in the concerned grant agreements.	(f) implementing specific actions for which grants have been awarded by the Competence Centre, including through provision of financial support to third parties in line with Article 204 of Regulation XXX [new Financial Regulation] under conditions specified in the concerned grant agreements.	f) implementing specific actions for which grants have been awarded by the Competence Centre, including through provision of financial support to third parties in line with Article 204 of Regulation XXX [new Financial Regulation] under conditions specified in the concerned grant agreements;		f) implementing specific actions for which grants have been awarded by the Competence Centre, including through provision of financial support to third parties in line with Article 204 of Regulation XXX [new Financial Regulation] under conditions specified in the concerned grant agreements;	178
	(fa) promoting and disseminating a common minimal cybersecurity educational curricula in cooperation with the relevant bodies in the Member States;			***[(fa) promoting and disseminating a common minimal cybersecurity educational curricula in cooperation with the relevant bodies in the Member States;]*** ***For now delete, but mention elsewhere***	179
(k) promoting and disseminating the relevant outcomes of the work by the	(g) promoting and disseminating the relevant outcomes of the work by the	g) promoting and disseminating the relevant outcomes of the work by the Network, the		(g) promoting and disseminating the relevant outcomes of the work by the Network, the Cybersecurity	180

Network, the Cybersecurity Competence Community and the Competence Centre at national or regional level;	Network, the Cybersecurity Competence Community and the Competence Centre at national**,** regional ***or local*** level;	Cybersecurity Competence Community and the ~~Competence~~ Centre at national or regional level;		Competence Community and the ~~Competence~~ Centre at national**,** regional ***or local*** level; [EP text]	
(l) assessing requests by entities established in the same Member State as the Coordination Centre for becoming part of the Cybersecurity Competence Community.	(h) assessing requests by entities ***and individuals*** established in the same Member State as the Coordination Centre for becoming part of the Cybersecurity Competence Community.	h) assessing requests by entities established in the same Member State as the Coordination Centre for becoming part of the Cybersecurity Competence Community.		(h) assessing requests by entities [***and individuals]*** established in the same Member State as the Coordination Centre for becoming part of the Cybersecurity Competence Community. [EP text]	181
2. For the purposes of point (f), the financial support to third parties may be provided in any of the forms specified in Article 125 of Regulation XXX [new Financial Regulation] including in the form of lump sums.	2. For the purposes of point (f), the financial support to third parties may be provided in any of the forms specified in Article 125 of Regulation XXX [new Financial Regulation] including in the form of lump sums.	2. For the purposes of point (f), the financial support to third parties may be provided in any of the forms specified in Article 125 of Regulation XXX [new Financial Regulation] including in the form of lump sums.		2. For the purposes of point (f), the financial support to third parties may be provided in any of the forms specified in Article 125 of Regulation XXX [new Financial Regulation] including in the form of lump sums.	182
3. National Coordination Centres may receive a grant from the Union in accordance with Article 195 (d) of Regulation XXX [new Financial Regulation] in relation to carrying out the tasks laid down in this Article.	3. National Coordination Centres may receive a grant from the Union in accordance with Article 195 (d) of Regulation XXX [new Financial Regulation] in relation to carrying out the tasks laid down in this Article.	3. National Coordination Centres may receive a grant from the Union in accordance with Article 195 (d) of Regulation XXX [new Financial Regulation] in relation to carrying out the tasks laid down in this Article.		3. National Coordination Centres may receive a grant from the Union in accordance with Article 195 (d) of Regulation XXX [new Financial Regulation] in relation to carrying out the tasks laid down in this Article.	183

4. National Coordination Centres shall, where relevant, cooperate through the Network for the purpose of implementing tasks referred to in points (a), (b), (c), (e) and (g) of paragraph 1.	4. National Coordination Centres shall, where relevant, cooperate through the Network ***and with the relevant European Digital Innovation Hubs*** for the purpose of implementing tasks referred to in paragraph 1.	4. National Coordination Centres shall, where relevant, cooperate through the Network for the purpose of implementing tasks referred to in points (a), (b), (c), (e) and (g) of paragraph 1.		4. National Coordination Centres shall, where relevant, cooperate through the Network for the purpose of implementing tasks referred to in points (a), (b), (c), (e) and (g) of paragraph 1. [Council text. Commission proposals to clarify the link with Digital Innovation Hubs in Article 10.] Find other article to add Hubs	184
Article 8	*Article 8*	*Article 8*		*Article 8*	185
The Cybersecurity Competence Community	**The Cybersecurity Competence Community**	**The Cybersecurity Competence Community**		**The Cybersecurity Competence Community**	186
1. The Cybersecurity Competence Community shall contribute to the mission of the Competence Centre as laid down in Article 3 and enhance and disseminate cybersecurity expertise across the Union.	1. The Cybersecurity Competence Community ***contributes*** to the mission of the Competence Centre as laid down in Article 3 and ***enhances, pools, shares,*** and disseminate cybersecurity expertise across the Union ***and provides technical expertise***.	1. The Cybersecurity Competence Community shall contribute to the mission of the Competence Centre and the Network as laid down in Article 3 and enhance and disseminate cybersecurity expertise across the Union.		1. The Cybersecurity Competence Community ~~shall~~ contribute***s*** to the mission of the Competence Centre and the Network as laid down in Article 3 and enhance***s, pools, shares*** and disseminate***s*** cybersecurity expertise across the Union. [Some EP elements integrated into the Council and Commission text. As the Community will be purely voluntary, it is important not to	187

				create too much burden on participants. For this reason, "provides technical expertise" is not retained.]	
2. The Cybersecurity Competence Community shall consist of industry, academic and non-profit research organisations, and associations as well as public entities and other entities dealing with operational and technical matters. It shall bring together the main stakeholders with regard to cybersecurity technological and industrial capacities in the Union. It shall involve National Coordination Centres as well as Union institutions and bodies with relevant expertise..	2. The Cybersecurity Competence Community shall consist of ***civil society,*** industry ***from the demand and supply-side, including SMEs***, academic and research ***community, associations of users, individual experts, relevant European Standardisation*** Organisations, and ***other*** associations as well as public entities and other entities dealing with operational and technical matters ***in the area of cybersecurity***. It shall bring together the main stakeholders with regard to cybersecurity technological**,** industrial**,** ***academic and research, and societal*** capacities ***and capabilities*** in the Union. ***and*** shall involve National Coordination Centres**,** ***European Digital Innovation Hubs*** as well as Union institutions and bodies with relevant expertise ***as referred to in Article 10 of this Regulation***.	2. The Cybersecurity Competence Community shall **on the one hand** consist of industry, academic and non-profit research organisations, other **relevant civil society** ~~and~~ associations as well as public entities and other entities dealing with operational and **technical** matters **and on the other hand, where relevant, actors of sectors having an interest in cybersecurity and facing cybersecurity challenges**. It shall bring together the main stakeholders with regard to cybersecurity **research,** technological and industrial capacities in the Union. It shall involve National Coordination Centres as well as Union institutions and bodies with relevant expertise.		2. The Cybersecurity Competence Community shall consist of ***civil society,*** industry ***from the demand and supply-side, including SMEs***, academic and research ***community, associations of users, individual experts, relevant European Standardisation*** Organisations, and ***other*** associations as well as public entities and other entities dealing with operational and technical matters ***in the area of cybersecurity***. It shall bring together the main stakeholders with regard to cybersecurity technological**,** industrial**,** ***academic and research, and societal*** capacities ***and capabilities*** in the Union. ***and*** shall involve National Coordination Centres**,** ~~***European Digital Innovation Hubs***~~ as well as Union institutions and bodies with relevant expertise ***as referred to in Article 10 of this Regulation***.	188

				[EP retained as it is more complete.]	
3. Only entities which are established within the Union may be accredited as members of the Cybersecurity Competence Community. They shall demonstrate that they have cybersecurity expertise with regard to at least one of the following domains:	3. Only entities which are established ***and individuals resident*** within the Union***, the European Economic Area (EEA) or the European Free Trade Association (EFTA)*** may be accredited as members of the Cybersecurity Competence Community. ***Applicants*** shall demonstrate that they ***can provide*** cybersecurity expertise with regard to at least one of the following domains:	3. Only entities which are established within the Union may be accredited registered as members of the Cybersecurity Competence Community. They shall demonstrate that they can contribute to the missions as set out in Article 3 and shall have cybersecurity expertise with regard to at least one of the following domains:		3. Only entities which are established ***and individuals resident*** within the Union***, the European Economic Area (EEA) or the European Free Trade Association (EFTA)*** may be accredited as members of the Cybersecurity Competence Community. ***Applicants*** shall demonstrate that they ***can provide*** cybersecurity expertise with regard to at least one of the following domains: [EP retained as it is more complete. Inclusion of EEA/EFTA is acceptable for the Commission.] Council to check with legal service	189
(m) research;	(a) ***academia or*** research;	a) research;		(a) ***academia or*** research;	190
(n) industrial development;	(b) industrial development;	b) industrial **or product** development;		b) industrial **or product** development;	191
(o) training and education.	(c) training and education.	c) training and education;		c) training and education;	192

	(ca) ethics;			***(ca) ethics and societal aspects;***	193
		d) information security and/or incident response operations;		**d) information security and/or incident response operations;**	194
	(cb) formal and technical standardisation and specifications.			***(cb) formal and technical standardisation and specifications.***	195
		d) information security and/or incident response operations;		**~~d) information security and/or incident response operations;~~**	196
		e) scientific or technical partnerships or cooperation with academic and/or public authorities as defined under Article 2(3).		**e) scientific or technical partnerships or cooperation with academic and/or public authorities as defined under Article 2(3).**	197
4. The Competence Centre shall accredit entities established under national law as members of the Cybersecurity Competence Community after an assessment made by the National Coordination Centre of the Member State where the entity is established, on whether that entity meets the criteria provided for in paragraph 3. An accreditation shall not be limited in time but may be revoked by the Competence Centre at any time if	4. The Competence Centre shall accredit entities established under national law***, or individuals,*** as members of the Cybersecurity Competence Community after ***a harmonised*** assessment made by ***the Competence Centre,*** the National Coordination Centre of the Member State where the entity is established***, or the individual is a resident***, on whether that entity meets the criteria provided for in	4. The ~~Competence~~ Centre shall ~~accredit~~ **register** entities ~~established under national law~~ as members of the Cybersecurity Competence Community after an assessment made by the National Coordination Centre of the Member State where the entity is established, on whether that entity meets the criteria provided for in paragraph 3. A~~n~~ **registration** ~~accreditation~~ shall not be limited in time but may be revoked by the ~~Competence~~		4. The ~~Competence~~ Centre shall ~~accredit~~ **register** entities established under national law***, or individuals,*** as members of the Cybersecurity Competence Community after ***an*** assessment made by***,*** the National Coordination Centre of the Member State where the entity is established***, or the individual is a resident***, on whether that entity meets the criteria provided for in paragraph 3. An accreditation shall not be limited in time but may be revoked by the	198

it or the relevant National Coordination Centre considers that the entity does not fulfil the criteria set out in paragraph 3 or it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation].	paragraph 3. An accreditation shall not be limited in time but may be revoked by the Competence Centre at any time if it or the relevant National Coordination Centre considers that the entity ***or individual*** does not fulfil the criteria set out in paragraph 3 or it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation]. ***The National Coordination Centres of the Member States shall aim to achieve a balanced representation of stakeholders in the Community, actively stimulating participation from under-represented categories, especially SMEs, and groups of individuals.***	Centre at any time if it or the relevant National Coordination Centre considers that the entity does not fulfil the criteria set out in paragraph 3**,** ~~or it~~ falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation**], or for justified security reasons**.		Competence Centre at any time if it or the relevant National Coordination Centre considers that the entity ***or individual*** does not fulfil the criteria set out in paragraph 3 or it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation] **, or for justified security reasons**. ***The National Coordination Centres of the Member States shall aim to achieve a balanced representation of stakeholders in the Community, actively stimulating participation from under-represented categories, especially SMEs, and groups of individuals.*** [EP and Council positions merged.] Council to propose revised text	
	4a. The Commission shall adopt delegated acts in accordance with Article 45a in order to supplement this Regulation by detailing the criteria provided for in paragraph 3 of this Article according to which applicants are selected, and the procedures for assessing and accrediting			Bracket EP text - horizontal issue ***[4a. The Commission shall adopt delegated acts in accordance with Article 45a in order to supplement this Regulation by detailing the criteria provided for in paragraph 3 of this Article according to which applicants are selected, and the procedures for assessing and***	199

	entities that meet the criteria referred to in paragraph 4 of this Article.			***accrediting entities that meet the criteria referred to in paragraph 4 of this Article.]*** [The Commission considers that this regulation is precise enough and that there is therefore no need for a Delegated Act.]	
5. The Competence Centre shall accredit relevant bodies, agencies and offices of the Union as members of the Cybersecurity Competence Community after carrying out an assessment whether that entity meets the criteria provided for in paragraph 3. An accreditation shall not be limited in time but may be revoked by the Competence Centre at any time if it considers that the entity does not fulfil the criteria set out in paragraph 3 or it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation].	5. The Competence Centre shall accredit relevant bodies, agencies and offices of the Union as members of the Cybersecurity Competence Community after carrying out an assessment whether that entity meets the criteria provided for in paragraph 3. An accreditation shall not be limited in time but may be revoked by the Competence Centre at any time if it considers that the entity does not fulfil the criteria set out in paragraph 3 or it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation].	5. The ~~Competence~~ Centre shall ~~accredit~~ **register** relevant bodies, agencies and offices of the Union as members of the Cybersecurity Competence Community after carrying out an assessment whether that entity meets the criteria provided for in paragraph 3. A ~~n accreditation~~ **registration** shall not be limited in time but may be revoked by the ~~Competence~~ Centre at any time if it considers that the entity does not fulfil the criteria set out in paragraph 3**,** ~~or~~ it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation]**, or for justified security reasons**.		5. The ~~Competence~~ Centre shall ~~accredit~~ **register** relevant bodies, agencies and offices of the Union as members of the Cybersecurity Competence Community after carrying out an assessment whether that entity meets the criteria provided for in paragraph 3. A ~~n accreditation~~ **registration** shall not be limited in time but may be revoked by the Competence Centre at any time if it considers that the entity does not fulfil the criteria set out in paragraph 3**,** ~~or~~ it falls under the relevant provisions set out in Article 136 of Regulation XXX [new financial regulation]**,** ~~**or for justified security reasons**~~.	200

				[To be confirmed if the Art.136 or security conditions can apply to EU bodies.]	
	(5a) support the Competence Centre by reporting and disclosing vulnerabilities, helping to mitigate them and providing advice on how to reduce such vulnerabilities including through certification under the schemes adopted in conformity with Regulation (EU) 2019/XXX [the Cybersecurity Act].			[To be formulated in a way which cannot be understood as an *obligation* to disclose vulnerabilities.] Move to recital, EP text proposal	201
6. The representatives of the Commission may participate in the work of the Community.	6. The representatives of the Commission may participate in the work of the Community.	6. The representatives of the Commission may participate in the work of the Community.		6. The representatives of the Commission may participate in the work of the Community.	202
Article 9	*Article 9*	*Article 9*		*Article 9*	203
Tasks of the members of the Cybersecurity Competence Community	**Tasks of the members of the Cybersecurity Competence Community**	**Tasks of the members of the Cybersecurity Competence Community**		**Tasks of the members of the Cybersecurity Competence Community**	204
The members of the Cybersecurity Competence Community shall:	The members of the Cybersecurity Competence Community shall:	The members of the Cybersecurity Competence Community shall:		The members of the Cybersecurity Competence Community shall:	205

(1) support the Competence Centre in achieving the mission and the objectives laid down in Articles 3 and 4 and, for this purpose, work closely with the Competence Centre and the relevant National Coordinating Centres;	(1) support the Competence Centre in achieving the mission and the objectives laid down in Articles 3 and 4 and, for this purpose, work closely with the Competence Centre and the relevant National Coordinating Centres;	1. support the ~~Competence~~ Centre in achieving the mission and the objectives laid down in Articles 3 and 4 and, for this purpose, work closely with the ~~Competence~~ Centre and the ~~relevant~~ National Coordinating Centres;		(1) support the ~~Competence~~ Centre in achieving the mission and the objectives laid down in Articles 3 and 4 and, for this purpose, work closely with the ~~Competence~~ Centre and the ~~relevant~~ National Coordinating Centres;	206
(2) participate in activities promoted by the Competence Centre and National Coordination Centres;	(2) participate in activities promoted by the Competence Centre and National Coordination Centres;	2. ~~participate in activities promoted by the Competence Centre and National Coordination Centres;~~		2. ~~participate in activities promoted by the Competence Centre and National Coordination Centres;~~	207
(3) where relevant, participate in working groups established by the Governing Board of the Competence Centre to carry out specific activities as provided by the Competence Centre's work plan;	(3) where relevant, participate in working groups established by the Governing Board of the Competence Centre to carry out specific activities as provided by the Competence Centre's work plan;	3. where relevant, participate in **formal or informal activities,** working groups established by the Governing Board of the ~~Competence~~ Centre to carry out specific activities as provided by the ~~Competence~~ Centre's work plan;		3. where relevant, participate in **formal or informal activities,** working groups established by the Governing Board of the Competence Centre to carry out specific activities as provided by the Competence Centre's work plan;	208
(4) where relevant, support the Competence Centre and the National Coordination Centres in promoting specific projects;	(4) where relevant, support the Competence Centre and the National Coordination Centres in promoting specific projects;	4. where relevant, support the ~~Competence~~ Centre and the National Coordination Centres in promoting specific projects;		where relevant, support the Competence Centre and the National Coordination Centres in promoting specific projects;	209
(5) promote and disseminate the relevant outcomes of the activities and projects carried out within the community.	(5) promote and disseminate the relevant outcomes of the activities and	5. promote and disseminate the relevant outcomes of the activities and projects carried out within the community.		5. promote and disseminate the relevant outcomes of the activities and projects carried out within the community.	210

	projects carried out within the community.				
Article 10	*Article 10*	*Article 10*		*Article 10*	211
Cooperation of the Competence Centre with Union institutions, bodies, offices and agencies	**Cooperation of the Competence Centre with Union institutions, bodies, offices and agencies**	**Cooperation of the ~~Competence~~ Centre with Union institutions, bodies, offices and agencies and ~~other~~ international organisations**		**Cooperation of the ~~Competence~~ Centre with Union institutions, bodies, offices and agencies and ~~other~~ international organisations**	212
1. The Competence Centre shall cooperate with relevant Union institutions, bodies, offices and agencies including the European Union Agency for Network and Information Security, the Computer Emergency Response Team (CERT-EU), the European External Action Service, the Joint Research Centre of the Commission, the Research Executive Agency, Innovation and Networks Executive Agency, European Cybercrime Centre at Europol as well as the European Defence Agency.	1. ***To ensure coherence and complementarity,*** the Competence Centre shall cooperate with relevant Union institutions, bodies, offices and agencies including ***ENISA***, the Computer Emergency Response Team (CERT-EU), the European External Action Service, the Joint Research Centre of the Commission, the Research Executive Agency, Innovation and Networks Executive Agency, ***relevant European Digital Innovation Hubs,*** European Cybercrime Centre at Europol as well as the European Defence Agency ***as regards dual-use projects, services and competences***.	1. **To ensure coherence and complementarity, avoiding any duplication of efforts** the ~~Competence~~ Centre shall cooperate with relevant Union institutions, bodies, offices and agencies including the European Union Agency for **Cybersecurity** ~~Network and Information Security~~, the Computer Emergency Response Team (CERT-EU), the European External Action Service, the Joint Research Centre of the Commission, the Research Executive Agency, Innovation and Networks Executive Agency, European Cybercrime Centre at Europol, ~~as well as~~ the European Defence Agency **and other relevant Union entities.**		1. **To ensure coherence and complementarity, avoiding any duplication of efforts** the ~~Competence~~ Centre shall cooperate with relevant Union institutions, bodies, offices and agencies including the European Union Agency for **Cybersecurity** ~~Network and Information Security~~, the Computer Emergency Response Team (CERT-EU), the European External Action Service, the Joint Research Centre of the Commission, the Research Executive Agency, Innovation and Networks Executive Agency, **The centre shall also cooperate with international standardisation organisations and *relevant European Digital Innovation Hubs,***, European Cybercrime	213

		The Centre may also cooperate with international organisations, where relevant.		Centre at Europol, ~~as well as~~ the European Defence Agency ***as regards dual-use projects, services and competences*** **and other relevant Union entities. The Centre may also cooperate with international organisations, where relevant.** [EP and Council merged]	
2. Such cooperation shall take place within the framework of working arrangements. Those arrangements shall be submitted to the prior approval of the Commission.	2. Such cooperation shall take place within the framework of working arrangements. Those arrangements shall be ***adopted by the Governing Board after*** prior approval of the Commission.	2. Such cooperation shall take place within the framework of working arrangements. Those arrangements shall be submitted to the ~~prior~~ approval of the ~~**Commission**~~ **Governing Board**.		2. Such cooperation shall take place within the framework of working arrangements. Those arrangements shall be submitted to the ~~prior~~ approval of the ~~**Commission**~~ **Governing Board**. [Council position used.]	214

CHAPTER II	**CHAPTER II**	**CHAPTER II**		**CHAPTER II**	215
ORGANISATION OF THE COMPETENCE CENTRE	**ORGANISATION OF THE COMPETENCE CENTRE**	**ORGANISATION OF THE ~~COMPETENCE~~ CENTRE**		ORGANISATION OF THE COMPETENCE CENTRE	216
Article 11	*Article 11*	*Article 11*		*Article 11*	217
Membership and structure	**Membership and structure**	**Membership and structure**		**Membership and structure**	218
1. The members of the Competence Centre shall be the Union, represented by the Commission, and the Member States.	1. The members of the Competence Centre shall be the Union, represented by the Commission, and the Member States.	1. The members of the ~~Competence~~ Centre shall be the Union, represented by the Commission, and the Member States.		1. The members of the Competence Centre shall be the Union, represented by the Commission, and the Member States.	219
2. The structure of the Competence Centre shall comprise:	2. The structure of the Competence Centre shall comprise:	2. The structure of the ~~Competence~~ Centre shall comprise:		2. The structure of the Competence Centre shall comprise:	220
(a) a Governing Board which shall exercise the tasks set out in Article 13;	(a) a Governing Board which shall exercise the tasks set out in Article 13;	a) a Governing Board which shall exercise the tasks set out in Article 13;		a) a Governing Board which shall exercise the tasks set out in Article 13;	221
(b) an Executive Director who shall exercise the tasks set out in Article 16;	(b) an Executive Director who shall exercise the tasks set out in Article 16;	b) an Executive Director who shall exercise the tasks set out in Article ~~16~~**17**;		b) an Executive Director who shall exercise the tasks set out in Article ~~16~~**17**;	222

				[Council corrected wrong reference in EC proposal]	
(c) an Industrial and Scientific Advisory Board which shall exercise the functions set out in Article 20.	(c) an Industrial and Scientific Advisory Board which shall exercise the functions set out in Article 20.	c) an Industrial and Scientific Advisory Board which shall exercise the functions set out in Article 20.		c) an Industrial and Scientific Advisory Board which shall exercise the functions set out in Article 20.	223
SECTION I	**SECTION I**	**SECTION I**		**SECTION I**	224
GOVERNING BOARD	**GOVERNING BOARD**	**GOVERNING BOARD**		**GOVERNING BOARD**	225
Article 12	*Article 12*	*Article 12*		*Article 12*	226
Composition of the Governing Board	**Composition of the Governing Board**	**Composition of the Governing Board**		**Composition of the Governing Board**	227
1. The Governing Board shall be composed of one representative of each Member State, and five representatives of the Commission, on behalf of the Union.	1. The Governing Board shall be composed of one representative of each Member State, ***one representative nominated by the European Parliament as an observer, and four*** representatives of the Commission, on behalf of the Union***, aiming to achieve gender balance among board members and their alternates***.	1. The Governing Board shall be composed of one representative of each Member State, and ~~five~~ **two** representatives of the Commission, on behalf of the Union.		1. The Governing Board shall be composed of one representative of each Member State, ***one representative nominated by the European Parliament as an observer,*** and ~~five~~ **two** representatives of the Commission, on behalf of the Union***, aiming to achieve gender balance among board members and their alternates***.	228
2. Each member of the Governing Board shall have an	2. Each member of the Governing Board shall have an	2. Each member of the Governing Board shall have an		2. Each member of the Governing Board shall have an	229

alternate to represent them in their absence.	alternate to represent them in their absence.	alternate to represent them in their absence.		alternate to represent them in their absence.	
3. Members of the Governing Board and their alternates shall be appointed in light of their knowledge in the field of technology as well as of relevant managerial, administrative and budgetary skills. The Commission and the Member States shall make efforts to limit the turnover of their representatives in the Governing Board, in order to ensure continuity of the Board's work. The Commission and the Member States shall aim to achieve a balanced representation between men and women on the Governing Board.	3. Members of the Governing Board and their alternates shall be appointed in light of their knowledge in the field of ***cybersecurity*** as well as of relevant managerial, administrative and budgetary skills. The Commission and the Member States shall make efforts to limit the turnover of their representatives in the Governing Board, in order to ensure continuity of the Board's work. The Commission and the Member States shall aim to achieve a balanced representation between men and women on the Governing Board.	3. Members of the Governing Board and their alternates **appointed by Member States** shall be **employees of their respective Member State's public sector** ~~appointed~~ in light of their knowledge in the field of technology**, their interlink with their respective national coordination centre** as well as of relevant managerial, administrative and budgetary skills. **Members of the Governing Board and their alternates appointed by the Commission shall be appointed equally in light of their knowledge in the field of technology, of relevant managerial, administrative and budgetary skills as well as being able to ensure coordination, synergies and as far as possible joint actions between different Union policies (sectoral and horizontal), involving cybersecurity.** The Commission and the Member States shall		3. Members of the Governing Board and their alternates **appointed by Member States** shall be **employees of their respective Member State's public sector** ~~appointed~~ in light of their knowledge in the field of ***cybersecurity and*** technology**, their interlink with their respective national coordination centre** as well as of relevant managerial, administrative and budgetary skills. **(Members of the Governing Board and their alternates appointed by the Commission shall be appointed equally in light of their knowledge in the field of technology, of relevant managerial, administrative and budgetary skills.)**The Commission and the Member States shall make efforts to limit the turnover of their representatives in the Governing Board, in order to ensure continuity of the Board's work. The Commission and the Member States shall aim to achieve a balanced representation between	230

		make efforts to limit the turnover of their representatives in the Governing Board, in order to ensure continuity of the Board's work. The Commission and the Member States shall aim to achieve a balanced representation between men and women on the Governing Board.		men and women on the Governing Board. [not appropriate the enter into Commission-internal affairs how to ensure internal coordination.]	
4. The term of office of members of the Governing Board and of their alternates shall be four years. That term shall be renewable.	4. The term of office of members of the Governing Board and of their alternates shall be four years. That term shall be renewable.	4. The term of office of members of the Governing Board and of their alternates shall be four years. That term shall be renewable.		4. The term of office of members of the Governing Board and of their alternates shall be four years. That term shall be renewable.	231
5. The Governing Board members shall act in the interest of the Competence Centre, safeguarding its goals and mission, identity, autonomy and coherence, in an independent and transparent way.	5. The Governing Board members shall act in the interest of the Competence Centre, safeguarding its goals and mission, identity, autonomy and coherence, in an independent and transparent way.	5. The Governing Board members shall act ~~in the interest of the Competence Centre, safeguarding~~ **to safeguard the Centre's** ~~its~~ goals and mission, identity, autonomy and coherence, in an independent and transparent way.		5. The Governing Board members shall act ~~in the interest of the Competence Centre, safeguarding~~ **to safeguard the Centre's** ~~its~~ goals and mission, identity, autonomy and coherence, in an independent and transparent way. [Council text; GB members will represent the interests of their Member State/the Commission]	232
6. The Commission may invite observers, including representatives of relevant Union bodies, offices and agencies, to	6. The ***Governing Board*** may invite observers, including representatives of relevant Union bodies, offices and	6. The **Governing Board** ~~Commission~~ may invite observers, including representatives of relevant		6. The **Governing Board** ~~may~~ invite observers to take part in the meetings of the Governing Board as appropriate. Observers may	233

take part in the meetings of the Governing Board as appropriate.	agencies, ***and the members of the Community,*** to take part in the meetings of the Governing Board as appropriate.	Union bodies, offices and agencies, to take part in the meetings of the Governing Board as appropriate.		include representatives of relevant Union bodies, offices and agencies, ***and members of the Community.*** [EP and Council merged.]	
7. The European Agency for Network and Information Security (ENISA) shall be a permanent observer in the Governing Board.	7. ENISA***, and the Industrial and Scientific Advisory Board,*** shall be permanent ***observers*** in the Governing Board***, in an advisory role without voting rights***. ***The Governing Board shall have the utmost regard to the views expressed by the permanent observers.***	7. ~~The European Union Agency for Cybersecurity Network and Information Security (~~ENISA~~)~~ shall be a permanent observer in the Governing Board.		7. ENISA ***[and the chairperson of the Industrial and Scientific Advisory Board,***] shall be permanent ***observers*** in the Governing Board***, in an advisory role without voting rights***. [***The Governing Board shall have the utmost regard to the views expressed by the permanent observers.]*** [EP text. Not the entire Advisory Board but the chairperson only.]	234
Article 13	*Article 13*	*Article 13*		*Article 13*	235
Tasks of the Governing Board	**Tasks of the Governing Board**	**Tasks of the Governing Board**		**Tasks of the Governing Board**	236
1. The Governing Board shall have the overall responsibility for the strategic orientation and the operations of the Competence Centre and shall supervise the implementation of its activities.	1. The Governing Board shall have the overall responsibility for the strategic orientation and the operations of the Competence Centre and shall supervise the implementation of its activities.	1. The Governing Board shall have the overall responsibility for the strategic orientation and the operations of the ~~Competence~~ Centre and shall supervise the implementation of its activities.		1. The Governing Board shall have the overall responsibility for the strategic orientation and the operations of the Competence Centre and shall supervise the implementation of its activities.	237

2. The Governing Board shall adopt its rules of procedure. These rules shall include specific procedures for identifying and avoiding conflicts of interest and ensure the confidentiality of any sensitive information.	2. The Governing Board shall adopt its rules of procedure. These rules shall include specific procedures for identifying and avoiding conflicts of interest and ensure the confidentiality of any sensitive information.	2. The Governing Board shall adopt its rules of procedure. These rules shall include specific procedures for identifying and avoiding conflicts of interest and ensure the confidentiality of any sensitive information.		2. The Governing Board shall adopt its rules of procedure. These rules shall include specific procedures for identifying and avoiding conflicts of interest and ensure the confidentiality of any sensitive information.	238
3. The Governing Board shall take the necessary strategic decisions, in particular:	3. The Governing Board shall take the necessary strategic decisions, in particular:	3. The Governing Board shall take the necessary strategic decisions, in particular:		3. The Governing Board shall take the necessary strategic decisions, in particular:	239
(a) adopt a multi-annual strategic plan, containing a statement of the major priorities and planned initiatives of the Competence Centre, including an estimate of financing needs and sources;	(a) adopt a multi-annual strategic plan, containing a statement of the major priorities and planned initiatives of the Competence Centre, including an estimate of financing needs and sources***, taking into account advice provided by ENISA***;	a) adopt a multi-annual strategic plan~~,~~ containing **the development of a common strategic, industrial, technology and research roadmap, on the basis of the needs identified by Member States in cooperation with the Community that require the focus of Union's financial support, including key technologies and domains for Union's strategic autonomy,** ~~a statement of the major priorities and planned initiatives of the Competence Centre**,** including an estimate of financing needs and sources;~~		a) adopt a multi-annual strategic plan, containing a statement of the major priorities and planned initiatives of the Competence Centre. The a multi-annual strategic plan shall contain **a common strategic, industrial, technology and research roadmap,** ~~**on the basis of the needs identified by Member States in cooperation with *the Scientific and Industrial Advisory Board and* the Community that require the focus of the Union's financial support**~~**, including key technologies and domains for Union's technological independence.** ~~***In deciding on the multi-annual strategic plan, the***~~	240

				~~***Governing Board shall ensure coherence and synergies with those parts of the Digital Europe and the Horizon Europe programmes which are not managed by the Centre as well as with other Union programmes.***~~ **[Advisory Board added to Council text** **includes the Coordination task separately added by Council .]**	
		aa) adopt the annual work plan ~~**programmes**~~ **for implementing the relevant EU funds, notably the cybersecurity parts of the Horizon Europe and Digital Europe programmes, in accordance with its multi annual strategic plan, and the strategic planning process of Horizon Europe** ~~including an estimation of thee of financing needs and sources~~;. **Where appropriate, proposals, and in particular annual work plan shall assess the need to apply security rules as set out in Article 34, including in particular the security self-**		**aa) adopt the annual work plan for implementing the relevant EU funds, notably the cybersecurity parts of the Horizon Europe and Digital Europe programmes, in accordance with its multi annual strategic plan, and the strategic planning process of Horizon Europe,** on the basis of a proposal from the Executive Director**,** ~~***taking into account advice provided by ENISA.***~~ **Where appropriate, proposals, and in particular annual work plan shall assess the need to apply security rules as set out in Article 34, including in particular the security self-assessment procedure in accordance with Article 16 of the**	241

		assessment procedure in accordance with Article 16 of the [XXXX Horizon Europe regulation].		**[XXXX Horizon Europe regulation].** ~~***In deciding on the multi-annual strategic plan, the Governing Board shall ensure coherence and synergies with those parts of the Digital Europe and the Horizon Europe programmes which are not managed by the Centre as well as with other Union programmes.***~~ [Council text with EP elements integrated.] [includes the Coordination task separately added by Council .]	
(b) adopt the Competence Centre's work plan, annual accounts and balance sheet and annual activity report, on the basis of a proposal from the Executive Director;	(b) adopt the Competence Centre's work plan, annual accounts and balance sheet and annual activity report, on the basis of a proposal from the Executive Director***, taking into account advice provided by ENISA***;	b) adopt the ~~Competence~~ Centre's ~~work plan,~~ annual accounts and balance sheet and annual activity report, on the basis of a proposal from the Executive Director:		b) adopt the ~~Competence~~ Centre's ~~work plan,~~ annual accounts and balance sheet and annual activity report, on the basis of a proposal from the Executive Director:	242
(c) adopt the specific financial rules of the Competence Centre in accordance with [Article 70 of the FR];	(c) adopt the specific financial rules of the Competence Centre in accordance with [Article 70 of the FR];	c) adopt the specific financial rules of the ~~Competence~~ Centre in accordance with [Article 70 of the ~~FR~~**Financial Regulation**];		c) adopt the specific financial rules of the Competence Centre in accordance with [Article 70 of the ~~FR~~**Financial Regulation**];	243

		ca) adopt decisions to dedicate funds from the EU budget to joint actions between the Union and Member States;		**ca)** as part of the annual work plan, ~~**adopt decisions to dedicate**~~ **allocate funds from the EU budget to joint actions between the Union and Member States;**	244
		cb) lay down and adopt the conditions for joint actions;		**cb)** *without prejudice to the regulations establishing Horizon Europe and the Digital Europe Programme,* **lay down and adopt the conditions for joint actions;**	245
(d) adopt a procedure for appointing the Executive Director;	(d) adopt a procedure for appointing the Executive Director;	d) adopt a procedure for appointing the Executive Director;		d) adopt a procedure for appointing the Executive Director;	246
(e) adopt the criteria and procedures for assessing and accrediting the entities as members of the Cybersecurity Competence Community;	(e) [adopt the ~~criteria and~~ procedures for assessing and accrediting the entities as members of the ~~Cybersecurity Competence~~ Community;]	~~e) adopt the criteria and procedures for assessing and accrediting the entities as members of the Cybersecurity Competence Community;~~		[adopt the criteria and procedures for assessing and accrediting the entities as members of the Cybersecurity Competence Community;] [To be discussed. Depends on the decision on delegated acts.]	247
	(ea) adopt the working arrangements referred to in Article 10(2);			***(ea) adopt the working arrangements referred to in Article 10(2);***	248
(f) appoint, dismiss, extend the term of office of, provide guidance to and monitor the performance of the Executive	(f) appoint, dismiss, extend the term of office of, provide guidance to and monitor the performance of the Executive	f) appoint, dismiss, extend the term of office of, provide guidance to and monitor the performance of the		(f) appoint, dismiss, extend the term of office of, provide guidance to and monitor the performance of	249

Director, and appoint the Accounting Officer;	Director, and appoint the Accounting Officer;	Executive Director, and appoint the Accounting Officer;		the Executive Director, and appoint the Accounting Officer;	
(g) adopt the annual budget of the Competence Centre, including the corresponding staff establishment plan indicating the number of temporary posts by function group and by grade, the number of contract staff and seconded national experts expressed in full-time equivalents	(g) adopt the annual budget of the Competence Centre, including the corresponding staff establishment plan indicating the number of temporary posts by function group and by grade, the number of contract staff and seconded national experts expressed in full-time equivalents	g) adopt the annual budget of the ~~Competence~~ Centre, including the corresponding staff establishment plan indicating the number of temporary posts by function group and by grade, the number of contract staff and seconded national experts expressed in full-time equivalents;		(g) adopt the annual budget of the ~~Competence~~ Centre, including the corresponding staff establishment plan indicating the number of temporary posts by function group and by grade, the number of contract staff and seconded national experts expressed in full-time equivalents	250
	(ga) adopt transparency rules for the Competence Centre;			***(ga) adopt transparency rules for the ~~Competence~~ Centre for the purpose of Art 35 (4)*** [EP text]	251
(h) adopt rules regarding conflicts of interest;	(h) adopt rules regarding conflicts of interest;	h) adopt rules **for the prevention and management of conflicts of interest in respect of its members;** ~~regarding conflicts of interest;~~		h) adopt rules **for the prevention, identification and management of conflicts of interest in respect of its members;** ~~regarding conflicts of interest;~~ [Council text]	252
(i) establish working groups with members of the Cybersecurity Competence Community;	(i) establish working groups with members of the Cybersecurity Competence Community, ***taking into account***	i) **when appropriate,** establish working groups with members of the		i) **when appropriate,** establish working groups with members of the Cybersecurity Competence Community;	253

	advice provided by the permanent observers;	Cybersecurity Competence Community;		[Council text]	
(j) appoint members of the Industrial and Scientific Advisory Board;	(j) appoint members of the Industrial and Scientific Advisory Board;	j) appoint members of the Industrial and Scientific Advisory Board;		j) appoint members of the Industrial and Scientific Advisory Board;	254
(k) set up an Internal Auditing Function in accordance with Commission Delegated Regulation (EU) No 1271/2013**38**;	(k) set up an Internal Auditing Function in accordance with Commission Delegated Regulation (EU) No 1271/2013 ;	k) set up an Internal Auditing Function in accordance with Commission Delegated Regulation (EU) No 1271/2013[39];		k) set up an Internal Auditing Function in accordance with Commission Delegated Regulation (EU) No 1271/2013[40];	255
(l) promote the Competence Centre globally, so as to raise its attractiveness and make it a world-class body for excellence in cybersecurity;	(l) promote ***the cooperation of*** the Competence Centre ***with global actors***;	~~l) promote the Competence Centre globally, so as to raise its attractiveness and make it a world-class body for excellence in cybersecurity;~~		(l) promote ***the cooperation of*** the ~~Competence~~ Centre ***in the meaning of Art. 10 ;***	256
(m) establish the Competence Centre's communications policy	(m) establish the Competence Centre's communications policy	m) establish the ~~Competence~~ Centre's communications policy upon		(m) establish the ~~Competence~~ Centre's communications policy	257

38 Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).

39 ~~Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).~~

40 ~~Commission Delegated Regulation (EU) No 1271/2013 of 30 September 2013 on the framework financial regulation for the bodies referred to in Article 208 of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council (OJ L 328, 7.12.2013, p. 42).~~

upon recommendation by the Executive Director;	upon recommendation by the Executive Director;	recommendation by the Executive Director;		upon recommendation by the Executive Director;	
(n) be responsible to monitor the adequate follow-up of the conclusions of retrospective evaluations.	(n) be responsible to monitor the adequate follow-up of the conclusions of retrospective evaluations.	n) be responsible to monitor the adequate follow-up of the conclusions of retrospective evaluations;		n) be responsible to monitor the adequate follow-up of the conclusions of retrospective evaluations;	258
(o) where appropriate, establish implementing rules to the Staff Regulations and the Conditions of Employment in accordance with Article 31(3);	(o) where appropriate, establish implementing rules to the Staff Regulations and the Conditions of Employment in accordance with Article 31(3);	o) where appropriate, establish implementing rules to the Staff Regulations and the Conditions of Employment in accordance with Article 31(3);		o) where appropriate, establish implementing rules to the Staff Regulations and the Conditions of Employment in accordance with Article 31(3);	259
(p) where appropriate, lay down rules on the secondment of national experts to the Competence Centre and on the use of trainees in accordance with Article 32(2);	(p) where appropriate, lay down rules on the secondment of national experts to the Competence Centre and on the use of trainees in accordance with Article 32(2);	p) where appropriate, lay down rules on the secondment of national experts to the ~~Competence~~ Centre and on the use of trainees in accordance with Article 32(2);		(p) where appropriate, lay down rules on the secondment of national experts to the ~~Competence~~ Centre and on the use of trainees in accordance with Article 32(2);	260
(q) adopt security rules for the Competence Centre;	(q) adopt security rules for the Competence Centre;	q) adopt security rules for the ~~Competence~~ Centre;		(q) adopt security rules for the ~~Competence~~ Centre;	261
(r) adopt an anti-fraud strategy that is proportionate to the fraud risks having regard to a cost-benefit analysis of the measures to be implemented;	(r) adopt an anti-fraud ***and anti-corruption*** strategy that is proportionate to the fraud ***and corruption*** risks having regard to a cost-benefit analysis of the measures to be implemented***, as well as adopt comprehensive protection measures for persons***	r) adopt an anti-fraud strategy that is proportionate to the fraud risks having regard to a cost-benefit analysis of the measures to be implemented;		(r) adopt an anti-fraud ***and anti-corruption*** strategy that is proportionate to the fraud ***and corruption*** risks having regard to a cost-benefit analysis of the measures to be implemented***,***	262

	reporting on breaches of Union law in accordance with applicable Union legislation;			***(ra) adopt comprehensive protection measures for persons reporting on breaches of Union law in accordance with applicable Union legislation***;	
(s) adopt the methodology to calculate the financial contribution from Member States;	(s) adopt ***an extensive definition of financial contributions from Member States and a*** methodology to calculate the ***amount of*** Member States***' voluntary contributions that can be accounted for as financial contributions in accordance with that definition, such a calculation being executed at the end of every financial year***;	s) adopt the methodology to calculate the financial contribution from **contributing** Member States;		(s) adopt ***an extensive definition of financial contributions from Member States and a*** methodology to calculate the ***amount of*** Member States***' voluntary contributions that can be accounted for as financial contributions in accordance with that definition, such a calculation being made at the end of every financial year***;	263
		sa) register entities nominated by Member States as their National Coordination Centres;		**sa)** *accredit* **entities nominated by Member States as their National Coordination Centres;**	264
		sb) in deciding on the annual work plan and the multi-annual strategic plan, ensure coherence and synergies with those parts of the Digital Europe and the Horizon Europe programmes which are not managed by the		**sb) in deciding on the annual work plan and the multi-annual strategic plan, ensure coherence and synergies with those parts of the Digital Europe and the Horizon Europe programmes which are not managed by the**	265

		Centre as well as with other Union programmes;		**Centre as well as with other Union programmes;**	
(t) be responsible for any task that is not specifically allocated to a particular body of the Competence Centre; it may assign such tasks to anybody of the Competence Centre;	(t) be responsible for any task that is not specifically allocated to a particular body of the Competence Centre; it may assign such tasks to anybody of the Competence Centre;	t) be responsible for any task that is not specifically allocated to a particular body of the ~~Competence~~ Centre; it may assign such tasks to anybody of the ~~Competence~~ Centre.		(t) be responsible for any task that is not specifically allocated to a particular body of the ~~Competence~~ Centre; it may assign such tasks to anybody of the ~~Competence~~ Centre;	266
Article 14	*Article 14*	*Article 14*		*Article 14*	267
Chairperson and Meetings of the Governing Board	**Chairperson and Meetings of the Governing Board**	**Chairperson and Meetings of the Governing Board**		**Chairperson and Meetings of the Governing Board**	268
1. The Governing Board shall elect a Chairperson and a Deputy Chairperson from among the members with voting rights, for a period of two years. The mandate of the Chairperson and the Deputy Chairperson may be extended once, following a decision by the Governing Board. If, however, their membership of the Governing Board ends at any time during their term of office, their term of office shall automatically expire on that date. The Deputy Chairperson shall *ex officio* replace the Chairperson if the latter is unable to attend to his	1. The Governing Board shall elect a Chairperson and a Deputy Chairperson from among the members with voting rights, for a period of two years***, aiming to achieve gender balance***. The mandate of the Chairperson and the Deputy Chairperson may be extended once, following a decision by the Governing Board. If, however, their membership of the Governing Board ends at any time during their term of office, their term of office shall automatically expire on that date. The Deputy Chairperson shall ex officio	1. The Governing Board shall elect a Chairperson and a Deputy Chairperson from among ~~the~~ **its** members ~~with voting rights~~, for a period of ~~two~~ **three** years. The mandate of the Chairperson and the Deputy Chairperson may be extended once, following a decision by the Governing Board. If, however, their membership of the Governing Board ends at any time during their term of office, their term of office shall automatically expire on that date. The Deputy Chairperson shall *ex officio* replace the		1. The Governing Board shall elect a Chairperson and a Deputy Chairperson from among ~~the~~ **its** members ~~with voting rights~~, for a period of ~~two~~ **three** years***, aiming to achieve gender balance***. The mandate of the Chairperson and the Deputy Chairperson may be extended once, following a decision by the Governing Board. If, however, their membership of the Governing Board ends at any time during their term of office, their term of office shall automatically expire on that date. The Deputy Chairperson shall *ex officio* replace the Chairperson if the latter is	269

or her duties. The Chairperson shall take part in the voting.	replace the Chairperson if the latter is unable to attend to his or her duties. The Chairperson shall take part in the voting.	Chairperson if the latter is unable to attend to his or her duties. The Chairperson shall take part in the voting.		unable to attend to his or her duties. The Chairperson shall take part in the voting.	
2. The Governing Board shall hold its ordinary meetings at least three times a year. It may hold extraordinary meetings at the request of the Commission, at the request of one third of all its members, at the request of the chair, or at the request of the Executive Director in the fulfilment of his/her tasks.	2. The Governing Board shall hold its ordinary meetings at least three times a year. It may hold extraordinary meetings at the request of the Commission, at the request of one third of all its members, at the request of the chair, or at the request of the Executive Director in the fulfilment of his/her tasks.	2. The Governing Board shall hold its ordinary meetings at least three times a year. It may hold extraordinary meetings at the request of the Commission, at the request of one third of all its members, at the request of the chair, or at the request of the Executive Director in the fulfilment of his/her tasks.		2. The Governing Board shall hold its ordinary meetings at least three times a year. It may hold extraordinary meetings at the request of the Commission, at the request of one third of all its members, at the request of the chair, or at the request of the Executive Director in the fulfilment of his/her tasks.	270
3. The Executive Director shall take part in the deliberations, unless decided otherwise by the Governing Board, but shall have no voting rights. The Governing Board may invite, on a case-by-case basis, other persons to attend its meetings as observers.	3. The Executive Director shall take part in the deliberations, unless decided otherwise by the Governing Board, but shall have no voting rights ~~The Governing Board may invite, on a case-by-case basis, other persons to attend its meetings as observers.~~	3. The Executive Director shall take part in the deliberations, unless decided otherwise by the Governing Board, but shall have no voting rights.		3. The Executive Director shall take part in the deliberations, unless decided otherwise by the Governing Board, but shall have no voting rights.	271
		3a. The Governing Board may invite, on a case-by-case basis, other persons to attend its meetings as observers including additional representatives of the Commission, for ensuring		**3a. The Governing Board may invite, on a case-by-case basis, other persons to attend its meetings as observers including additional representatives of the Commission, for ensuring coordination and synergies**	272

		coordination and synergies between different Union activities involving cybersecurity.		**between different Union activities involving cybersecurity.**	
4. Members of the Industrial and Scientific Advisory Board may take part, upon invitation from the Chairperson, in the meetings of the Governing Board, without voting rights.	~~4. Members of the Industrial and Scientific Advisory Board may take part, upon invitation from the Chairperson, in the meetings of the Governing Board, without voting rights.~~	4. Members of the Industrial and Scientific Advisory Board may take part, upon invitation from the Chairperson, in the meetings of the Governing Board, without voting rights.		4. Members of the Industrial and Scientific Advisory Board may take part, upon invitation from the Chairperson, in the meetings of the Governing Board, without voting rights.	273
5. The members of the Governing Board and their alternates may, subject to its rules of procedure, be assisted at the meetings by advisers or experts.	5. The members of the Governing Board and their alternates may, subject to its rules of procedure, be assisted at the meetings by advisers or experts.	5. The members of the Governing Board and their alternates may, subject to its rules of procedure, be assisted at the meetings by advisers or experts.		5. The members of the Governing Board and their alternates may, subject to its rules of procedure, be assisted at the meetings by advisers or experts.	274
6. The Competence Centre shall provide the secretariat for the Governing Board.	6. The Competence Centre shall provide the secretariat for the Governing Board.	6. The ~~Competence~~ Centre shall provide the secretariat for the Governing Board.		6. The ~~Competence~~ Centre shall provide the secretariat for the Governing Board.	275
Article 15	~~*Article 15*~~	*Article 15*		*Article 15*	276
Voting rules of the Governing Board	~~**Voting rules of the Governing Board**~~	**Voting rules of the Governing Board**		**Voting rules of the Governing Board**	277
		-1. A vote shall be held if the members of the Governing			278

		Board failed to achieve consensus.			
		-2. The Governing Board shall take its decisions by a majority of at least 75% of all voting rights. An absent member of the Governing Board may delegate his or her vote to his or her alternate or, in the absence of his or her alternate, to another member. Any member of the Governing Board may represent not more than one other member.			279
		-2a. For decisions related to the task laid down in Article 13(3) cb), contributing Member States and the Commission shall hold votes proportional to their relevant contribution on that specific action in line with the methodology adopted pursuant Article 13(3) s)			280
					281
1. The Union shall hold 50 % of the voting rights. The voting	~~1. The Union shall hold 50 % of the voting rights. The voting~~	**1. For any other decisions every Member States and t**he Union ~~shall hold~~			282

rights of the Union shall be indivisible.	~~rights of the Union shall be indivisible.~~	~~50 % of the voting rights~~ **shall have one vote.** The voting rights of the Union shall be indivisible.			
2. Every participating Member State shall hold one vote.	~~2. Every participating Member State shall hold one vote.~~	~~**2.** Every participating Member State shall hold one vote.~~			283
3. The Governing Board shall take its decisions by a majority of at least 75% of all votes, including the votes of the members who are absent, representing at least 75% of the total financial contributions to the Competence Centre. The financial contribution will be calculated based on the estimated expenditures proposed by the Member States referred to in point c of Article 17(2) and based on the report on the value of the contributions of the participating Member States referred to in Article 22(5).	~~3. The Governing Board shall take its decisions by a majority of at least 75% of all votes, including the votes of the members who are absent, representing at least 75% of the total financial contributions to the Competence Centre. The financial contribution will be calculated based on the estimated expenditures proposed by the Member States referred to in point c of Article 17(2) and based on the report on the value of the contributions of the participating Member States referred to in Article 22(5).~~	~~3. The Governing Board shall take its decisions by a majority of at least 75% of all votes, including the votes of the members who are absent, representing at least 75% of the total financial contributions to the Competence Centre. The financial contribution will be calculated based on the estimated expenditures proposed by the Member States referred to in point c of Article 17(2) and based on the report on the value of the contributions of the participating Member States referred to in Article 22(5).~~			284
4. Only the representatives of the Commission and the representatives of the participating Member States shall hold voting rights.	~~4. Only the representatives of the Commission and the representatives of the participating Member States shall hold voting rights.~~	~~**4.** Only the representatives of the Commission and the representatives of the participating Member States shall hold voting rights.~~			285

5. The Chairperson shall take part in the voting.	~~5. The Chairperson shall take part in the voting.~~	**5.** The Chairperson shall take part in the voting.			286
	Article 15a				287
	Voting rules of the Governing Board				288
	1. Decisions subject to vote may concern:				289
	(a) governance and organisation of the Competence Centre and the Network;				290
	(b) allocation of budget for the Competence Centre and the Network;				291
	(c) joint actions by several Member States, possibly complemented by Union budget further to decision allocated in accordance with point (b).				292
	2. The Governing Board shall adopt its decisions on the basis of at least 75 % of the votes of all members. The voting rights of the Union shall be represented by the				293

	Commission and shall be indivisible.				
	3. For decisions under point (a) of paragraph 1, each Member States shall be represented and have the same equal rights of vote. For the remaining votes available up to 100 %, the Union should have at least 50 % of the voting rights corresponding to its financial contribution.				294
	4. For decisions falling under point (b) or (c) of paragraph 1, or any other decision not falling under any other category of paragraph 1, the Union shall hold at least 50 % of the voting rights corresponding to its financial contribution. Only contributing Member States shall have voting rights and they will correspond to its financial contribution.				295
	5. If the Chairperson has been elected from among the representatives of the Member States, the Chairperson shall take part in the voting as a				296

	representative of his or her Member State.				
SECTION II	**SECTION II**	**SECTION II**		**SECTION II**	297
EXECUTIVE DIRECTOR	**EXECUTIVE DIRECTOR**	**EXECUTIVE DIRECTOR**		**EXECUTIVE DIRECTOR**	298
Article 16	*Article 16*	*Article 16*		*Article 16*	299
Appointment, dismissal or extension of the term of office of the Executive Director	**Appointment, dismissal or extension of the term of office of the Executive Director**	**Appointment, dismissal or extension of the term of office of the Executive Director**		**Appointment, dismissal or extension of the term of office of the Executive Director**	300
1. The Executive Director shall be a person with expertise and high reputation in the areas where the Competence Centre operates.	1. The Executive Director shall be a person with expertise and high reputation in the areas where the Competence Centre operates.	1. The Executive Director shall be a person with expertise and high reputation in the areas where the ~~Competence~~ Centre operates.		1. The Executive Director shall be a person with expertise and high reputation in the areas where the ~~Competence~~ Centre operates.	301
2. The Executive Director shall be engaged as a temporary agent of the Competence Centre under Article 2(a) of the Conditions of Employment of Other Servants.	2. The Executive Director shall be engaged as a temporary agent of the Competence Centre under Article 2(a) of the Conditions of Employment of Other Servants.	2. The Executive Director shall be engaged as a temporary agent of the ~~Competence~~ Centre under Article 2(a) of the Conditions of Employment of Other Servants.		2. The Executive Director shall be engaged as a temporary agent of the ~~Competence~~ Centre under Article 2(a) of the Conditions of Employment of Other Servants.	302
3. The Executive Director shall be appointed by the Governing Board from a list of candidates proposed by the Commission, following an open	3. The Executive Director shall be appointed by the Governing Board from a list of candidates proposed by the Commission, ***including nominations aiming to achieve***	3. The Executive Director shall be appointed by the Governing Board from a list of candidates proposed by the Commission, following an open		3. The Executive Director shall be appointed by the Governing Board from a list of candidates proposed by the Commission, ***including nominations aiming to achieve gender balance from the***	303

and transparent selection procedure.	***gender balance from the Member States,*** following an open***,*** transparent ***and non-discriminatory*** selection procedure.	and transparent selection procedure.		***Member States,*** following an open***,*** transparent ***and non-discriminatory*** selection procedure. [EP text retained]	
4. For the purpose of concluding the contract of the Executive Director, the Competence Centre shall be represented by the Chairperson of the Governing Board.	4. For the purpose of concluding the contract of the Executive Director, the Competence Centre shall be represented by the Chairperson of the Governing Board.	4. For the purpose of concluding the contract of the Executive Director, the ~~Competence~~ Centre shall be represented by the Chairperson of the Governing Board.		4. For the purpose of concluding the contract of the Executive Director, the ~~Competence~~ Centre shall be represented by the Chairperson of the Governing Board.	304
5. The term of office of the Executive Director shall be four years. By the end of that period, the Commission shall carry out an assessment which takes into account the evaluation of the performance of the Executive Director and the Competence Centre's future tasks and challenges.	5. The term of office of the Executive Director shall be ***five*** years. By the end of that period, the Commission shall carry out an assessment which takes into account the evaluation of the performance of the Executive Director and the Competence Centre's future tasks and challenges.	5. The term of office of the Executive Director shall be four years. By the end of that period, the Commission shall carry out an assessment which takes into account the evaluation of the performance of the Executive Director and the ~~Competence~~ Centre's future tasks and challenges.		5. The term of office of the Executive Director shall be ***five*** years. By the end of that period, the Commission shall carry out an assessment which takes into account the evaluation of the performance of the Executive Director and the ~~Competence~~ Centre's future tasks and challenges.	305
6. The Governing Board may, acting on a proposal from the Commission which takes into account the assessment referred to in paragraph 5, extend once the term of office of the Executive Director for no more than four years.	6. The Governing Board may, acting on a proposal from the Commission which takes into account the assessment referred to in paragraph 5, extend once the term of office of the Executive Director for no more than ***five*** years.	6. The Governing Board may, acting on a proposal from the Commission which takes into account the assessment referred to in paragraph 5, extend once the term of office of the Executive Director for no more than four years.		6. The Governing Board may, acting on a proposal from the Commission which takes into account the assessment referred to in paragraph 5, extend once the term of office of the Executive Director for no more than ***five*** years.	306

7. An Executive Director whose term of office has been extended may not participate in another selection procedure for the same post.	7. An Executive Director whose term of office has been extended may not participate in another selection procedure for the same post.	7. An Executive Director whose term of office has been extended may not participate in another selection procedure for the same post.		7. An Executive Director whose term of office has been extended may not participate in another selection procedure for the same post.	307
8. The Executive Director shall be removed from office only by decision of the Governing Board, acting on a proposal from the Commission.	8. The Executive Director shall be removed from office only by decision of the Governing Board, acting on ***proposal from its members or on*** a proposal from the Commission.	8. The Executive Director shall be removed from office only by decision of the Governing Board, acting on a proposal from the Commission **or at least 50% of the Member States**.		8. The Executive Director shall be removed from office only by decision of the Governing Board, acting on a proposal from the Commission **or at least 50% of the Member States**.	308
Article 17	*Article 17*	*Article 17*		*Article 17*	309
Tasks of the Executive Director	**Tasks of the Executive Director**	**Tasks of the Executive Director**		**Tasks of the Executive Director**	310
1. The Executive Director shall be responsible for operations and for the day-to-day management of the Competence Centre and shall be its legal representative. The Executive Director shall be accountable to the Governing Board and perform his or her duties with complete independence within the powers assigned to him or her.	1. The Executive Director shall be responsible for operations and for the day-to-day management of the Competence Centre and shall be its legal representative. The Executive Director shall be accountable to the Governing Board and perform his or her duties with complete independence within the powers assigned to him or her.	1. The Executive Director shall be responsible for operations and for the day-to-day management of the ~~Competence~~ Centre and shall be its legal representative. The Executive Director shall be accountable to the Governing Board and perform his or her duties with complete independence within the powers assigned to him or her.		1. The Executive Director shall be responsible for operations and for the day-to-day management of the ~~Competence~~ Centre and shall be its legal representative. The Executive Director shall be accountable to the Governing Board and perform his or her duties with complete independence within the powers assigned to him or her.	311

2. The Executive Director shall in particular carry out the following tasks in an independent manner:	2. The Executive Director shall in particular carry out the following tasks in an independent manner:	2. The Executive Director shall in particular carry out the following tasks in an independent manner:		2. The Executive Director shall in particular carry out the following tasks in an independent manner:	312
(a) implement the decisions adopted by the Governing Board;	(a) implement the decisions adopted by the Governing Board;	a) implement the decisions adopted by the Governing Board;		a) implement the decisions adopted by the Governing Board;	313
(b) support the Governing Board its work, provide the secretariat for their meetings and supply all information necessary for the performance of their duties;	(b) support the Governing Board its work, provide the secretariat for their meetings and supply all information necessary for the performance of their duties;	b) support the Governing Board **in** its work, provide the secretariat for their meetings and supply all information necessary for the performance of their duties;		b) support the Governing Board **in** its work, provide the secretariat for their meetings and supply all information necessary for the performance of their duties;	314
(c) after consultation with the Governing Board and the Commission, prepare and submit for adoption to the Governing Board the draft multiannual strategic plan and the draft annual work plan of the Competence Centre including the scope of the calls for proposals, calls for expressions of interest and calls for tenders needed to implement the work plan and the corresponding expenditure estimates as proposed by the	(c) after consultation with the Governing Board***, the Industrial and Scientific Advisory Board, ENISA,*** and the Commission, prepare and submit for adoption to the Governing Board the draft multiannual strategic plan and the draft annual work plan of the Competence Centre including the scope of the calls for proposals, calls for expressions of interest and calls for tenders needed to implement the work plan and the corresponding expenditure estimates as proposed by the	c) after consultation with the Governing Board and the Commission, prepare and submit for adoption to the Governing Board the draft multiannual strategic plan and the annual work plan of the ~~Competence~~ Centre including the scope of the calls for proposals, calls for expressions of interest and calls for tenders needed to implement the work plan and the corresponding expenditure estimates as		(c) after consultation with the Governing Board***, [the Industrial and Scientific Advisory Board, ENISA,***] and the Commission, prepare and submit for adoption to the Governing Board the draft multiannual strategic plan and the draft annual work plan of the ~~Competence~~ Centre including the scope of the calls for proposals, calls for expressions of interest and calls for tenders needed to implement the work plan and the corresponding expenditure estimates as proposed by the	315

Member States and the Commission;	Member States and the Commission;	proposed by the Member States and the Commission;		Member States and the Commission; [EP text]	
(d) prepare and submit for adoption to the Governing Board the draft annual budget, including the corresponding staff establishment plan indicating the number of temporary posts in each grade and function group and the number of contract staff and seconded national experts expressed in full-time equivalents;	(d) prepare and submit for adoption to the Governing Board the draft annual budget, including the corresponding staff establishment plan indicating the number of temporary posts in each grade and function group and the number of contract staff and seconded national experts expressed in full-time equivalents;	d) prepare and submit for adoption to the Governing Board the draft annual budget, including the corresponding staff establishment plan indicating the number of temporary posts in each grade and function group and the number of contract staff and seconded national experts expressed in full-time equivalents;		d) prepare and submit for adoption to the Governing Board the draft annual budget, including the corresponding staff establishment plan indicating the number of temporary posts in each grade and function group and the number of contract staff and seconded national experts expressed in full-time equivalents;	316
(e) implement the work plan and report to the Governing Board thereon;	(e) implement the work plan and report to the Governing Board thereon;	e) implement the work plan and report to the Governing Board thereon;		e) implement the work plan and report to the Governing Board thereon;	317
(f) prepare the draft annual activity report on the Competence Centre, including the information on corresponding expenditure;	(f) prepare the draft annual activity report on the Competence Centre, including the information on corresponding expenditure;	f) prepare the draft annual activity report on the ~~Competence~~ Centre, including the information on corresponding expenditure;		(f) prepare the draft annual activity report on the ~~Competence~~ Centre, including the information on corresponding expenditure;	318
(g) ensure the implementation of effective monitoring and evaluation procedures relating to the	(g) ensure the implementation of effective monitoring and evaluation procedures relating to	g) ensure the implementation of effective monitoring and evaluation procedures relating to the		(g) ensure the implementation of effective monitoring and evaluation procedures relating to the	319

performance of the Competence Centre;	the performance of the Competence Centre;	performance of the ~~Competence~~ Centre;		performance of the ~~Competence~~ Centre;	
(h) prepare an action plan following-up on the conclusions of the retrospective evaluations and reporting on progress every two years to the Commission	(h) prepare an action plan following-up on the conclusions of the retrospective evaluations and reporting on progress every two years to the Commission ***and the European Parliament;***	h) prepare an action plan following-up on the conclusions of the retrospective evaluations and reporting on progress every two years to the Commission;		(h) prepare an action plan following-up on the conclusions of the retrospective evaluations and reporting on progress every two years to the Commission ***and the European Parliament;***	320
(i) prepare, negotiate and conclude the agreements with the National Coordination Centres;	(i) prepare, negotiate and conclude the agreements with the National Coordination Centres;	i) prepare~~, negotiate~~ and conclude the agreements with the National Coordination Centres;		i) [prepare~~, negotiate~~ and conclude the agreements with the National Coordination Centres;] [only if contractual arrangements in Art.6 remain]	321
(j) be responsible for administrative, financial and staff matters, including the implementation of the Competence Centre budget, taking due account of advice received from the Internal Auditing Function, within the limits of the delegation by the Governing Board;	(j) be responsible for administrative, financial and staff matters, including the implementation of the Competence Centre budget, taking due account of advice received from the Internal Auditing Function, within the limits of the delegation by the Governing Board;	j) be responsible for administrative, financial and staff matters, including the implementation of the ~~Competence~~ Centre budget, taking due account of advice received from the Internal Auditing Function, within the limits of the delegation by the Governing Board;		(j) be responsible for administrative, financial and staff matters, including the implementation of the ~~Competence~~ Centre budget, taking due account of advice received from the Internal Auditing Function, within the limits of the delegation by the Governing Board;	322
(k) approve and manage the launch of calls for proposals, in accordance with the	(k) approve and manage the launch of calls for proposals, in accordance with the work plan	k) approve and manage the launch of calls for proposals, in accordance with		k) approve and manage the launch of calls for proposals, in accordance with the work plan and	323

work plan and administer the grant agreements and decisions;	and administer the grant agreements and decisions;	the work plan and administer the grant agreements and decisions;		administer the grant agreements and decisions;	
(l) approve the list of actions selected for funding on the basis of the ranking list established by a panel of independent experts;	(l) ***after consulting the Industrial and Scientific Advisory Board and ENISA,*** approve the list of actions selected for funding on the basis of the ranking list established by a panel of independent experts;	l) approve the list of actions selected for funding on the basis of the ranking list established by a panel of independent experts;		l) [***after consulting the Industrial and Scientific Advisory Board and ENISA,]*** approve the list of actions selected for funding on the basis of the ranking list established by a panel of independent experts;	324
(m) approve and manage the launch of calls for tenders, in accordance with the work plan and administer the contracts;	(m) approve and manage the launch of calls for tenders, in accordance with the work plan and administer the contracts;	m) approve and manage the launch of calls for tenders, in accordance with the work plan and administer the contracts;		m) approve and manage the launch of calls for tenders, in accordance with the work plan and administer the contracts;	325
(n) approve the tenders selected for funding;	(n) approve the tenders selected for funding;	n) approve the tenders selected for funding;		n) approve the tenders selected for funding;	326
(o) submit the draft annual accounts and balance sheet to the Internal Auditing Function, and subsequently to the Governing Board,	(o) submit the draft annual accounts and balance sheet to the Internal Auditing Function, and subsequently to the Governing Board,	o) submit the draft annual accounts and balance sheet to the Internal Auditing Function, and subsequently to the Governing Board;		o) submit the draft annual accounts and balance sheet to the Internal Auditing Function, and subsequently to the Governing Board;	327
(p) ensure that risk assessment and risk management are performed;	(p) ensure that risk assessment and risk management are performed;	p) ensure that risk assessment and risk management are performed;		p) ensure that risk assessment and risk management are performed;	328
(q) sign individual grant agreements, decisions and contracts;	(q) sign individual grant agreements, decisions and contracts;	q) sign individual grant agreements, decisions and contracts;		q) sign individual grant agreements, decisions and contracts;	329

(r) sign procurement contracts;	(r) sign procurement contracts;	r) sign procurement contracts;		r) sign procurement contracts;	330
(s) prepare an action plan following-up conclusions of internal or external audit reports, as well as investigations by the European Anti-Fraud Office (OLAF) and reporting on progress twice a year to the Commission and regularly to the Governing Board;	(s) prepare an action plan following-up conclusions of internal or external audit reports, as well as investigations by the European Anti-Fraud Office (OLAF) and reporting on progress twice a year to the Commission and ***the European Parliament and*** regularly to the Governing Board;	s) prepare an action plan following-up conclusions of internal or external audit reports, as well as investigations by the European Anti-Fraud Office (OLAF) and reporting on progress twice a year to the Commission and regularly to the Governing Board;		s) prepare an action plan following-up conclusions of internal or external audit reports, as well as investigations by the European Anti-Fraud Office (OLAF) and reporting on progress twice a year to the Commission and [***the European Parliament and***] regularly to the Governing Board; [EP amendment not retained. Reporting on operational matters to EP twice a years appears excessive.]	331
(t) prepare draft financial rules applicable to the Competence Centre;	(t) prepare draft financial rules applicable to the Competence Centre;	t) prepare draft financial rules applicable to the ~~Competence~~ Centre;		(t) prepare draft financial rules applicable to the ~~Competence~~ Centre;	332
(u) establish and ensure the functioning of an effective and efficient internal control system and report any significant change to it to the Governing Board;	(u) establish and ensure the functioning of an effective and efficient internal control system and report any significant change to it to the Governing Board;	u) establish and ensure the functioning of an effective and efficient internal control system and report any significant change to it to the Governing Board;		u) establish and ensure the functioning of an effective and efficient internal control system and report any significant change to it to the Governing Board;	333
(v) ensure effective communication with the Union's institutions;	(v) ensure effective communication with the Union's institutions ***and report, upon***	v) ensure effective communication with the Union's institutions;		(v) ensure effective communication with the Union's institutions ***and report, upon***	334

	request, to the European Parliament and to the Council;			***request, to the European Parliament and to the Council***;	
(w) take any other measures needed to assess the progress of the Competence Centre towards its mission and objectives as set out in Articles 3 and 4 of this Regulation;	(w) take any other measures needed to assess the progress of the Competence Centre towards its mission and objectives as set out in Articles 3 and 4 of this Regulation;	w) take any other measures needed to assess the progress of the ~~Competence~~ Centre towards its mission and objectives as set out in Articles 3 and 4 of this Regulation;		(w) take any other measures needed to assess the progress of the ~~Competence~~ Centre towards its mission and objectives as set out in Articles 3 and 4 of this Regulation;	335
(x) perform any other tasks entrusted or delegated to him or her by the Governing Board.	(x) perform any other tasks entrusted or delegated to him or her by the Governing Board	x) perform any other tasks entrusted or delegated to him or her by the Governing Board.		x) perform any other tasks entrusted or delegated to him or her by the Governing Board.	336
SECTION III	**SECTION III**	**SECTION III**		**SECTION III**	337
INDUSTRIAL AND SCIENTIFIC ADVISORY BOARD	**INDUSTRIAL AND SCIENTIFIC ADVISORY BOARD**	**INDUSTRIAL AND SCIENTIFIC ADVISORY BOARD**		**INDUSTRIAL AND SCIENTIFIC ADVISORY BOARD**	338
Article 18	*Article 18*	*Article 18*		*Article 18*	339
Composition of the Industrial and Scientific Advisory Board	**Composition of the Industrial and Scientific Advisory Board**	**Composition of the Industrial and Scientific Advisory Board**		**Composition of the Industrial and Scientific Advisory Board**	340
1. The Industrial and Scientific Advisory Board shall consist of no more than 16 members. The members shall be appointed by the Governing	1. The Industrial and Scientific Advisory Board shall consist of no more than ***25*** members. The members shall be appointed by the Governing	1. The Industrial and Scientific Advisory Board shall consist of no more than ~~16~~ **20** members. The members shall be appointed by the Governing		1. The Industrial and Scientific Advisory Board shall consist of no more than ***25*** members. The members shall be appointed by the Governing Board from among the	341

Board from among the representatives of the entities of the Cybersecurity Competence Community.	Board from among the representatives of the entities of the ***Community, or its individual members. Only representatives of entities which are not controlled by a third country or a third-country entity except from EEA and EFTA countries shall be eligible. The appointment shall be made in accordance with an open, transparent and non-discriminatory procedure. The Board composition shall aim to achieve gender balance, and include a balanced representation of the stakeholder groups from industry, academic*** community ***and civil society.***	Board from among the representatives of the entities of the Cybersecurity Competence Community.		representatives of the entities of the ***Community, or its individual members. Only representatives of entities which are not controlled by a third country or a third-country entity except from EEA and EFTA countries shall be eligible.*** [Elements from both EP and Council retained. In order to keep it manageable, a smaller number of board members is preferable, i.e. 20 Balanced representation is covered below]	
2. Members of the Industrial and Scientific Advisory Board shall have expertise either with regard to cybersecurity research, industrial development, professional services or the deployment thereof. The requirements for such expertise shall be further specified by the Governing Board.	2. Members of the Industrial and Scientific Advisory Board shall have expertise either with regard to cybersecurity research, industrial development, ***offering, implementing, or deploying*** professional services or ***products***. The requirements for such expertise shall be further specified by the Governing Board.	2. Members of the Industrial and Scientific Advisory Board shall have expertise ~~either~~ with regard to cybersecurity research, industrial development, professional services or the deployment thereof. The requirements for such expertise shall be further specified by the Governing Board.		2. Members of the Industrial and Scientific Advisory Board shall have expertise either with regard to cybersecurity research, industrial development, ***offering, implementing, or deploying*** professional services or ***products***. The requirements for such expertise shall be further specified by the Governing Board.	342

		2a. The Governing Board shall ensure that the membership of the Industrial and Scientific Advisory Board be balanced between scientific, industrial and civil society entities, demand and supply side industries, and between large providers and small and medium entreprises as well as in terms of geographic provenance and gender.		**2a. The Governing Board shall ensure that the membership of the Industrial and Scientific Advisory Board be balanced between scientific, industrial and civil society entities, demand and supply side industries, and between large providers and small and medium enterprises as well as in terms of geographic provenance and aim to achieve gender balance.**	343
3. Procedures concerning the appointment of its members by the Governing Board and the operation of the Advisory Board, shall be specified in the Competence Centre's rules of procedure and shall be made public.	3. Procedures concerning the appointment of its members by the Governing Board and the operation of the Advisory Board, shall be specified in the Competence Centre's rules of procedure and shall be made public.	3. Procedures concerning the appointment of its members by the Governing Board and the operation of the Advisory Board, shall be specified in the ~~Competence~~ Centre's rules of procedure and shall be made public.		3. Procedures concerning the appointment of its members by the Governing Board and the operation of the Advisory Board, shall be specified in the ~~Competence~~ Centre's rules of procedure, **be open, transparent and non-discriminatory** and shall be made public.	344
4. The term of office of members of the Industrial and Scientific Advisory Board shall be three years. That term shall be renewable.	4. The term of office of members of the Industrial and Scientific Advisory Board shall be three years. That term shall be renewable.	4. The term of office of members of the Industrial and Scientific Advisory Board shall be three years. ~~That term shall be renewable.~~		4. The term of office of members of the Industrial and Scientific Advisory Board shall be three years. That term ***may*** be renewable.	345
5. Representatives of the Commission and of the European Network and Information	5. Representatives of the Commission and of ***ENISA shall be invited to*** participate in	5. Representatives of the Commission and of the European **Union** ~~Network and~~		5. Representatives of the Commission and of [***ENISA] shall be invited to*** participate in and	346

Security Agency may participate in and support the works of the Industrial and Scientific Advisory Board.	and support the works of the Industrial and Scientific Advisory Board. ***The Board may invite additional representatives from the Community in an observer, adviser, or expert capacity as appropriate, on a case-by-case basis.***	~~Cyber Security~~ Agency **for Cybersecurity** may ~~participate in and~~ support the works of the Industrial and Scientific Advisory Board.		support the works of the Industrial and Scientific Advisory Board. ***The Board may invite additional representatives from the Community in an observer, adviser, or expert capacity as appropriate, on a case-by-case basis.*** **[EP text]**	
Article 19	*Article 19*	*Article 19*		*Article 19*	347
Functioning of the Industrial and Scientific Advisory Board	**Functioning of the Industrial and Scientific Advisory Board**	**Functioning of the Industrial and Scientific Advisory Board**		**Functioning of the Industrial and Scientific Advisory Board**	348
1. The Industrial and Scientific Advisory Board shall meet at least twice a year.	1. The Industrial and Scientific Advisory Board shall meet at least ***three times*** a year.	1. The Industrial and Scientific Advisory Board shall meet at least twice a year.		1. The Industrial and Scientific Advisory Board shall meet at least twice a year.	349
2. The Industrial and Scientific Advisory Board may advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre where necessary under the overall coordination of one or more members of the Industrial and Scientific Advisory Board.	2. The Industrial and Scientific Advisory Board ***shall provide suggestions to*** the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre***, whenever those issues fall within the tasks and areas of competence outlined in Article 20 and*** where necessary under the overall coordination of one	~~2. The Industrial and Scientific Advisory Board may advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre where necessary under the overall coordination of one or more members of the Industrial and Scientific Advisory Board.~~		~~2. The Industrial and Scientific Advisory Board may advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre where necessary under the overall coordination of one or more members of the Industrial and Scientific Advisory Board.~~	350

	or more members of the Industrial and Scientific Advisory Board				
3. The Industrial and Scientific Advisory Board shall elect its chair.	3. The Industrial and Scientific Advisory Board shall elect its chair.	~~3. The Industrial and Scientific Advisory Board shall elect its chair.~~		~~3. The Industrial and Scientific Advisory Board shall elect its chair.~~	351
4. The Industrial and Scientific Advisory Board shall adopt its rules of procedure, including the nomination of the representatives that shall represent the Advisory Board where relevant and the duration of their nomination.	4. The Industrial and Scientific Advisory Board shall adopt its rules of procedure, including the nomination of the representatives that shall represent the Advisory Board where relevant and the duration of their nomination.	4. The Industrial and Scientific Advisory Board shall adopt its rules of procedure, including the ~~nomination~~ **election** of the ~~representatives~~ **chair,** that shall represent the Advisory Board where relevant and the duration of their nomination.		4. The Industrial and Scientific Advisory Board shall adopt its rules of procedure, including the ~~nomination~~ **election** of the ~~representatives~~ **chair,** that shall represent the Advisory Board where relevant and the duration of their nomination.	352
		5. The secretariat of the Industrial and Scientific Advisory Board is provided by the Centre, based on Centre's rules of procedure.		**5. The secretariat of the Industrial and Scientific Advisory Board is provided by the Centre, based on Centre's rules of procedure.**	353
Article 20	*Article 20*	*Article 20*		*Article 20*	354
Tasks of the Industrial and Scientific Advisory Board	**Tasks of the Industrial and Scientific Advisory Board**	**Tasks of the Industrial and Scientific Advisory Board**		**Tasks of the Industrial and Scientific Advisory Board**	355
The Industrial and Scientific Advisory Board shall advise the Competence Centre in respect of	The Industrial and Scientific Advisory Board shall ***regularly*** advise the Competence Centre in	The Industrial and Scientific Advisory Board shall advise the ~~Competence~~ Centre in respect of		The Industrial and Scientific Advisory Board shall ***regularly*** advise the ~~Competence~~ Centre in	356

the performance of its activities and shall:	respect of the performance of its activities and shall:	the performance of its activities and shall:		respect of the performance of its activities and shall:	
		-1. participate in public consultations organised by the Centre and other stakeholders, at events open to all public and private stakeholders having an interest in the field of cybersecurity, on behalf of the Centre and collect input from the Community for the strategic advice referred to in paragraph 1;		**-1. participate in public consultations organised by the Centre and other stakeholders, at events open to all public and private stakeholders having an interest in the field of cybersecurity and collect input from the Community for the strategic advice referred to in paragraph 1;**	357
(6) provide to the Executive Director and the Governing Board strategic advice and input for drafting the work plan and multi-annual strategic plan within the deadlines set by the Governing Board;	(1) provide to the Executive Director and the Governing Board strategic advice and input for ***deployment by, orientation and operations of the Competence Centre as far as industry and research is concerned, and*** drafting the work plan and multi-annual strategic plan within the deadlines set by the Governing Board;	1. provide to the Executive Director and the Governing Board strategic advice and input for drafting the work plan and multi-annual strategic plan within the deadlines set by the Governing Board;		(1) provide to the Executive Director and the Governing Board strategic advice and input for ***orientation and actions of the Competence Centre as far as industry and research is concerned, and*** drafting the work plan and multi-annual strategic plan within the deadlines set by the Governing Board;	358
	(1a) advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre;			***(1a) advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre;***	359

(7) organise public consultations open to all public and private stakeholders having an interest in the field of cybersecurity, in order to collect input for the strategic advice referred to in paragraph 1;	(1) organise public consultations open to all public and private stakeholders having an interest in the field of cybersecurity, in order to collect input for the strategic advice referred to in paragraph 1;	~~2. organise public consultations open to all public and private stakeholders having an interest in the field of cybersecurity, in order to collect input for the strategic advice referred to in paragraph 1;~~		[(1) organise public consultations open to all public and private stakeholders having an interest in the field of cybersecurity, in order to collect input for the strategic advice referred to in paragraph 1;]	360
(8) promote and collect feedback on the work plan and multi-annual strategic plan of the Competence Centre.	(3) promote and collect feedback on the work plan and multi-annual strategic plan of the Competence Centre ***and advise the Governing Board on how to improve the Competence Centre's strategic orientation and operation***.	3. promote and collect feedback on the work plan and multi-annual strategic plan of the ~~Competence~~ Centre.		(3) promote and collect feedback on the work plan and multi-annual strategic plan of the ~~Competence~~ Centre [***and advise the Governing Board on how to improve the Competence Centre's strategic orientation and operation***.]	361
CHAPTER III	**CHAPTER III**	**CHAPTER III**		**CHAPTER III**	362
FINANCIAL PROVISIONS	**FINANCIAL PROVISIONS**	**FINANCIAL PROVISIONS**		**FINANCIAL PROVISIONS**	363
Article 21	*Article 21*	*Article 21*		*Article 21*	364
Union financial contribution	**Union financial contribution**	**Union and Member States´ financial contribution**			365
		-1. The Centre shall be funded by the Union.			366

1. The Union's contribution to the Competence Centre to cover administrative costs and operational costs shall comprise the following:	1. The Union's contribution to the Competence Centre to cover administrative costs and operational costs shall comprise the following:	1. The Union's contribution to the ~~Competence~~ Centre to cover administrative costs and operational costs shall comprise the following:			367
(a) EUR 1 981 668 000 from the Digital Europe Programme, including up to EUR 23 746 000 for administrative costs;	(a) ***EUR 1 780 954 875 in 2018 prices (EUR 1 998 696 000 in current prices)*** from the Digital Europe Programme, including up to ***EUR 21 385 465 in 2018 prices*** (EUR 23 746 000 ***in current prices***) for administrative costs;	a) **[**EUR 1 981 668 000**]** from the Digital Europe Programme, including up to **[**EUR 23 746 000**]** for administrative costs;			368
(b) An amount from the Horizon Europe Programme, including for administrative costs, to be determined taking into account the strategic planning process to be carried out pursuant to Article 6(6) of Regulation XXX [Horizon Europe Regulation].	(b) An amount from the Horizon Europe Programme, including for administrative costs, to be determined taking into account the strategic planning process to be carried out pursuant to Article 6(6) of Regulation XXX [Horizon Europe Regulation].	b) An amount from the Horizon Europe Programme, including for administrative costs, to be determined **by** taking into account the strategic planning process to be carried out pursuant to Article 6(6) of Regulation XXX [Horizon Europe Regulation] **and the strategic plan**.			369
	(ba) an amount from the European Defence Fund for defence-related actions of the Competence Centre, including for all related administrative costs such as costs that the				370

	Competence Centre may incur when acting as a project manager for actions carried out under the European Defence Fund.				
2. The maximum Union contribution shall be paid from the appropriations in the general budget of the Union allocated to [Digital Europe Programme] and to the specific programme implementing Horizon Europe, established by Decision XXX.	2. The maximum Union contribution shall be paid from the appropriations in the general budget of the Union allocated to [Digital Europe Programme]***,*** to the specific programme implementing Horizon Europe, established by Decision XXX***, to the European Defence Fund and to other programmes and projects falling within the scope of the Competence Centre or the Network***.	2. The maximum Union contribution shall be paid from the appropriations in the general budget of the Union allocated to [Digital Europe Programme] and to the specific programme implementing Horizon Europe, established by Decision XXX.			371
3. The Competence Centre shall implement cybersecurity actions of [Digital Europe Programme] and [Horizon Europe Programme] in accordance with point (c) (iv) of Article 62 of Regulation (EU, Euratom) XXX[41] [the financial regulation].	3. The Competence Centre shall implement cybersecurity actions of [Digital Europe Programme] and [Horizon Europe Programme] in accordance with point (c) (iv) of Article 62 of Regulation (EU, Euratom) XXX [the financial regulation].	3. The ~~Competence~~ Centre shall implement cybersecurity actions of [Digital Europe Programme] and [Horizon Europe Programme] in accordance with point (c) (iv) of Article 62 of Regulation (EU,			372

[41] [add full title and OJ reference]

		Euratom) XXX[42] [the financial regulation].			
4. The Union financial contribution shall not cover the tasks referred to in Article 4(8)(b)	4. The Union financial contribution ***from Digital Europe Programme and from Horizon Europe Programme*** shall not cover the tasks referred to in Article 4(8)(b)***. These may be covered by financial contributions from the European Defence Fund.***	**~~5~~4.** ~~The Union financial contribution shall not cover the tasks referred to in Article 4(8)(b)~~**Contributions from Union programmes other than those referred to in paragraphs (1) and (2) above that are part of a Union co-financing to a programme implemented by one of the Member States shall not be accounted for in the calculation of the Union maximum financial contribution referred to in paragraphs (1) and (2) above.**			373
		~~6~~5. Member States can make voluntary financial contributions for joint action with the Union, paid in instalments and in-kind contributions consisting of costs incurred by National Coordination Centres and beneficiaries in implementing			374

[42] [add full title and OJ reference]

		actions that are not reimbursed by the Centre.			
					375
Article 22	*Article 22*	~~*Article 22*~~			376
Contributions of participating Member States	**Contributions of participating Member States**	~~Contributions of participating Member State contributing of Member States~~			377
1. The participating Member States shall make a total contribution to the operational and administrative costs of the Competence Centre of at least the same amounts as those in Article 21(1) of this Regulation.	1. The participating Member States shall make a total contribution to the operational and administrative costs of the Competence Centre of at least the same amounts as those in Article 21(1) of this Regulation.	~~1. The participating Member States shall make a total contribution to the operational and administrative costs of the Competence Centre of at least the same amounts as those in Article 21(1) of this Regulation.~~			378
		7.~~1a.~~ Member States' co-funding of actions supported by EU programmes other than Horizon Europe and Digital Europe could be considered as contributions as those actions are in the remit of the Centre's missions and tasks.			379
2. For the purpose of assessing the contributions referred to in paragraph 1 and in point (b)ii of Article 23(3), the costs shall be	2. For the purpose of assessing the contributions referred to in paragraph 1 and in point (b)ii of Article 23(3), the	**8.~~2.~~** For the purpose of assessing the contributions referred to in paragraph 1 and in point (b)ii of Article 23(3), the			380

determined in accordance with the usual cost accounting practices of the Member States concerned, the applicable accounting standards of the Member State, and the applicable International Accounting Standards and International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the Member State concerned. The valuation method may be verified by the Competence Centre should there be any uncertainty arising from the certification.	costs shall be determined in accordance with the usual cost accounting practices of the Member States concerned, the applicable accounting standards of the Member State, and the applicable International Accounting Standards and International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the Member State concerned. The valuation method may be verified by the Competence Centre should there be any uncertainty arising from the certification.	costs shall be determined in accordance with the usual cost accounting practices of the Member States concerned, the applicable accounting standards of the Member State, and the applicable International Accounting Standards and International Financial Reporting Standards. The costs shall be certified by an independent external auditor appointed by the Member State concerned. The valuation method may be verified by the ~~Competence~~ Centre should there be any uncertainty arising from the certification.			
3. Should any participating Member State be in default of its commitments concerning its financial contribution, the Executive Director shall put this in writing and shall set a reasonable period within which such default shall be remedied. If the situation is not remedied within that period, the Executive Director shall convene a meeting of the Governing Board to decide whether the defaulting	3. Should any participating Member State be in default of its commitments concerning its financial contribution, the Executive Director shall put this in writing and shall set a reasonable period within which such default shall be remedied. If the situation is not remedied within that period, the Executive Director shall convene a meeting of the Governing Board to decide whether the defaulting	**9.**~~3~~. Should any ~~participating~~ Member State be in default of its commitments concerning its financial contribution **pursuant to joint actions**, the Executive Director shall put this in writing and shall set a reasonable period within which such default shall be remedied. If the situation is not remedied within that period, the Executive Director shall convene a meeting of the Governing Board to decide			381

participating Member State's right to vote is to be revoked or whether any other measures are to be taken until its obligations have been met. The defaulting Member State's voting rights shall be suspended until the default of its commitments is remedied.	participating Member State's right to vote is to be revoked or whether any other measures are to be taken until its obligations have been met. The defaulting Member State's voting rights shall be suspended until the default of its commitments is remedied.	whether the defaulting participating Member State's right to vote is to be revoked or whether any other measures are to be taken until its obligations have been met. The defaulting Member State's voting rights **concerning joint actions** shall be suspended until the default of its commitments is remedied.			
4. The Commission may terminate, proportionally reduce or suspend the Union's financial contribution to the Competence Centre if the participating Member States do not contribute, contribute only partially or contribute late with regard to the contributions referred to in paragraph 1.	4. The Commission may terminate, proportionally reduce or suspend the Union's financial contribution to the Competence Centre if the participating Member States do not contribute, ***or*** contribute only partially with regard to the contributions referred to in paragraph 1. ***The Commission's termination, reduction or suspension of the Union's financial contribution shall be proportionate in amount and time to the reduction, termination or suspension of the Member States' contributions.***	**10.4**. The Commission may terminate, proportionally reduce or suspend the Union's financial contribution to ~~the Competence Centre~~ **joint actions** if the ~~participating~~ c**ontributing** Member States do not contribute, contribute only partially or contribute late with regard to the contributions referred to in paragraph 1.			382
5. The participating Member States shall report by 31 January each year to the Governing Board	5. The participating Member States shall report by 31 January each year to the Governing	**11.**~~5~~. The ~~participating~~ **contributing** Member States shall report by 31 January each			383

on the value of the contributions referred to in paragraphs 1 made in each of the previous financial year.	Board on the value of the contributions referred to in paragraphs 1 made in each of the previous financial year.	year to the Governing Board on the value of the contributions referred to in paragraph~~s~~ 1 **(for joint action with the Union)** made in each of the previous financial year.			
Article 23	*Article 23*	*Article 23*			384
Costs and resources of the Competence Centre	**Costs and resources of the Competence Centre**	**Costs and resources of the ~~Competence~~ Centre**			385
1. The Competence Centre shall be jointly funded by the Union and Member States through financial contributions paid in instalments and contributions consisting of costs incurred by National Coordination Centres and beneficiaries in implementing actions that are not reimbursed by the Competence Centre.	1. The Competence Centre shall be jointly funded by the Union and Member States through financial contributions paid in instalments and contributions consisting of costs incurred by National Coordination Centres and beneficiaries in implementing actions that are not reimbursed by the Competence Centre.	1. ~~The Competence Centre shall be jointly funded by the Union and Member States through financial contributions paid in instalments and contributions consisting of costs incurred by National Coordination Centres and beneficiaries in implementing actions that are not reimbursed by the Competence Centre.~~			386
2. The administrative costs of the Competence Centre shall not exceed EUR [number] and shall be covered by means of financial contributions divided equally on an annual basis between the Union and the participating Member States. If part of the	2. The administrative costs of the Competence Centre shall not exceed EUR [number] and shall be covered by means of financial contributions divided equally on an annual basis between the Union and the participating Member States. If part of the	2. The administrative costs of the ~~Competence~~ Centre ~~shall not exceed EUR [number] and~~ shall be covered by means of financial contributions ~~divided equally~~ on an annual basis ~~between~~ **from** the Union.~~ and the participating Member State~~ **Additional**			387

contribution for administrative costs is not used, it may be made available to cover the operational costs of the Competence Centre.	contribution for administrative costs is not used, it may be made available to cover the operational costs of the Competence Centre.	**contributions shall be made by contributing Member State**s **in proportion to their voluntary contributions to joint action between the Union and Member States.** If part of the contribution for administrative costs is not used, it may be made available to cover the operational costs of the ~~Competence~~ Centre.			
3. The operational costs of the Competence Centre shall be covered by means of:	3. The operational costs of the Competence Centre shall be covered by means of:	3. The operational costs of the ~~Competence~~ Centre shall be covered by means of:			388
(c) the Union's financial contribution;	(a) the Union's financial contribution;	a) the Union's financial contribution;			389
(d) contributions from the participating Member States in the form of:	(b) contributions from the participating Member States in the form of:	b) **voluntary** contributions from the ~~participating~~ **contributing** Member States **in case of joint action between the Union and Member States** in the form of:			390
(i) Financial contributions; and	(i) Financial contributions; and	i. Financial contributions; and			391
(ii) where relevant, in-kind contributions by the participating Member States of the costs incurred by National	(ii) where relevant, in-kind contributions by the participating Member States of the costs incurred by National	ii. where relevant, in-kind contributions by the ~~participating~~ **contributing** Member States**. A contributing**			392

Coordination Centres and beneficiaries in implementing indirect actions less the contribution of the Competence Centre and any other Union contribution to those costs;	Coordination Centres and beneficiaries in implementing indirect actions less the contribution of the Competence Centre and any other Union contribution to those costs;	**Member State's in-kind contribution to a given action supported by the Centre shall consist** of the **relevant** costs incurred by **the** National Coordination Centre~~s~~ and beneficiaries **established in that Member State** ~~in implementing indirect actions~~ less the contribution of the ~~Competence~~ Centre and any other Union contribution to those costs;			
4. The resources of the Competence Centre entered into its budget shall be composed of the following contributions:	4. The resources of the Competence Centre entered into its budget shall be composed of the following contributions:	4. The resources of the ~~Competence~~ Centre entered into its budget shall be composed of the following contributions:			393
					394
(a) participating Member States' financial contributions to the administrative costs;	(a) ***the Union's and*** participating Member States' financial contributions to the administrative costs;	a) **the Union's financial contributions to the operational and administrative costs;**			395
(b) participating Member States' financial contributions to the operational costs;	(b) ***the Union's and*** participating Member States' financial contributions to the operational costs;	b) ~~participating~~ **contributing** Member States' **voluntary** financial contributions to the administrative **costs in case of**			396

		joint action between the Union and Member States;			
(c) any revenue generated by Competence Centre;	(c) any revenue generated by Competence Centre;	c) ~~participating~~ **contributing** Member States' **voluntary** financial contributions to the operational costs **in case of joint action between the Union and Member States;**			397
(d) any other financial contributions, resources and revenues.	(d) any other financial contributions, resources and revenues.	d) any revenue generated by ~~the Competence~~ Centre;			398
		e) any other financial contributions, resources and revenues.			399
5. Any interest yielded by the contributions paid to the Competence Centre by the participating Member States shall be considered to be its revenue.	5. Any interest yielded by the contributions paid to the Competence Centre by the participating Member States shall be considered to be its revenue.	5. Any interest yielded by the contributions paid to the ~~Competence~~ Centre by the ~~participating~~ **contributing** Member States shall be considered to be its revenue..			400
6. All resources of the Competence Centre and its activities shall be aimed to achieve to the objectives set out in Article 4.	6. All resources of the Competence Centre and its activities shall be aimed to achieve to the objectives set out in Article 4.	6. All resources of the ~~Competence~~ Centre and its activities shall be aimed to achieve ~~to~~ the objectives set out in Article 4.			401

7. The Competence Centre shall own all assets generated by it or transferred to it for the fulfilment of its objectives.	7. The Competence Centre shall own all assets generated by it or transferred to it for the fulfilment of its objectives.	7. The ~~Competence~~ Centre shall own all assets generated by it or transferred to it for the fulfilment of its objectives.			402
8. Except when the Competence Centre is wound up, any excess revenue over expenditure shall not be paid to the participating members of the Competence Centre.	8. Except when the Competence Centre is wound up, any excess revenue over expenditure shall not be paid to the participating members of the Competence Centre.	8. Except when the ~~Competence~~ Centre is wound up, any excess revenue over expenditure shall not be paid to the ~~participating~~ **contributing** members of the ~~Competence~~ Centre.			403
	8a. The Competence Centre shall cooperate closely with other Union institutions, agencies, and bodies in order to benefit from synergies and, where appropriate, to reduce administrative costs.				404
Article 24	*Article 24*	*Article 24*		*Article 24*	405
Financial commitments	**Financial commitments**	**Financial commitments**		**Financial commitments**	406
The financial commitments of the Competence Centre shall not exceed the amount of financial resources available or committed to its budget by its members.	The financial commitments of the Competence Centre shall not exceed the amount of financial resources available or committed to its budget by its members.	The financial commitments of the ~~Competence~~ Centre shall not exceed the amount of financial resources available or committed to its budget by its members.		The financial commitments of the ~~Competence~~ Centre shall not exceed the amount of financial resources available or committed to its budget by its members.	407

Article 25	*Article 25*	*Article 25*		*Article 25*	408
Financial year	**Financial year**	**Financial year**		**Financial year**	409
The financial year shall run from 1 January to 31 December.	The financial year shall run from 1 January to 31 December.	The financial year shall run from 1 January to 31 December.		The financial year shall run from 1 January to 31 December.	410
Article 26	*Article 26*	*Article 26*		*Article 26*	411
Establishment of the budget	**Establishment of the budget**	**Establishment of the budget**		**Establishment of the budget**	412
1. Each year, the Executive Director shall draw up a draft statement of estimates of the Competence Centre's revenue and expenditure for the following financial year, and shall forward it to the Governing Board, together with a draft establishment plan. Revenue and expenditure shall be in balance. The expenditure of the Competence Centre shall include the staff, administrative, infrastructure and operational expenses. Administrative expenses shall be kept to a minimum.	1. Each year, the Executive Director shall draw up a draft statement of estimates of the Competence Centre's revenue and expenditure for the following financial year, and shall forward it to the Governing Board, together with a draft establishment plan. Revenue and expenditure shall be in balance. The expenditure of the Competence Centre shall include the staff, administrative, infrastructure and operational expenses. Administrative expenses shall be kept to a minimum.	1. Each year, the Executive Director shall draw up a draft statement of estimates of the ~~Competence~~ Centre's revenue and expenditure for the following financial year, and shall forward it to the Governing Board, together with a draft establishment plan. Revenue and expenditure shall be in balance. The expenditure of the ~~Competence~~ Centre shall include the staff, administrative, infrastructure and operational expenses. Administrative expenses shall be kept to a minimum**, also through redeployment of staff**.		1. Each year, the Executive Director shall draw up a draft statement of estimates of the ~~Competence~~ Centre's revenue and expenditure for the following financial year, and shall forward it to the Governing Board, together with a draft establishment plan. Revenue and expenditure shall be in balance. The expenditure of the ~~Competence~~ Centre shall include the staff, administrative, infrastructure and operational expenses. Administrative expenses shall be kept to a minimum[**, also through redeployment of staff**.]	413

2. Each year, the Governing Board shall, on the basis of the draft statement of estimates of revenue and expenditure referred to in paragraph 1, produce a statement of estimates of revenue and expenditure for the Competence Centre for the following financial year.	2. Each year, the Governing Board shall, on the basis of the draft statement of estimates of revenue and expenditure referred to in paragraph 1, produce a statement of estimates of revenue and expenditure for the Competence Centre for the following financial year.	2. Each year, the Governing Board shall, on the basis of the draft statement of estimates of revenue and expenditure referred to in paragraph 1, produce a statement of estimates of revenue and expenditure for the ~~Competence~~ Centre for the following financial year.		2. Each year, the Governing Board shall, on the basis of the draft statement of estimates of revenue and expenditure referred to in paragraph 1, produce a statement of estimates of revenue and expenditure for the ~~Competence~~ Centre for the following financial year.	414
3. The Governing Board shall, by 31 January each year, send the statement of estimates referred to in paragraph 2, which shall be part of the draft single programming document, to the Commission.	3. The Governing Board shall, by 31 January each year, send the statement of estimates referred to in paragraph 2, which shall be part of the draft single programming document, to the Commission.	3. The Governing Board shall, by 31 January each year, send the statement of estimates referred to in paragraph 2, which shall be part of the draft single programming document, to the Commission.		3. The Governing Board shall, by 31 January each year, send the statement of estimates referred to in paragraph 2, which shall be part of the draft single programming document, to the Commission.	415
4. On the basis of that statement of estimates, the Commission shall enter in the draft budget of the Union the estimates it deems necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall submit to the European Parliament and the Council in accordance with Article 313 and 314 TFEU.	4. On the basis of that statement of estimates, the Commission shall enter in the draft budget of the Union the estimates it deems necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall submit to the European Parliament and the Council in accordance with Article 313 and 314 TFEU.	4. On the basis of that statement of estimates, the Commission shall enter in the draft budget of the Union the estimates it deems necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall submit to the European Parliament and the Council in accordance with Article**s** 313 and 314 TFEU.		4. On the basis of that statement of estimates, the Commission shall enter in the draft budget of the Union the estimates it deems necessary for the establishment plan and the amount of the contribution to be charged to the general budget, which it shall submit to the European Parliament and the Council in accordance with Article**s** 313 and 314 TFEU.	416

5. The European Parliament and the Council shall authorise the appropriations for the contribution to the Competence Centre.	5. The European Parliament and the Council shall authorise the appropriations for the contribution to the Competence Centre.	5. The European Parliament and the Council shall authorise the appropriations for the contribution to the ~~Competence~~ Centre.		5. The European Parliament and the Council shall authorise the appropriations for the contribution to the ~~Competence~~ Centre.	417
6. The European Parliament and the Council shall adopt the establishment plan for the Competence Centre.	6. The European Parliament and the Council shall adopt the establishment plan for the Competence Centre.	6. The European Parliament and the Council shall adopt the establishment plan for the ~~Competence~~ Centre.		6. The European Parliament and the Council shall adopt the establishment plan for the ~~Competence~~ Centre.	418
7. Together with the Work Plan, the Governing Board shall adopt the Centre's budget. It shall become final following definitive adoption of the general budget of the Union. Where appropriate, the Governing Board shall adjust the Competence Centre’s budget and Work Plan in accordance with the general budget of the Union.	7. Together with the Work Plan, the Governing Board shall adopt the Centre's budget. It shall become final following definitive adoption of the general budget of the Union. Where appropriate, the Governing Board shall adjust the Competence Centre’s budget and Work Plan in accordance with the general budget of the Union.	7. Together with the Work Plan, the Governing Board shall adopt the Centre's budget. It shall become final following definitive adoption of the general budget of the Union. Where appropriate, the Governing Board shall adjust the ~~Competence~~ Centre’s budget and Work Plan in accordance with the general budget of the Union.		7. Together with the Work Plan, the Governing Board shall adopt the Centre's budget. It shall become final following definitive adoption of the general budget of the Union. Where appropriate, the Governing Board shall adjust the ~~Competence~~ Centre’s budget and Work Plan in accordance with the general budget of the Union.	419

Article 27	*Article 27*	*Article 27*		*Article 27*	420
Presentation of the Competence Centre's accounts and discharge	**Presentation of the Competence Centre's accounts and discharge**	**Presentation of the ~~Competence~~ Centre's accounts and discharge**		**Presentation of the ~~Competence~~ Centre's accounts and discharge**	421
The presentation of the Competence Centre's provisional and final accounts and the discharge shall follow the rules and timetable of the Financial Regulation and of its financial rules adopted in accordance with Article 29.	The presentation of the Competence Centre's provisional and final accounts and the discharge shall follow the rules and timetable of the Financial Regulation and of its financial rules adopted in accordance with Article 29.	The presentation of the ~~Competence~~ Centre's provisional and final accounts and the discharge shall follow the rules and timetable of the Financial Regulation and of its financial rules adopted in accordance with Article 29.		The presentation of the ~~Competence~~ Centre's provisional and final accounts and the discharge shall follow the rules and timetable of the Financial Regulation and of its financial rules adopted in accordance with Article 29.	422
Article 28	*Article 28*	*Article 28*		*Article 28*	423
Operational and financial reporting	**Operational and financial reporting**	**Operational and financial reporting**		**Operational and financial reporting**	424
1. The Executive Director shall report annually to the Governing Board on the performance of his/her duties in	1. The Executive Director shall report annually to the Governing Board on the performance of his/her duties in	1. The Executive Director shall report annually to the Governing Board on the performance of his/her duties in		1. The Executive Director shall report annually to the Governing Board on the performance of his/her duties in accordance with	425

accordance with the financial rules of the Competence Centre.	accordance with the financial rules of the Competence Centre.	accordance with the financial rules of the ~~Competence~~ Centre.		the financial rules of the ~~Competence~~ Centre.	
2. Within two months of the closure of each financial year, the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the Competence Centre in the previous calendar year, in particular in relation to the work plan for that year. That report shall include, inter alia, information on the following matters:	2. Within two months of the closure of each financial year, the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the Competence Centre in the previous calendar year, in particular in relation to the work plan for that year. That report shall include, inter alia, information on the following matters:	2. Within two months of the closure of each financial year, the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the ~~Competence~~ Centre in the previous calendar year, in particular in relation to the work plan for that year. That report shall include, inter alia, information on the following matters:		2. Within two months of the closure of each financial year, the Executive Director shall submit to the Governing Board for approval an annual activity report on the progress made by the ~~Competence~~ Centre in the previous calendar year, in particular in relation to the work plan for that year. That report shall include, inter alia, information on the following matters:	426
(e) operational actions carried out and the corresponding expenditure;	(a) operational actions carried out and the corresponding expenditure;	a) operational actions carried out and the corresponding expenditure;		a) operational actions carried out and the corresponding expenditure;	427
(f) the actions submitted, including a breakdown by participant type, including SMEs, and by Member State;	(b) the actions submitted, including a breakdown by participant type, including SMEs, and by Member State;	b) the actions submitted, including a breakdown by participant type, including SMEs, and by Member State;		b) the actions submitted, including a breakdown by participant type, including SMEs, and by Member State;	428
(g) the actions selected for funding, including a breakdown by participant type, including SMEs, and by Member State and indicating the contribution of the Competence	(c) the actions selected for funding, including a breakdown by participant type, including SMEs, and by Member State and indicating the contribution of the Competence Centre to the	c) the actions selected for funding, including a breakdown by participant type, including SMEs **and technology related SMEs**, and by Member State and indicating the		c) the actions selected for funding, including a breakdown by participant type, including SMEs **and technology related SMEs**, and by Member State and indicating the contribution of the ~~Competence~~	429

Centre to the individual participants and actions;	individual participants and actions;	contribution of the ~~Competence~~ Centre to the individual participants and actions;		Centre to the individual participants and actions;	
(h) progress towards the achievement of the objectives set out in Article 4 and proposals for further necessary work to achieve these objectives.	(d) progress towards the achievement of the objectives set out in Article 4 and proposals for further necessary work to achieve these objectives.	d) progress towards the achievement of the objectives set out in Article 4 and proposals for further necessary work to achieve these objectives.		d) progress towards the achievement of the objectives set out in Article 4 and proposals for further necessary work to achieve these objectives.	430
3. Once approved by the Governing Board, the annual activity report shall be made publicly available.	3. Once approved by the Governing Board, the annual activity report shall be made publicly available.	3. Once approved by the Governing Board, the annual activity report shall be made publicly available.		3. Once approved by the Governing Board, the annual activity report shall be made publicly available.	431
Article 29	*Article 29*	*Article 29*		*Article 29*	432
Financial rules	**Financial rules**	**Financial rules**		**Financial rules**	433
The Competence Centre shall adopt its specific financial rules in accordance with Article 70 of Regulation XXX [new Financial Regulation].	The Competence Centre shall adopt its specific financial rules in accordance with Article 70 of Regulation XXX [new Financial Regulation].	The ~~Competence~~ Centre shall adopt its specific financial rules in accordance with Article 70 of Regulation XXX [new Financial Regulation].		The ~~Competence~~ Centre shall adopt its specific financial rules in accordance with Article 70 of Regulation XXX [new Financial Regulation].	434
Article 30	*Article 30*	*Article 30*		*Article 30*	435
Protection of financial interests	**Protection of financial interests**	**Protection of financial interests**		**Protection of financial interests**	436

1. The Competence Centre shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative sanctions.	1. The Competence Centre shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by ***regular and*** effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative sanctions.	1. The ~~Competence~~ Centre shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative sanctions.		1. The ~~Competence~~ Centre shall take appropriate measures to ensure that, when actions financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and any other illegal activities, by ***regular and*** effective checks and, if irregularities are detected, by the recovery of the amounts wrongly paid and, where appropriate, by effective, proportionate and dissuasive administrative sanctions.	437
2. The Competence Centre shall grant Commission staff and other persons authorised by the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format that is needed in order to conduct their audits.	2. The Competence Centre shall grant Commission staff and other persons authorised by the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format that is needed in order to conduct their audits.	2. The ~~Competence~~ Centre shall grant Commission staff and other persons authorised by the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format that is needed in order to conduct their audits.		2. The ~~Competence~~ Centre shall grant Commission staff and other persons authorised by the Commission, as well as the Court of Auditors, access to its sites and premises and to all the information, including information in electronic format that is needed in order to conduct their audits.	438
3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-	3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-	3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-		3. The European Anti-Fraud Office (OLAF) may carry out investigations, including on-the-	439

spot checks and inspections, in accordance with the provisions and procedures laid down in Council Regulation (Euratom, EC) No 2185/96[43] and Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council[44] with a view to establishing whether there has been fraud, corruption or any	spot checks and inspections, in accordance with the provisions and procedures laid down in Council Regulation (Euratom, EC) No 2185/96[45] and Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council[46] with a view to establishing whether there has been fraud,	spot checks and inspections, in accordance with the provisions and procedures laid down in Council Regulation (Euratom, EC) No 2185/96[47] and Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council[48] with a view to establishing whether there has been fraud,		spot checks and inspections, in accordance with the provisions and procedures laid down in Council Regulation (Euratom, EC) No 2185/96[49] and Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the	

[43] Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

[44] Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

[45] Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

[46] Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

[47] Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

[48] Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

[49] Council Regulation (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities (OJ L 292, 15.11.1996, p. 2).

other illegal activity affecting the financial interests of the Union in connection with a grant agreement or a contract funded, directly or indirectly, in accordance with this Regulation.	corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or a contract funded, directly or indirectly, in accordance with this Regulation.	corruption or any other illegal activity affecting the financial interests of the Union in connection with a grant agreement or a contract funded, directly or indirectly, in accordance with this Regulation.		Council[50] 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 agreement or a contract funded, directly or indirectly, in accordance with this Regulation.	
4. Without prejudice to paragraphs 1, 2 and 3 of this Article, contracts and grant agreements resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Competence Centre, the Court of Auditors and OLAF to conduct such audits and investigations in accordance with their respective competences. Where the implementation of an action is outsourced or sub-delegated, in whole or in part, or where it requires the award of a procurement contract or financial	4. Without prejudice to paragraphs 1, 2 and 3 of this Article, contracts and grant agreements resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the Competence Centre, the Court of Auditors and OLAF to conduct such audits and investigations in accordance with their respective competences. Where the implementation of an action is outsourced or sub-delegated, in whole or in part, or where it	4. Without prejudice to paragraphs 1, 2 and 3 of this Article, contracts and grant agreements resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the ~~Competence~~ Centre, the Court of Auditors and OLAF to conduct such audits and investigations in accordance with their respective competences. Where the implementation of an action is outsourced or sub-delegated, in whole or in part, or where it		4. Without prejudice to paragraphs 1, 2 and 3 of this Article, contracts and grant agreements resulting from the implementation of this Regulation shall contain provisions expressly empowering the Commission, the ~~Competence~~ Centre, the Court of Auditors and OLAF to conduct such audits and investigations in accordance with their respective competences. Where the implementation of an action is outsourced or sub-delegated, in whole or in part, or where it requires the award of a procurement contract or financial	440

[50] Regulation (EU, Euratom) No 883/2013 of the European Parliament and of the Council of 11 September 2013 concerning investigations conducted by the European Anti-Fraud Office (OLAF) and repealing Regulation (EC) No 1073/1999 of the European Parliament and of the Council and Council Regulation (Euratom) No 1074/1999 (OJ L 248, 18.9.2013, p. 1).

support to a third party, the contract, or grant agreement shall include the contractor's or beneficiary's obligation to impose on any third party involved explicit acceptance of those powers of the Commission, the Competence Centre, the Court of Auditors and OLAF.	requires the award of a procurement contract or financial support to a third party, the contract, or grant agreement shall include the contractor's or beneficiary's obligation to impose on any third party involved explicit acceptance of those powers of the Commission, the Competence Centre, the Court of Auditors and OLAF.	requires the award of a procurement contract or financial support to a third party, the contract, or grant agreement shall include the contractor's or beneficiary's obligation to impose on any third party involved explicit acceptance of those powers of the Commission, the ~~Competence~~ Centre, the Court of Auditors and OLAF.		support to a third party, the contract, or grant agreement shall include the contractor's or beneficiary's obligation to impose on any third party involved explicit acceptance of those powers of the Commission, the ~~Competence~~ Centre, the Court of Auditors and OLAF.	
CHAPTER IV	**CHAPTER IV**	**CHAPTER IV**		**CHAPTER IV**	441
COMPETENCE CENTRE STAFF	**COMPETENCE CENTRE STAFF**	**~~COMPETENCE~~ CENTRE STAFF**			442
Article 31	*Article 31*	*Article 31*		*Article 31*	443
Staff	**Staff**	**Staff**		**Staff**	444
1. The Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Union as laid down by Council Regulation (EEC,	1. The Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Union as laid down by Council Regulation (EEC, Euratom, ECSC) No	1. The Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Union as laid down by Council Regulation (EEC, Euratom, ECSC) No		1. The Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Union as laid down by Council Regulation (EEC,	445

Euratom, ECSC) No 259/68[51] ('Staff Regulations' and 'Conditions of Employment') and the rules adopted jointly by the institutions of the Union for the purpose of applying the Staff Regulations and Conditions of Employment shall apply to the staff of the Competence Centre.	259/68[52] ('Staff Regulations' and 'Conditions of Employment') and the rules adopted jointly by the institutions of the Union for the purpose of applying the Staff Regulations and Conditions of Employment shall apply to the staff of the Competence Centre.	259/68[53] ('Staff Regulations' and 'Conditions of Employment') and the rules adopted jointly by the institutions of the Union for the purpose of applying the Staff Regulations and Conditions of Employment shall apply to the staff of the ~~Competence~~ Centre.		Euratom, ECSC) No 259/68[54] ('Staff Regulations' and 'Conditions of Employment') and the rules adopted jointly by the institutions of the Union for the purpose of applying the Staff Regulations and Conditions of Employment shall apply to the staff of the ~~Competence~~ Centre.	
2. The Governing Board shall exercise, with respect to the staff of the Competence Centre, the powers conferred by the Staff Regulations on the Appointing Authority and the powers conferred by the Conditions of	2. The Governing Board shall exercise, with respect to the staff of the Competence Centre, the powers conferred by the Staff Regulations on the Appointing Authority and the powers conferred by the	2. The Governing Board shall exercise, with respect to the staff of the ~~Competence~~ Centre, the powers conferred by the Staff Regulations on the Appointing Authority and the powers conferred by the		2. The Governing Board shall exercise, with respect to the staff of the ~~Competence~~ Centre, the powers conferred by the Staff Regulations on the Appointing Authority and the powers conferred by the Conditions of Employment on the	446

[51] Regulation (EEC, Euratom, ECSC) No 259/68 of the Council of 29 February 1968 laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities and instituting special measures temporarily applicable to officials of the Commission (OJ L 56, 4.3.1968, p. 1).

[52] Regulation (EEC, Euratom, ECSC) No 259/68 of the Council of 29 February 1968 laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities and instituting special measures temporarily applicable to officials of the Commission (OJ L 56, 4.3.1968, p. 1).

[53] Regulation (EEC, Euratom, ECSC) No 259/68 of the Council of 29 February 1968 laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities and instituting special measures temporarily applicable to officials of the Commission (OJ L 56, 4.3.1968, p. 1).

[54] Regulation (EEC, Euratom, ECSC) No 259/68 of the Council of 29 February 1968 laying down the Staff Regulations of Officials and the Conditions of Employment of Other Servants of the European Communities and instituting special measures temporarily applicable to officials of the Commission (OJ L 56, 4.3.1968, p. 1).

Employment on the authority empowered to conclude contract ('the appointing authority powers').	Conditions of Employment on the authority empowered to conclude contract ('the appointing authority powers').	Conditions of Employment on the authority empowered to conclude contract ('the appointing authority powers').		authority empowered to conclude contract ('the appointing authority powers').	
3. The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and on Article 6 of the Conditions of Employment delegating the relevant appointing authority powers to the Executive Director and defining the conditions under which that delegation may be suspended. The Executive Director is authorised to sub-delegate those powers.	3. The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and on Article 6 of the Conditions of Employment delegating the relevant appointing authority powers to the Executive Director and defining the conditions under which that delegation may be suspended. The Executive Director is authorised to sub-delegate those powers.	3. The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and on Article 6 of the Conditions of Employment delegating the relevant appointing authority powers to the Executive Director and defining the conditions under which that delegation may be suspended. The Executive Director is authorised to sub-delegate those powers.		3. The Governing Board shall adopt, in accordance with Article 110 of the Staff Regulations, a decision based on Article 2(1) of the Staff Regulations and on Article 6 of the Conditions of Employment delegating the relevant appointing authority powers to the Executive Director and defining the conditions under which that delegation may be suspended. The Executive Director is authorised to sub-delegate those powers.	447
4. Where exceptional circumstances so require, the Governing Board may by decision temporarily suspend the delegation of the appointing authority powers to the Executive Director and any sub-delegation made by the latter. In such a case the Governing Board shall exercise itself the appointing authority powers or delegate them to one of its members or to a staff	4. Where exceptional circumstances so require, the Governing Board may by decision temporarily suspend the delegation of the appointing authority powers to the Executive Director and any sub-delegation made by the latter. In such a case the Governing Board shall exercise itself the appointing authority powers or delegate them to one of its	4. Where exceptional circumstances so require, the Governing Board may by decision temporarily suspend the delegation of the appointing authority powers to the Executive Director and any sub-delegation made by the latter. In such a case the Governing Board shall exercise itself the appointing authority powers or delegate them to one of its		4. Where exceptional circumstances so require, the Governing Board may by decision temporarily suspend the delegation of the appointing authority powers to the Executive Director and any sub-delegation made by the latter. In such a case the Governing Board shall exercise itself the appointing authority powers or delegate them to one of its members or to a staff	448

member of the Competence Centre other than the Executive Director.	members or to a staff member of the Competence Centre other than the Executive Director.	members or to a staff member of the ~~Competence~~ Centre other than the Executive Director.		member of the ~~Competence~~ Centre other than the Executive Director	
5. The Governing Board shall adopt implementing rules as regards the Staff Regulations and the Conditions of Employment in accordance with Article 110 of the Staff Regulations.	5. The Governing Board shall adopt implementing rules as regards the Staff Regulations and the Conditions of Employment in accordance with Article 110 of the Staff Regulations.	5. The Governing Board shall adopt implementing rules as regards the Staff Regulations and the Conditions of Employment in accordance with Article 110 of the Staff Regulations.		5. The Governing Board shall adopt implementing rules as regards the Staff Regulations and the Conditions of Employment in accordance with Article 110 of the Staff Regulations.	449
6. The staff resources shall be determined in the staff establishment plan of the Competence Centre, indicating the number of temporary posts by function group and by grade and the number of contract staff expressed in full-time equivalents, in line with its annual budget.	6. The staff resources shall be determined in the staff establishment plan of the Competence Centre, indicating the number of temporary posts by function group and by grade and the number of contract staff expressed in full-time equivalents, in line with its annual budget.	6. The staff resources shall be determined in the staff establishment plan of the ~~Competence~~ Centre, indicating the number of temporary posts by function group and by grade and the number of contract staff expressed in full-time equivalents, in line with its annual budget.		6. The staff resources shall be determined in the staff establishment plan of the ~~Competence~~ Centre, indicating the number of temporary posts by function group and by grade and the number of contract staff expressed in full-time equivalents, in line with its annual budget.	450
7. The staff of the Competence Centre shall consist of temporary staff and contract staff.	7. The Competence Centre ***shall aim to achieve gender balance among its staff. The staff*** shall consist of temporary staff and contract staff.	7. **The human resources required in the Centre shall be met by redeployment of staff from the Commission and European bodies**. The staff of the ~~Competence~~ Centre ~~shall~~ **may** consist of temporary staff and contract staff.		Compromise text to be provided	451

8. All costs related to staff shall be borne by the Competence Centre.	8. All costs related to staff shall be borne by the Competence Centre.	8. All costs related to staff shall be borne by the ~~Competence~~ Centre.		8. All costs related to staff shall be borne by the ~~Competence~~ Centre.	452
Article 32	*Article 32*	*Article 32*		*Article 32*	453
Seconded national experts and other staff	**Seconded national experts and other staff**	**Seconded national experts and other staff**		**Seconded national experts and other staff**	454
1. The Competence Centre may make use of seconded national experts or other staff not employed by the Competence Centre.	1. The Competence Centre may make use of seconded national experts or other staff not employed by the Competence Centre.	1. The ~~Competence~~ Centre may make use of seconded national experts or other staff not employed by the ~~Competence~~ Centre.		1. The ~~Competence~~ Centre may make use of seconded national experts or other staff not employed by the ~~Competence~~ Centre	455
2. The Governing Board shall adopt a decision laying down rules on the secondment of national experts to the Competence Centre, in agreement with the Commission.	2. The Governing Board shall adopt a decision laying down rules on the secondment of national experts to the Competence Centre, in agreement with the Commission.	2. The Governing Board shall adopt a decision laying down rules on the secondment of national experts to the ~~Competence~~ Centre, in agreement with the Commission.		2. The Governing Board shall adopt a decision laying down rules on the secondment of national experts to the ~~Competence~~ Centre, in agreement with the Commission	456
Article 33	*Article 33*	*Article 33*		*Article 33*	457
Privileges and Immunities	**Privileges and Immunities**	**Privileges and Immunities**		**Privileges and Immunities**	458
Protocol No 7 on the Privileges and Immunities of the European Union annexed to the Treaty on European Union and to the Treaty	Protocol No 7 on the Privileges and Immunities of the European Union annexed to the Treaty on European Union and to the	Protocol No 7 on the Privileges and Immunities of the European Union annexed to the Treaty on European Union and to the		Protocol No 7 on the Privileges and Immunities of the European Union annexed to the Treaty on European Union and to the Treaty on the	459

on the Functioning of the European Union shall apply to the Competence Centre and its staff.	Treaty on the Functioning of the European Union shall apply to the Competence Centre and its staff.	Treaty on the Functioning of the European Union shall apply to the ~~Competence~~ Centre and its staff.		Functioning of the European Union shall apply to the ~~Competence~~ Centre and its staff.	
CHAPTER V	**CHAPTER V**	**CHAPTER V**		**CHAPTER V**	460
COMMON PROVISIONS	**COMMON PROVISIONS**	**COMMON PROVISIONS**		**COMMON PROVISIONS**	461
Article 34	*Article 34*	*Article 34*		*Article 34*	462
Security Rules	**Security Rules**	**Security Rules**		**Security Rules**	463
1. Article 12(7) Regulation (EU) No XXX [Digital Europe Programme] shall apply to participation in all actions funded by the Competence Centre.	1. Article 12(7) Regulation (EU) No XXX [Digital Europe Programme] shall apply to participation in all actions funded by the Competence Centre.	1. Article 12(~~75~~) Regulation (EU) No XXX [Digital Europe Programme] shall apply to participation in all actions funded by the ~~Competence~~ Centre.		1. Article 12(~~75~~) Regulation (EU) No XXX [Digital Europe Programme] shall apply to participation in all actions funded by the ~~Competence~~ Centre.	464
2. The following specific security rules shall apply to actions funded from Horizon Europe:	2. The following specific security rules shall apply to actions funded from Horizon Europe:	2. The following specific security rules shall apply to actions funded from Horizon Europe:		3. The following specific security rules shall apply to actions funded from Horizon Europe:	465
(i) for the purposes of Article 34(1) [Ownership and	(a) for the purposes of Article 34(1) [Ownership and	a) for the purposes of Article 34(1) [Ownership and		a) for the purposes of Article 34(1) [Ownership and protection]	466

protection] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, the grant of non-exclusive licenses may be limited to third parties established or deemed to be established in Members States and controlled by Member States and/or nationals of Member States;	protection] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, the grant of non-exclusive licenses may be limited to third parties established or deemed to be established in Members States and controlled by Member States and/or nationals of Member States;	protection] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, the grant of non-exclusive licenses may be limited to third parties established or deemed to be established in Members States and controlled by Member States and/or nationals of Member States;		of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, the grant of non-exclusive licenses may be limited to third parties established or deemed to be established in Members States and controlled by Member States and/or nationals of Member States;	
(j) for the purposes of Article 36(4)(b) [Transfer and licensing] of Regulation (EU) No XXX [Horizon Europe], the transfer or license to a legal entity established in an associated country or established in the Union but controlled from third countries shall also be a ground to object to transfers of ownership of results, or to grants of an exclusive license regarding results;	(b) for the purposes of Article 36(4)(b) [Transfer and licensing] of Regulation (EU) No XXX [Horizon Europe], the transfer or license to a legal entity established in an associated country or established in the Union but controlled from third countries shall also be a ground to object to transfers of ownership of results, or to grants of an exclusive license regarding results;	b) for the purposes of Article 36(4)(b) [Transfer and licensing] of Regulation (EU) No XXX [Horizon Europe], the transfer or license to a legal entity established in an associated country or established in the Union but controlled from third countries shall also be a ground to object to transfers of ownership of results, or to grants of an exclusive license regarding results;		b) for the purposes of Article 36(4)(b) [Transfer and licensing] of Regulation (EU) No XXX [Horizon Europe], the transfer or license to a legal entity established in an associated country or established in the Union but controlled from third countries shall also be a ground to object to transfers of ownership of results, or to grants of an exclusive license regarding results;	467
(k) for the purposes of Article 37(3)(a) [Access rights] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, granting of access to results and background may be limited only to a legal entity established or deemed to be	(c) for the purposes of Article 37(3)(a) [Access rights] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, granting of access to results and background may be limited only to a legal entity established or	c) for the purposes of Article 37(3)(a) [Access rights] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, granting of access to results and background may be limited only to a legal entity established or		c) for the purposes of Article 37(3)(a) [Access rights] of Regulation (EU) No XXX [Horizon Europe], when provided for in the Work plan, granting of access to results and background may be limited only to a legal entity established or deemed to be	468

established in Members States and controlled by Member States and/or nationals of Member States.	deemed to be established in Members States and controlled by Member States and/or nationals of Member States.	deemed to be established in Members States and controlled by Member States and/or nationals of Member States.		established in Members States and controlled by Member States and/or nationals of Member States.	
	(ca) Articles 22 [Ownership of results], 23 [Ownership of results] and 30 [Application of the rules on classified information] of Regulation (EU) 2019/XXX [European Defence Fund] shall apply to participation in all defence-related actions by the Competence Centre, when provided for in the work plan, and the grant of non-exclusive licenses may be limited to third parties established or deemed to be established in Members States and controlled by Member States and/or nationals of Member States.			EDF related -> trilogue	469
Article 35	*Article 35*	*Article 35*		*Article 35*	470
Transparency	**Transparency**	**Transparency**		**Transparency**	471
1. The Competence Centre shall carry out its activities with a high level of transparency.	1. The Competence Centre shall carry out its activities with	1. The ~~Competence~~ Centre shall carry out its activities with a high level of transparency.		1. The ~~Competence~~ Centre shall carry out its activities with ***the highest*** level of transparency.	472

	the highest level of transparency.				
2. The Competence Centre shall ensure that the public and any interested parties are given appropriate, objective, reliable and easily accessible information, in particular with regard to the results of its work. It shall also make public the declarations of interest made in accordance with Article 41.	2. The Competence Centre shall ensure that the public and any interested parties are ***provided with comprehensive,*** appropriate, objective, reliable and easily accessible information ***in due time***, in particular with regard to the results of ***the work of the Competence Centre, the Network, the Industry and Scientific Advisory Board and the Community***. It shall also make public the declarations of interest made in accordance with Article ***42***.	2. The ~~Competence~~ Centre shall ensure that the public and any interested parties are given appropriate, objective, reliable and easily accessible information, in particular with regard to the results of its work. It shall also make public the declarations of interest made in accordance with Article ~~41~~**42**.		2. The Competence Centre shall ensure that the public and any interested parties are ***provided with comprehensive,*** appropriate, objective, reliable and easily accessible information ***in due time***, in particular with regard to the results of ***the work of the Competence Centre, the Network, the Industry and Scientific Advisory Board and the Community***. It shall also make public the declarations of interest made in accordance with Article ***42***.	473
3. The Governing Board, acting on a proposal from the Executive Director, may authorise interested parties to observe the proceedings of some of the Competence Centre's activities.	3. The Governing Board, acting on a proposal from the Executive Director, may authorise interested parties to observe the proceedings of some of the Competence Centre's activities.	3. The Governing Board, acting on a proposal from the Executive Director, may authorise interested parties to observe the proceedings of some of the ~~Competence~~ Centre's activities.		3. The Governing Board, acting on a proposal from the Executive Director, may authorise interested parties to observe the proceedings of some of the ~~Competence~~ Centre's activities.	474
4. The Competence Centre shall lay down, in its rules of procedure, the practical arrangements for implementing the transparency rules referred to	4. The Competence Centre shall lay down, in its rules of procedure, the practical arrangements for implementing the transparency rules referred to	4. The ~~Competence~~ Centre shall lay down, in its rules of procedure, the practical arrangements for implementing the transparency rules referred to		4. The ~~Competence~~ Centre shall lay down, in its rules of procedure, the practical arrangements for implementing the transparency rules referred to in paragraphs 1	475

in paragraphs 1 and 2. For actions funded from Horizon Europe this will take due account of the provisions in Annex III of the Horizon Europe Regulation.	in paragraphs 1 and 2. For actions funded from Horizon Europe this will take due account of the provisions in Annex III of the Horizon Europe Regulation.	in paragraphs 1 and 2. For actions funded from Horizon Europe this will take due account of the provisions ~~in Annex III~~ of the Horizon Europe Regulation.		and 2. For actions funded from Horizon Europe this will take due account of the provisions ~~in Annex III~~ of the Horizon Europe Regulation.	
Article 36	*Article 36*	*Article 36*		*Article 36*	476
Security rules on the protection of classified information and sensitive non-classified information	**Security rules on the protection of classified information and sensitive non-classified information**	**Security rules on the protection of classified information** ~~and sensitive non-classified information~~			477
1. Without prejudice to Article 35, the Competence Centre shall not divulge to third parties information that it processes or receives in relation to which a reasoned request for confidential treatment, in whole or in part, has been made.	1. Without prejudice to Article 35, the Competence Centre shall not divulge to third parties information that it processes or receives in relation to which a reasoned request for confidential treatment, in whole or in part, has been made.	1. ~~Without prejudice to Article 35, the Competence Centre shall not divulge to third parties classified information in whole or a part that it processes or receives in relation to which a reasoned request for confidential treatment, in whole or in part, has been made.~~			478
2. Members of the Governing Board, the Executive Director, the members of the Industrial and Scientific Advisory Board, external experts participating in ad hoc Working Groups, and members of the staff of the Centre shall comply with the	2. Members of the Governing Board, the Executive Director, the members of the Industrial and Scientific Advisory Board, external experts participating in ad hoc Working Groups, and members of the staff of the Centre shall comply with the	2. ~~Members of the Governing Board, the Executive Director, the members of the Industrial and Scientific Advisory Board, external experts participating in ad hoc Working Groups, and members of the staff of the Centre shall comply with the~~			479

confidentiality requirements under Article 339 of the Treaty on the Functioning of the European Union, even after their duties have ceased.	confidentiality requirements under Article 339 of the Treaty on the Functioning of the European Union, even after their duties have ceased.	~~confidentiality requirements under Article 339 of the Treaty on the Functioning of the European Union, even after their duties have ceased.~~ The Governing Board of the ~~Competence~~ Centre shall adopt the ~~Competence~~ Centre's security rules, following approval by the Commission, based on the principles and rules laid down in the Commission's security rules for protecting European Union classified information (EUCI) and sensitive non-classified information including inter alia provisions for the processing and storage of such information as set out in Commission Decisions (EU, Euratom) 2015/443 and 2015/444 .			
3. The Governing Board of the Competence Centre shall adopt the Competence Centre's security rules, following approval by the Commission, based on the principles and rules laid down in the Commission's security rules for protecting European Union classified information (EUCI) and sensitive non-classified	3. The Governing Board of the Competence Centre shall adopt the Competence Centre's security rules, following approval by the Commission, based on the principles and rules laid down in the Commission's security rules for protecting European Union classified information (EUCI) and	3. ~~The Governing Board of the Competence Centre shall adopt the Competence Centre's security rules, following approval by the Commission, based on the principles and rules laid down in the Commission's security rules for protecting European Union classified information (EUCI) and~~			480

information including inter alia provisions for the processing and storage of such information as set out in Commission Decisions (EU, Euratom) 2015/443[55] and 2015/444[56].	sensitive non-classified information including inter alia provisions for the processing and storage of such information as set out in Commission Decisions (EU, Euratom) 2015/443[57] and 2015/444[58].	~~sensitive non-classified information including inter alia provisions for the processing and storage of such information as set out in Commission Decisions (EU, Euratom) 2015/443 and 2015/444.~~ Members of the Governing Board, the Executive Director, the members of the Industrial and Scientific Advisory Board, external experts participating in ad hoc Working Groups, and members of the staff of the Centre shall comply with the confidentiality requirements under Article 339 of the Treaty on the Functioning of the European Union, even after their duties have ceased.			
4. The Competence Centre may take all necessary measures to facilitate the exchange of information relevant to its tasks with the Commission and the	4. The Competence Centre may take all necessary measures to facilitate the exchange of information relevant to its tasks with the Commission and the	4. The ~~Competence~~ Centre may take all necessary measures to facilitate the exchange of information relevant to its tasks with the Commission and the		4. The ~~Competence~~ Centre may take all necessary measures to facilitate the exchange of information relevant to its tasks with the Commission and the	481

[55] Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

[56] Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

[57] Commission Decision (EU, Euratom) 2015/443 of 13 March 2015 on Security in the Commission (OJ L 72, 17.3.2015, p. 41).

[58] Commission Decision (EU, Euratom) 2015/444 of 13 March 2015 on the security rules for protecting EU classified information (OJ L 72, 17.3.2015, p. 53).

Member States and where appropriate, the relevant Union agencies and bodies. Any administrative arrangement concluded to this end on sharing EUCI or, in the absence of such arrangement, any exceptional ad hoc release of EUCI shall have received the Commission's prior approval.	Member States and where appropriate, the relevant Union agencies and bodies. Any administrative arrangement concluded to this end on sharing EUCI or, in the absence of such arrangement, any exceptional ad hoc release of EUCI shall have received the Commission's prior approval.	Member States and where appropriate, the relevant Union agencies and bodies. Any administrative arrangement concluded to this end on sharing EUCI or, in the absence of such arrangement, any exceptional ad hoc release of EUCI shall have received the Commission's prior approval.		Member States and where appropriate, the relevant Union agencies and bodies. Any administrative arrangement concluded to this end on sharing EUCI or, in the absence of such arrangement, any exceptional ad hoc release of EUCI shall have received the Commission's prior approval.	
Article 37	*Article 37*	*Article 37*		*Article 37*	482
Access to documents	**Access to documents**	**Access to documents**		**Access to documents**	483
1. Regulation (EC) No 1049/2001 shall apply to documents held by the Competence Centre.	1. Regulation (EC) No 1049/2001 shall apply to documents held by the Competence Centre.	1. Regulation (EC) No 1049/2001 shall apply to documents held by the ~~Competence~~ Centre.		1. Regulation (EC) No 1049/2001 shall apply to documents held by the ~~Competence~~ Centre.	484
2. The Governing Board shall adopt arrangements for implementing Regulation (EC) No 1049/2001 within six months of the establishment of the Competence Centre.	2. The Governing Board shall adopt arrangements for implementing Regulation (EC) No 1049/2001 within six months of the establishment of the Competence Centre.	2. The Governing Board shall adopt arrangements for implementing Regulation (EC) No 1049/2001 within six months of the establishment of the ~~Competence~~ Centre.		2. The Governing Board shall adopt arrangements for implementing Regulation (EC) No 1049/2001 within six months of the establishment of the ~~Competence~~ Centre.	485
3. Decisions taken by the Competence Centre pursuant to Article 8 of Regulation (EC) No 1049/2001 may be the subject	3. Decisions taken by the Competence Centre pursuant to Article 8 of Regulation (EC) No 1049/2001 may be the	3. Decisions taken by the ~~Competence~~ Centre pursuant to Article 8 of Regulation (EC) No 1049/2001 may be the		3. Decisions taken by the ~~Competence~~ Centre pursuant to Article 8 of Regulation (EC) No 1049/2001 may be the subject	486

of a complaint to the Ombudsman under Article 228 of Treaty on the Functioning of the European Union or of an action before the Court of Justice of the European Union under Article 263 of Treaty on the Functioning of the European Union.	subject of a complaint to the Ombudsman under Article 228 of Treaty on the Functioning of the European Union or of an action before the Court of Justice of the European Union under Article 263 of Treaty on the Functioning of the European Union.	subject of a complaint to the Ombudsman under Article 228 of Treaty on the Functioning of the European Union or of an action before the Court of Justice of the European Union under Article 263 of Treaty on the Functioning of the European Union.		of a complaint to the Ombudsman under Article 228 of Treaty on the Functioning of the European Union or of an action before the Court of Justice of the European Union under Article 263 of Treaty on the Functioning of the European Union.	
Article 38	*Article 38*	*Article 38*		*Article 38*	487
Monitoring, evaluation and review	**Monitoring, evaluation and review**	**Monitoring, evaluation and review**		**Monitoring, evaluation and review**	488
1. The Competence Centre shall ensure that its activities, including those managed through the National Coordination Centres and the Network, shall be subject to continuous and systematic monitoring and periodic evaluation. The Competence Centre shall ensure that the data for monitoring programme implementation and results are collected efficiently, effectively, and in timely manner and proportionate reporting requirements shall be imposed on recipients of Union funds and Member States. The outcomes of	1. The Competence Centre shall ensure that its activities, including those managed through the National Coordination Centres and the Network, shall be subject to continuous and systematic monitoring and periodic evaluation. The Competence Centre shall ensure that the data for monitoring programme implementation and results are collected efficiently, effectively, and in timely manner and proportionate reporting requirements shall be imposed on recipients of Union funds and	1. The ~~Competence~~ Centre shall ensure that its activities, including those managed through the National Coordination Centres and the Network, shall be subject to continuous and systematic monitoring and periodic evaluation. The ~~Competence~~ Centre shall ensure that the data for monitoring programme implementation and results are collected efficiently, effectively, and in timely manner and proportionate reporting requirements shall be imposed on recipients of Union funds and		1. The ~~Competence~~ Centre shall ensure that its activities, including those managed through the National Coordination Centres and the Network, shall be subject to continuous and systematic monitoring and periodic evaluation. The ~~Competence~~ Centre shall ensure that the data for monitoring programme implementation and results are collected efficiently, effectively, and in timely manner and proportionate reporting requirements shall be imposed on recipients of Union funds and	489

the evaluation shall be made public.	Member States. The outcomes of the evaluation shall be made public.	Member States. The outcomes of the evaluation shall be made public.		Member States. The outcomes of the evaluation shall be made public.	
2. Once there is sufficient information available about the implementation of this Regulation, but no later than three and a half years after the start of the implementation of this Regulation, the Commission shall carry out an interim evaluation of the Competence Centre. The Commission shall prepare a report on that evaluation and shall submit that report to the European Parliament and to the Council by 31 December 2024. The Competence Centre and Member States shall provide the Commission with the information necessary for the preparation of that report.	2. Once there is sufficient information available about the implementation of this Regulation, but no later than three and a half years after the start of the implementation of this Regulation, the Commission shall carry out an interim evaluation of the Competence Centre. The Commission shall prepare a report on that evaluation and shall submit that report to the European Parliament and to the Council by 31 December 2024. The Competence Centre and Member States shall provide the Commission with the information necessary for the preparation of that report.	2. Once there is sufficient information available about the implementation of this Regulation, but no later than three and a half years after the start of the implementation of this Regulation, the Commission shall carry out an interim evaluation of the ~~Competence~~ Centre. The Commission shall prepare a report on that evaluation and shall submit that report to the European Parliament and to the Council by 31 December 2024. The ~~Competence~~ Centre and Member States shall provide the Commission with the information necessary for the preparation of that report.		2. Once there is sufficient information available about the implementation of this Regulation, but no later than three and a half years after the start of the implementation of this Regulation, the Commission shall carry out an interim evaluation of the ~~Competence~~ Centre. The Commission shall prepare a report on that evaluation and shall submit that report to the European Parliament and to the Council by 31 December 2024. The ~~Competence~~ Centre and Member States shall provide the Commission with the information necessary for the preparation of that report.	490
3. The evaluation referred to in paragraph 2 shall include an assessment of the results achieved by the Competence Centre, having regard to its objectives, mandate and tasks. If the Commission considers that the continuation of the Competence	3. The evaluation referred to in paragraph 2 shall include an assessment of the results achieved by the Competence Centre, having regard to its objectives, mandate and tasks***, effectiveness, and efficiency***. If the Commission considers that	3. The evaluation referred to in paragraph 2 shall include an assessment of the results achieved by the ~~Competence~~ Centre, having regard to its objectives, mandate and tasks. If the Commission considers that the continuation of the		3. The evaluation referred to in paragraph 2 shall include an assessment of the results achieved by the ~~Competence~~ Centre, having regard to its objectives, mandate and tasks***, effectiveness, and efficiency***. If the Commission considers that the continuation of	491

Centre is justified with regard to its assigned objectives, mandate and tasks, it may propose that the duration of the mandate of the Competence Centre set out in Article 46 be extended.	the continuation of the Competence Centre is justified with regard to its assigned objectives, mandate and tasks, it may propose that the duration of the mandate of the Competence Centre set out in Article 46 be extended.	~~Competence~~ Centre is justified with regard to its assigned objectives, mandate and tasks, it may propose that the duration of the mandate of the ~~Competence~~ Centre set out in Article 46 be extended.		the ~~Competence~~ Centre is justified with regard to its assigned objectives, mandate and tasks, it may propose that the duration of the mandate of the Competence Centre set out in Article 46 be extended.	
4. On the basis of the conclusions of the interim evaluation referred to in paragraph 2 the Commission may act in accordance with [Article 22(5)] or take any other appropriate actions.	4. On the basis of the conclusions of the interim evaluation referred to in paragraph 2 the Commission may act in accordance with [Article 22(5)] or take any other appropriate actions.	4. On the basis of the conclusions of the interim evaluation referred to in paragraph 2 the Commission may ~~act in accordance with [Article 22(5**4**)] or~~ take any other appropriate actions.			492
5. The monitoring, evaluation, phasing out and renewal of the contribution from Horizon Europe will follow the provisions of articles 8, 45 and 47 and Annex III of the Horizon Europe Regulation and agreed implementation modalities.	5. The monitoring, evaluation, phasing out and renewal of the contribution from Horizon Europe will follow the provisions of articles 8, 45 and 47 and Annex III of the Horizon Europe Regulation and agreed implementation modalities.	5. The monitoring, evaluation, phasing out and renewal of the contribution from Horizon Europe will follow the provisions of Articles 8, 45 and 47 and ~~Annex III~~ of the Horizon Europe Regulation and agreed implementation modalities.		5. The monitoring, evaluation, phasing out and renewal of the contribution from Horizon Europe will follow the provisions of Articles 8, 45 and 47 and ~~Annex III~~ of the Horizon Europe Regulation and agreed implementation modalities.	493
6. The monitoring, reporting and evaluation of the contribution from Digital Europe will follow the provisions of articles 24, 25 of the Digital Europe programme.	6. The monitoring, reporting and evaluation of the contribution from Digital Europe will follow the provisions of articles 24, 25 of the Digital Europe programme.	6. The monitoring, reporting and evaluation of the contribution from Digital Europe will follow the provisions of articles 24, 25 of the Digital Europe programme.		6. The monitoring, reporting and evaluation of the contribution from Digital Europe will follow the provisions of articles 24, 25 of the Digital Europe programme.	494

7. In case of a winding up of the Competence Centre, the Commission shall conduct a final evaluation of the Competence Centre within six months after the winding-up of the Competence Centre, but no later than two years after the triggering of the winding-up procedure referred to in Article 46 of this Regulation. The results of that final evaluation shall be presented to the European Parliament and to the Council.	7. In case of a winding up of the Competence Centre, the Commission shall conduct a final evaluation of the Competence Centre within six months after the winding-up of the Competence Centre, but no later than two years after the triggering of the winding-up procedure referred to in Article 46 of this Regulation. The results of that final evaluation shall be presented to the European Parliament and to the Council.	7. In case of a winding up of the ~~Competence~~ Centre, the Commission shall conduct a final evaluation of the ~~Competence~~ Centre within six months after the winding-up of the ~~Competence~~ Centre, but no later than two years after the triggering of the winding-up procedure referred to in Article 46 of this Regulation. The results of that final evaluation shall be presented to the European Parliament and to the Council.		7. In case of a winding up of the ~~Competence~~ Centre, the Commission shall conduct a final evaluation of the ~~Competence~~ Centre within six months after the winding-up of the ~~Competence~~ Centre, but no later than two years after the triggering of the winding-up procedure referred to in Article 46 of this Regulation. The results of that final evaluation shall be presented to the European Parliament and to the Council.	495
	Article 38a (new)				496
	Legal Personality of the Competence Centre				497
	1. The Competence Centre shall have legal personality.				498
	2. In each Member State, the Competence Centre shall enjoy the most extensive legal capacity accorded to legal persons under the law of that Member State. It may, in particular, acquire or dispose of movable and immovable				499

	property and may be a party to legal proceedings				
Article 39 **Liability of the Competence Centre** 1. The contractual liability of the Competence Centre shall be governed by the law applicable to the agreement, decision or contract in question.	Article 39 **Liability of the Competence Centre** 1. The contractual liability of the Competence Centre shall be governed by the law applicable to the agreement, decision or contract in question.	*Article 39* **Liability of the ~~Competence~~ Centre** 1. The contractual liability of the ~~Competence~~ Centre shall be governed by the law applicable to the agreement, decision or contract in question.		*Article 39* **Liability of the ~~Competence~~ Centre** 1. The contractual liability of the ~~Competence~~ Centre shall be governed by the law applicable to the agreement, decision or contract in question.	500
2. In the case of non-contractual liability, the Competence Centre shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff in the performance of their duties.	2. In the case of non-contractual liability, the Competence Centre shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff in the performance of their duties.	2. In the case of non-contractual liability, the ~~Competence~~ Centre shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff in the performance of their duties.		2. In the case of non-contractual liability, the ~~Competence~~ Centre shall, in accordance with the general principles common to the laws of the Member States, make good any damage caused by its staff in the performance of their duties.	501
3. Any payment by the Competence Centre in respect of the liability referred to in paragraphs 1 and 2 and the costs and expenses incurred in connection therewith shall be	3. Any payment by the Competence Centre in respect of the liability referred to in paragraphs 1 and 2 and the costs and expenses incurred in connection therewith shall be	3. Any payment by the ~~Competence~~ Centre in respect of the liability referred to in paragraphs 1 and 2 and the costs and expenses incurred in connection therewith shall be		3. Any payment by the ~~Competence~~ Centre in respect of the liability referred to in paragraphs 1 and 2 and the costs and expenses incurred in connection therewith shall be	502

considered to be expenditure of the Competence Centre and shall be covered by its resources.	considered to be expenditure of the Competence Centre and shall be covered by its resources.	considered to be expenditure of the ~~Competence~~ Centre and shall be covered by its resources.		considered to be expenditure of the ~~Competence~~ Centre and shall be covered by its resources.	
4. The Competence Centre shall be solely responsible for meeting its obligations.	4. The Competence Centre shall be solely responsible for meeting its obligations.	4. The ~~Competence~~ Centre shall be solely responsible for meeting its obligations.		4. The ~~Competence~~ Centre shall be solely responsible for meeting its obligations.	503
Article 40	*Article 40*	*Article 40*		*Article 40*	504
Jurisdiction of the Court of Justice of the European Union and applicable law	**Jurisdiction of the Court of Justice of the European Union and applicable law**	**Jurisdiction of the Court of Justice of the European Union and applicable law**		**Jurisdiction of the Court of Justice of the European Union and applicable law**	505
1. The Court of Justice of the European Union shall have jurisdiction:	1. The Court of Justice of the European Union shall have jurisdiction:	1. The Court of Justice of the European Union shall have jurisdiction:		1. The Court of Justice of the European Union shall have jurisdiction:	506
(a) pursuant to any arbitration clause contained in agreements, decisions or contracts concluded by the Competence Centre;	(a) pursuant to any arbitration clause contained in agreements, decisions or contracts concluded by the Competence Centre;	a) pursuant to any arbitration clause contained in agreements, decisions or contracts concluded by the ~~Competence~~ Centre;		a) pursuant to any arbitration clause contained in agreements, decisions or contracts concluded by the ~~Competence~~ Centre;	507
(b) in disputes related to compensation for damage caused by the staff of the Competence Centre in the performance of their duties;	(b) in disputes related to compensation for damage caused by the staff of the Competence Centre in the performance of their duties;	b) in disputes related to compensation for damage caused by the staff of the ~~Competence~~ Centre in the performance of their duties;		b) in disputes related to compensation for damage caused by the staff of the ~~Competence~~ Centre in the performance of their duties;	508
(c) in any dispute between the Competence Centre and its staff within the limits and under the	(c) in any dispute between the Competence Centre and its staff within the limits and under the	c) in any dispute between the ~~Competence~~ Centre and its staff within the limits and		c) in any dispute between the ~~Competence~~ Centre and its staff within the limits and under the	509

conditions laid down in the Staff Regulations.	conditions laid down in the Staff Regulations.	under the conditions laid down in the Staff Regulations.		conditions laid down in the Staff Regulations.	
2. Regarding any matter not covered by this Regulation or by other Union legal acts, the law of the Member State where the seat of the Competence Centre is located shall apply.	2. Regarding any matter not covered by this Regulation or by other Union legal acts, the law of the Member State where the seat of the Competence Centre is located shall apply.	2. Regarding any matter not covered by this Regulation or by other Union legal acts, the law of the Member State where the seat of the ~~Competence~~ Centre is located shall apply.		2. Regarding any matter not covered by this Regulation or by other Union legal acts, the law of the Member State where the seat of the ~~Competence~~ Centre is located shall apply.	510
Article 41	*Article 41*	*Article 41*		*Article 41*	511
Liability of members and insurance	**Liability of members and insurance**	**Liability of members and insurance**		**Liability of members and insurance**	512
1. The financial liability of the members for the debts of the Competence Centre shall be limited to their contribution already made for the administrative costs.	1. The financial liability of the members for the debts of the Competence Centre shall be limited to their contribution already made for the administrative costs.	1. The financial liability of the members for the debts of the ~~Competence~~ Centre shall be limited to their contribution already made for the administrative costs.		1. The financial liability of the members for the debts of the ~~Competence~~ Centre shall be limited to their contribution already made for the administrative costs.	513
2. The Competence Centre shall take out and maintain appropriate insurance.	2. The Competence Centre shall take out and maintain appropriate insurance.	2. The ~~Competence~~ Centre shall take out and maintain appropriate insurance.		2. The ~~Competence~~ Centre shall take out and maintain appropriate insurance.	514
Article 42	*Article 42*	*Article 42*		*Article 42*	515
Conflicts of interest	**Conflicts of interest**	**Conflicts of interest**		**Conflicts of interest**	516

The Competence Centre Governing Board shall adopt rules for the prevention and management of conflicts of interest in respect of its members, bodies and staff. Those rules shall contain the provisions intended to avoid a conflict of interest in respect of the representatives of the members serving in the Governing Board as well as the Scientific and Industrial Advisory Board in accordance with Regulation XXX [new Financial Regulation].	***1.***The Competence Centre Governing Board shall adopt rules for the prevention***,*** ***identification, and resolution*** of conflicts of interest in respect of its members, bodies and staff***,*** ***including the Executive Director,*** the Governing Board***,*** as well as the Scientific and Industrial Advisory Board***, and the Community***.	The ~~Competence~~ Centre Governing Board shall adopt rules for the prevention and management of conflicts of interest in respect of its members, bodies and staff. Those rules shall contain the provisions intended to avoid a conflict of interest in respect of the representatives of the members serving in the Governing Board as well as the Scientific and Industrial Advisory Board in accordance with Regulation XXX [new Financial Regulation]. **The National Coordination Centres will be subject to national legislation for conflict of interest.**			517
	1a.Member States shall ensure the prevention, identification, and resolution of conflicts of interest in respect of the National Coordination Centres.				518
	1b.The rules referred to in paragraph 1 shall comply with Regulation (EU, Euratom) 2018/1046.				519

Article 43	*Article 43*	*Article 43*		*Article 43*	520
Protection of Personal Data	**Protection of Personal Data**	**Protection of Personal Data**		**Protection of Personal Data**	521
1. The processing of personal data by the Competence Centre shall be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council.	1. The processing of personal data by the Competence Centre shall be subject to Regulation (EU) No XXX/2018 of the European Parliament and of the Council.	1. The processing of personal data by the ~~Competence~~ Centre shall be subject to Regulation (EU) No ~~XXX~~**1725**/2018 ~~of the European Parliament and of the Council~~.		1. The processing of personal data by the ~~Competence~~ Centre shall be subject to Regulation (EU) No ~~XXX~~**1725**/2018 ~~of the European Parliament and of the Council~~.	522
2. The Governing Board shall adopt implementing measures referred to in Article xx(3) of Regulation (EU) No xxx/2018. The Governing Board may adopt additional measures necessary for the application of Regulation (EU) No xxx/2018 by the Competence Centre.	2. The Governing Board shall adopt implementing measures referred to in Article xx(3) of Regulation (EU) No xxx/2018. The Governing Board may adopt additional measures necessary for the application of Regulation (EU) No xxx/2018 by the Competence Centre.	2. The Governing Board shall adopt implementing measures referred to in Article ~~xx~~**4**(3) of Regulation (EU) No ~~xxx~~**1725**/2018. The Governing Board may adopt additional measures necessary for the application of Regulation (EU) No **1725**/2018 by the ~~Competence~~ Centre.		2. The Governing Board shall adopt implementing measures referred to in Article ~~xx~~**4**(3) of Regulation (EU) No ~~xxx~~**1725**/2018. The Governing Board may adopt additional measures necessary for the application of Regulation (EU) No **1725**/2018 by the ~~Competence~~ Centre.	523
Article 44	*Article 44*	*Article 44*			524
Support from the host Member State	***Seat and*** support from the host Member State	**Support from the host Member State**			525

	The seat of the Competence Centre shall be determined in a democratically accountable procedure, using transparent criteria and in accordance with Union law.				526
	The host Member State shall provide the best possible conditions to ensure the proper functioning of the Competence Centre, including a single location, and further conditions such as the accessibility of the adequate education facilities for the children of staff members, appropriate access to the labour market, social security and medical care for both children and partners.				527
An administrative agreement may be concluded between the Competence Centre and the Member State [Belgium] in which its seat is located concerning privileges and immunities and other support to be provided by that Member State to the Competence Centre.	An administrative agreement ***shall*** be concluded between the Competence Centre and the ***host*** Member State in which its seat is located concerning privileges and immunities and other support to be provided by that Member State to the Competence Centre.	An administrative agreement may be concluded between the ~~Competence~~ Centre and the Member State ~~[~~Belgium~~]~~ in which its seat is located concerning privileges and immunities and other support to be provided by that Member State to the ~~Competence~~ Centre.		An administrative agreement ***shall*** be concluded between the ~~Competence~~ Centre and the ***host*** Member State in which its seat is located concerning privileges and immunities and other support to be provided by that Member State to the ~~Competence~~ Centre.	528

CHAPTER VII	**CHAPTER VII**	**CHAPTER VII**		**CHAPTER VII** 529
FINAL PROVISIONS	**FINAL PROVISIONS**	**FINAL PROVISIONS**		**FINAL PROVISIONS** 530
Article 45	*Article 45*	*Article 45*		*Article 45* 531
Initial actions	**Initial actions**	**Initial actions**		**Initial actions** 532
1. The Commission shall be responsible for the establishment and initial operation of the Competence Centre until it has the operational capacity to implement its own budget. The Commission shall carry out, in accordance with Union law, all necessary actions with the involvement of the competent bodies of the Competence Centre.	1. The Commission shall be responsible for the establishment and initial operation of the Competence Centre until it has the operational capacity to implement its own budget. The Commission shall carry out, in accordance with Union law, all necessary actions with the involvement of the competent bodies of the Competence Centre.	1. The Commission shall be responsible for the establishment and initial operation of the ~~Competence~~ Centre until it has the operational capacity to implement its own budget. The Commission shall carry out, in accordance with Union law, all necessary actions with the involvement of the competent bodies of the ~~Competence~~ Centre.		1. The Commission shall be responsible for the establishment and initial operation of the ~~Competence~~ Centre until it has the operational capacity to implement its own budget. The Commission shall carry out, in accordance with Union law, all necessary actions with the involvement of the competent bodies of the ~~Competence~~ Centre. 533
2. For the purpose of paragraph 1, until the Executive Director takes up his duties following his/her appointment by the Governing Board in	2. For the purpose of paragraph 1, until the Executive Director takes up his duties following his/her appointment by the Governing Board in	2. For the purpose of paragraph 1, until the Executive Director takes up his/**her** duties following his/her appointment by the Governing Board in		2. For the purpose of paragraph 1, until the Executive Director takes up his/**her** duties following his/her appointment by the Governing Board in accordance with Article 534

accordance with Article 16, the Commission may designate an interim Executive Director and exercise the duties assigned to the Executive Director who may be assisted by a limited number of Commission officials. The Commission may assign a limited number of its officials on an interim basis.	accordance with Article 16, the Commission may designate an interim Executive Director and exercise the duties assigned to the Executive Director who may be assisted by a limited number of Commission officials. The Commission may assign a limited number of its officials on an interim basis.	accordance with Article 16, the Commission may designate an interim Executive Director and exercise the duties assigned to the Executive Director who may be assisted by a limited number of Commission officials. The Commission may assign a limited number of its officials on an interim basis.		16, the Commission may designate an interim Executive Director and exercise the duties assigned to the Executive Director who may be assisted by a limited number of Commission officials. The Commission may assign a limited number of its officials on an interim basis.	
3. The interim Executive Director may authorise all payments covered by the appropriations provided in the annual budget of the Competence Centre once approved by the Governing Board and may conclude agreements, decisions and contracts, including staff contracts following the adoption of the Competence Centre's staff establishment plan.	3. The interim Executive Director may authorise all payments covered by the appropriations provided in the annual budget of the Competence Centre once approved by the Governing Board and may conclude agreements, decisions and contracts, including staff contracts following the adoption of the Competence Centre's staff establishment plan.	3. The interim Executive Director may authorise all payments covered by the appropriations provided in the annual budget of the ~~Competence~~ Centre once approved by the Governing Board and may conclude agreements, decisions and contracts, including staff contracts following the adoption of the ~~Competence~~ Centre's staff establishment plan.		3. The interim Executive Director may authorise all payments covered by the appropriations provided in the annual budget of the ~~Competence~~ Centre once approved by the Governing Board and may conclude agreements, decisions and contracts, including staff contracts following the adoption of the ~~Competence~~ Centre's staff establishment plan.	535
4. The interim Executive Director shall determine, in common accord with the Executive Director of the Competence Centre and subject to the approval of the Governing Board, the date on which the Competence Centre will have the	4. The interim Executive Director shall determine, in common accord with the Executive Director of the Competence Centre and subject to the approval of the Governing Board, the date on which the Competence Centre will have	4. The interim Executive Director shall determine, in common accord with the Executive Director of the ~~Competence~~ Centre and subject to the approval of the Governing Board, the date on which the ~~Competence~~ Centre will have		4. The interim Executive Director shall determine, in common accord with the Executive Director of the ~~Competence~~ Centre and subject to the approval of the Governing Board, the date on which the ~~Competence~~ Centre will have the capacity to implement its	536

capacity to implement its own budget. From that date onwards, the Commission shall abstain from making commitments and executing payments for the activities of the Competence Centre.	the capacity to implement its own budget. From that date onwards, the Commission shall abstain from making commitments and executing payments for the activities of the Competence Centre.	the capacity to implement its own budget. From that date onwards, the Commission shall abstain from making commitments and executing payments for the activities of the ~~Competence~~ Centre.		own budget. From that date onwards, the Commission shall abstain from making commitments and executing payments for the activities of the ~~Competence~~ Centre.	
	Article 45a				537
	Exercise of the delegation				538
	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.				539
	2. The power to adopt delegated acts referred to in Article 6(5a) and Article 8(4b) shall be conferred on the Commission for an indeterminate period of time from ... [date of entry into force of this Regulation].				540
	3. The delegation of power referred to in Article 6(5a) and Article 8(4b) may be revoked at any time by the European Parliament or by the Council. A				541

	decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.				
	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making.				542
	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.				543
	6. A delegated act adopted pursuant to Article 6(5a) and Article 8(4b) shall enter into force only if no objection has been expressed either by the				544

	European Parliament or by 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 shall be extended by two months at the initiative of the European Parliament or of the Council.				
Article 46	*Article 46*	*Article 46*			545
Duration	**Duration**	**Duration**		**Duration**	546
1. The Competence Centre shall be established for the period from 1 January 2021 to 31 December 2029.	1. The Competence Centre shall be established for the period from 1 January 2021 to 31 December 2029.	1. The ~~Competence~~ Centre shall be established for the period from 1 January 2021 to 31 December 2029.		1. The ~~Competence~~ Centre shall be established for the period from 1 January 2021 to 31 December 2029.	547
2. At the end of this period, unless decided otherwise through a review of this Regulation, the winding-up procedure shall be triggered. The winding-up procedure shall be automatically triggered if the Union or all participating Member States	2. At the end of this period, unless decided otherwise through a review of this Regulation, the winding-up procedure shall be triggered. The winding-up procedure shall be automatically triggered if the Union or all participating	2. At the end of this period, unless decided otherwise through a review of this Regulation, the winding-up procedure shall be triggered. ~~The winding-up procedure shall be automatically triggered if the Union or all participating~~			548

withdraw from the Competence Centre.	Member States withdraw from the Competence Centre.	~~Member States withdraw from the Competence Centre.~~			
3. For the purpose of conducting the proceedings to wind up the Competence Centre, the Governing Board shall appoint one or more liquidators, who shall comply with the decisions of the Governing Board.	3. For the purpose of conducting the proceedings to wind up the Competence Centre, the Governing Board shall appoint one or more liquidators, who shall comply with the decisions of the Governing Board.	3. For the purpose of conducting the proceedings to wind up the ~~Competence~~ Centre, the Governing Board shall appoint one or more liquidators, who shall comply with the decisions of the Governing Board.		3. For the purpose of conducting the proceedings to wind up the ~~Competence~~ Centre, the Governing Board shall appoint one or more liquidators, who shall comply with the decisions of the Governing Board.	549
4. When the Competence Centre is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding-up. Any surplus shall be distributed among the Union and the participating Member States in proportion to their financial contribution to the Competence Centre. Any such surplus distributed to the Union shall be returned to the Union budget.	4. When the Competence Centre is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding-up. Any surplus shall be distributed among the Union and the participating Member States in proportion to their financial contribution to the Competence Centre. Any such surplus distributed to the Union shall be returned to the Union budget.	4. When the ~~Competence~~ Centre is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding-up. Any surplus shall be distributed among the Union and the ~~participating Member State~~ **contributing Member State**s in proportion to their financial contribution to the ~~Competence~~ Centre. Any such surplus distributed to the Union shall be returned to the Union budget.		4. When the ~~Competence~~ Centre is being wound up, its assets shall be used to cover its liabilities and the expenditure relating to its winding-up. Any surplus shall be distributed among the Union and the ~~participating Member State~~ **contributing Member State**s in proportion to their financial contribution to the ~~Competence~~ Centre. Any such surplus distributed to the Union shall be returned to the Union budget.	550
Article 47	*Article 47*	*Article 47*		*Article 47*	551
Entry into force	**Entry into force**	**Entry into force**		**Entry into force**	552

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 enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.	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 enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.	553
This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.		This Regulation shall be binding in its entirety and directly applicable in all Member States.	554
Done at Brussels,	Done at Brussels,				555
For the European Parliament *For the Council*	*For the European Parliament* *For the Council*				556
The President *The President*	*The President* *The President*				557