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INFORMATION NOTE

From: General Secretariat of the Council

To: Permanent Representatives Committee/Council

Subject: Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres

- Outcome of the European Parliament's first reading
(Strasbourg, 15 to 18 April 2019)

I. INTRODUCTION

The rapporteur, Julia REDA (Greens/EFA, DE), presented a report consisting of 180 amendments (amendments 1-180) to the proposal for a Regulation on behalf of the Committee on Industry, Research and Energy.

In addition, the political groups tabled the following amendments: Greens/EFA tabled five amendments (amendments 181-185) and GUE/NGL six amendments (amendments 186-191).

II. VOTE

When it voted on 17 April 2019, the plenary adopted amendments 1-180 to the proposal for a Regulation. The amendments adopted are set out in the annex.

The Commission's proposal as thus amended constitutes the Parliament's first-reading position which is contained in its legislative resolution as set out in the Annex hereto¹.

¹ The version of the Parliament's position in the legislative resolution has been marked up to indicate the changes made by the amendments to the Commission's proposal. Additions to the Commission's text are highlighted in ***bold and italics***. The symbol "■" indicates deleted text.

European Cybersecurity Industrial, Technology and Research Competence Centre and Network of National Coordination Centres *I**

European Parliament legislative resolution of 17 April 2019 on the proposal for a regulation of the European Parliament and of the Council establishing the European Cybersecurity Industrial, Technology and Research Competence Centre and the Network of National Coordination Centres (COM(2018)0630 – C8-0404/2018 – 2018/0328(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to Parliament and the Council (COM(2018)0630),
 - having regard to Article 294(2) and Articles 173(3) and the first paragraph of Article 188 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C8-0404/2018),
 - having regard to Article 294(3) of the Treaty on the Functioning of the European Union,
 - having regard to the opinion of the European Economic and Social Committee of 23 January 2019¹,
 - having regard to Rule 59 of its Rules of Procedure,
 - having regard to the report of the Committee on Industry, Research and Energy and the opinion of the Committee on the Internal Market and Consumer Protection (A8-0084/2019),
1. Adopts its position at first reading hereinafter set out²;
 2. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;
 3. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

¹ Not yet published in the Official Journal.

² This position corresponds to the amendments adopted on 13 March 2019 (Texts adopted, P8_TA(2019)0189).

Amendment 1

Proposal for a regulation

Recital 1

Text proposed by the Commission

(1) Our daily lives and economies **become** increasingly dependent on digital technologies, citizens **become** 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.

Amendment

(1) **More than 80 % of the population of the Union is connected to the internet and** our daily lives and economies **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 hardware and software infrastructure, networks, products and processes, and the societal and ethical implications and concerns.**

Amendment 2

Proposal for a regulation

Recital 1 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 3

Proposal for a regulation Recital 4

Text proposed by the Commission

(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 enterprises online and to enable a free and law-governed internet."

Amendment

(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 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".*

Amendment 4

Proposal for a regulation Recital 4 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 5

Proposal for a regulation Recital 4 b (new)

Text proposed by the Commission

Amendment

(4b) The Competence Centre and its actions should take into 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. ...).*

Amendment 6

Proposal for a regulation Recital 5

Text proposed by the Commission

Amendment

(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.

(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

However, it is in the Union's strategic interest to ensure that it retains and develops essential 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.

providers. However, it is in the Union's strategic interest to ensure that it 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.

Amendment 7

Proposal for a regulation

Recital 6

Text proposed by the Commission

(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. 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.

Amendment

(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 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.*

Amendment 8

Proposal for a regulation Recital 6 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 9

Proposal for a regulation Recital 6 b (new)

Text proposed by the Commission

Amendment

(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.

Amendment 10

Proposal for a regulation Recital 6 c (new)

Text proposed by the Commission

Amendment

(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 associations, the Free and Open Source Software community, and the academic and research community.

Amendment 11

Proposal for a regulation Recital 8

Text proposed by the Commission

Amendment

(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 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

(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 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

development and avoiding duplication.

support related to *Union initiatives in the field of* cybersecurity research *and development*, innovation, technology and industrial development and avoiding duplication.

Amendment 12

Proposal for a regulation Recital 8 a (new)

Text proposed by the Commission

Amendment

(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 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.

Amendment 13

Proposal for a regulation Recital 8 b (new)

Text proposed by the Commission

Amendment

(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.

Amendment 14

Proposal for a regulation Recital 8 c (new)

Text proposed by the Commission

Amendment

(8c) The Competence Centre and the Cybersecurity Competence Community should, in order to foster the Union's competitiveness and 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.

Amendment 15

Proposal for a regulation Recital 9

Text proposed by the Commission

(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.

Amendment

(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 costs of the Competence Centre should hold voting rights.

Amendment 16

Proposal for a regulation
Recital 12

Text proposed by the Commission

(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 Council²³, and the research community.

Amendment

(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 Council²³, 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.**

²³ Directive (EU) 2016/1148 of the European Parliament and of the Council of

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).

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).

Amendment 17

Proposal for a regulation Recital 14

Text proposed by the Commission

(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 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.

Amendment

(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 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 integrity of networks and**

information systems, such as crime, industrial espionage, defamation, and disinformation.

Amendment 18

Proposal for a regulation Recital 14 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 19

Proposal for a regulation Recital 14 b (new)

Text proposed by the Commission

Amendment

(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.

Amendment 20

Proposal for a regulation Recital 15

Text proposed by the Commission

(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.

Amendment

(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 SMEs in the area of cybersecurity.**

Amendment 21

Proposal for a regulation Recital 16

Text proposed by the Commission

(16) The Competence Centre should stimulate and support the cooperation and coordination of the activities of the Cybersecurity Competence Community,

Amendment

(16) The Competence Centre should stimulate and support the **long-term strategic** cooperation and coordination of the activities of the Cybersecurity

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, 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.

Amendment 22

Proposal for a regulation Recital 16 a (new)

Text proposed by the Commission

Amendment

(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)).

Amendment 23

Proposal for a regulation Recital 17

Text proposed by the Commission

(17) In order to respond to the needs of both demand and supply 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.

Amendment

(17) In order to respond to the needs of **the public sector and** 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.***

Amendment 24

Proposal for a regulation Recital 17 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 25

Proposal for a regulation Recital 18

Text proposed by the Commission

(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.

Amendment

(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.

Amendment 26

Proposal for a regulation Recital 19

Text proposed by the Commission

(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.

Amendment

(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.**

Amendment 27

Proposal for a regulation Recital 20

Text proposed by the Commission

(20) Appropriate provisions should be made to guarantee the liability and transparency of the Competence Centre.

Amendment

(20) Appropriate provisions should be made to guarantee the liability and transparency of the Competence Centre **and those undertakings receiving funding.**

Amendment 28

Proposal for a regulation Recital 20 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 29

Proposal for a regulation Recital 20 b (new)

Text proposed by the Commission

Amendment

(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.

Amendment 30

Proposal for a regulation Recital 20 c (new)

(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.

Amendment 31

Proposal for a regulation

Recital 21

(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 repealing Regulation (EU) No 526/2013 (Cybersecurity Act) (OJ L ...) (2017/0225(COD)).

Amendment 32

Proposal for a regulation

Recital 24

Text proposed by the Commission

(24) The Governing Board of the Competence Centre, composed of the Member States 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.

Amendment

(24) The Governing Board of the Competence Centre, composed of the Member States 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-annual strategic plan and on the work plan and on the list of actions selected for funding.***

Amendment 33

Proposal for a regulation

Recital 24 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 34

Proposal for a regulation

Recital 25

Text proposed by the Commission

Amendment

(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 ***and aim to achieve gender balance.***

Amendment 35

Proposal for a regulation

Recital 25 a (new)

Text proposed by the Commission

Amendment

(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

Amendment 36

Proposal for a regulation

Recital 26

Text proposed by the Commission

(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.

Amendment

(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.

Amendment 37

Proposal for a regulation

Recital 27

Text proposed by the Commission

(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.

Amendment

(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 category of industry stakeholders, with particular attention paid to the representation of SMEs.***

Amendment 38

Proposal for a regulation Recital 28

Text proposed by the Commission

(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.

Amendment

(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 replications of existing structures, for example as working groups.***

Amendment 39

Proposal for a regulation Recital 28 a (new)

Text proposed by the Commission

Amendment

(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

Amendment 40

Proposal for a regulation

Recital 29

Text proposed by the Commission

(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 out in Regulation (EC) No 1049/2001 of the European Parliament and of the Council²⁴. 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.

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).

Amendment

(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 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 Council²⁴. 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.

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).

Amendment 41

Proposal for a regulation Recital 31

Text proposed by the Commission

(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.

Amendment

(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 .

Amendment 42

Proposal for a regulation Recital 31 a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 43

Proposal for a regulation Recital 33 a (new)

(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 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.

Amendment 44

Proposal for a regulation Recital 34

(34) **Since** the objectives of this Regulation, namely retaining and developing Union's cybersecurity technological and industrial capacities, increasing the competitiveness of the

(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**

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 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.

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 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.

Amendment 45

Proposal for a regulation Article 1 – paragraph 1

Text proposed by the Commission

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

Amendment

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

the Cybersecurity Competence Community.

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.*

Amendment 46

Proposal for a regulation Article 1 – paragraph 3

Text proposed by the Commission

Amendment

3. The seat of the Competence Centre shall be located in [Brussels, Belgium.]

deleted

Amendment 47

Proposal for a regulation Article 1 – paragraph 4

Text proposed by the Commission

Amendment

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.

deleted

Amendment 48

Proposal for a regulation Article 2 – paragraph 1 – point 1

Text proposed by the Commission

(1) 'cybersecurity' means **the protection of** network and information systems, their users, and **other** persons **against** cyber threats;

Amendment

(1) 'cybersecurity' means **all activities necessary to protect** network and information systems, their users, and **affected** persons **from** cyber threats;

Amendment 183

Proposal for a regulation

Article 2 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

(1a) 'cyber defence' and 'defence dimensions of cybersecurity' means exclusively defensive and 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;

Amendment

Amendment 49

Proposal for a regulation

Article 2 – paragraph 1 – point 2

Text proposed by the Commission

(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;

Amendment

(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;

Amendment 50

Proposal for a regulation

Article 2 – paragraph 1 – point 2 a (new)

Text proposed by the Commission

Amendment

(2a) ‘cyber threat’ means any potential circumstance, event or action that may damage, disrupt or otherwise adversely impact network and information systems, their users and affected persons;

Amendment 51

Proposal for a regulation

Article 2 – paragraph 1 – point 3

Text proposed by the Commission

Amendment

(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;

Amendment 52

Proposal for a regulation

Article 2 – paragraph 1 – point 4

Text proposed by the Commission

Amendment

(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;

Amendment 53

Proposal for a regulation

Article 2 – paragraph 1 – point 4 a (new)

Text proposed by the Commission

Amendment

(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)).

Amendment 54

Proposal for a regulation

Article 3 – paragraph 1 – point a

Text proposed by the Commission

Amendment

(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 further the protection of data of Union citizens, companies and public administrations**;

Amendment 55

Proposal for a regulation

Article 3 – paragraph 1 – point a a (new)

Text proposed by the Commission

Amendment

(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;

Amendment 56

Proposal for a regulation

Article 3 – paragraph 1 – point b

Text proposed by the Commission

Amendment

(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.

Amendment 57

Proposal for a regulation

Article 3 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) raise the awareness for cybersecurity threats, and related societal and ethical implications and concerns and reduce the skills gap in cybersecurity in the Union;

Amendment 58

Proposal for a regulation

Article 3 – paragraph 1 – point b b (new)

Text proposed by the Commission

Amendment

(bb) develop the Union's leadership in cybersecurity and ensure the highest cybersecurity standards throughout the Union;

Amendment 59

Proposal for a regulation

Article 3 – paragraph 1 – point b c (new)

Text proposed by the Commission

Amendment

(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;

Amendment 60

Proposal for a regulation

Article 3 – paragraph 1 – point b d (new)

Text proposed by the Commission

Amendment

(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;

Amendment 61

Proposal for a regulation

Article 4 – paragraph 1 – point 1

Text proposed by the Commission

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;

Amendment

1. **create, manage and** facilitate the Network referred to in Article 6 and the Community referred to in Article 8;

Amendment 62

Proposal for a regulation Article 4 – paragraph 1 – point 2

Text proposed by the Commission

2. **contribute to** the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX²⁶ 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 XXX²⁷ 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];

Amendment

2. **coordinate** the implementation of the cybersecurity part of the Digital Europe Programme established by Regulation No XXX²⁶ 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 XXX²⁷ 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] **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]

²⁶ [add full title and OJ reference]

²⁷ [add full title and OJ reference]

Amendment 63

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – introductory part

Text proposed by the Commission

3. enhance cybersecurity capabilities, knowledge and infrastructures at the service of industries, the public sector and research communities, by carrying out the following tasks:

Amendment

3. enhance cybersecurity **resilience, capacities**, 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**:

Amendment 64

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point a

Text proposed by the Commission

(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;

Amendment

(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;

Amendment 65

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point b

Text proposed by the Commission

(b) **having regard to the state-of-the-art**

Amendment

(b) providing support to other entities,

*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 users across the Union from industry **including** SMEs, the public sector and the research and scientific community;*

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;

Amendment 66

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point b a (new)

Text proposed by the Commission

Amendment

(ba) providing financial support and technical assistance to cybersecurity start-ups, SMEs, microenterprises, associations, individual experts and to civic tech projects;

Amendment 67

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point b b (new)

Text proposed by the Commission

Amendment

(bb) financing software security code audits and related improvements for Free and Open Source Software projects, commonly used for infrastructure, products and processes;

Amendment 68

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point c

Text proposed by the Commission

(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;

Amendment

(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 Network and the Cybersecurity Competence Community **with the aim of improving cyber resilience within the Union**;

Amendment 69

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point c a (new)

Text proposed by the Commission

Amendment

(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;

Amendment 70

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point c b (new)

Text proposed by the Commission

Amendment

(cb) assisting source code contribution policies and their development, in particular for public authorities where Free and Open Source Software projects are used;

Amendment 71

Proposal for a regulation

Article 4 – paragraph 1 – point 3 – point c c (new)

Text proposed by the Commission

Amendment

(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;

Amendment 72

Proposal for a regulation

Article 4 – paragraph 1 – point 4 – introductory part

Text proposed by the Commission

Amendment

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:

Amendment 73

Proposal for a regulation

Article 4 – paragraph 1 – point 4 – point a

Text proposed by the Commission

(a) stimulating cybersecurity research, development and the uptake of Union cybersecurity products and **solutions by public authorities and user industries**;

Amendment

(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**;

Amendment 74

Proposal for a regulation

Article 4 – paragraph 1 – point 4 – point b

Text proposed by the Commission

(b) assisting public authorities, demand side industries and other users in adopting and integrating **the latest cyber security solutions**;

Amendment

(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**;

Amendment 75

Proposal for a regulation

Article 4 – paragraph 1 – point 4 – point c

Text proposed by the Commission

(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;

Amendment

(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;

Amendment 76

Proposal for a regulation

Article 4 – paragraph 1 – point 4 – point d

Text proposed by the Commission

(d) providing financial support and technical assistance to cybersecurity start-ups and SMEs *to* connect to potential markets and to attract investment;

Amendment

(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;

Amendment 77

Proposal for a regulation

Article 4 – paragraph 1 – point 5 – introductory part

Text proposed by the Commission

5. improve the understanding of cybersecurity and contribute to reducing skills gaps in the Union related to cybersecurity by carrying out the following tasks:

Amendment

5. 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:

Amendment 78

Proposal for a regulation

Article 4 – paragraph 1 – point 5 – point -a (new)

Text proposed by the Commission

Amendment

(-a) supporting, where appropriate, the achievement of the specific objective 4,

Amendment 79

Proposal for a regulation

Article 4 – paragraph 1 – point 5 – point a

Text proposed by the Commission

(a) supporting further development of cybersecurity skills , where appropriate **together** with relevant EU agencies and bodies including ENISA.

Amendment

(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;

Amendment 80

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point a

Text proposed by the Commission

(a) providing financial support to cybersecurity research efforts based on a common, continuously evaluated and improved multiannual strategic, industrial, technology and research **agenda**;

Amendment

(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** ;

Amendment 81

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b

Text proposed by the Commission

Amendment

(b) **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** ;

Amendment 82

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b a (new)

Text proposed by the Commission

Amendment

(ba) ensuring respect for fundamental rights and ethical conduct in cybersecurity research projects supported by the Competence Centre;

Amendment 83

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b b (new)

Text proposed by the Commission

Amendment

(bb) monitoring reports of vulnerabilities discovered by the Community and facilitating the disclosure of vulnerabilities, the development of patches, fixes and solutions, and the distribution of those;

Amendment 84

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b c (new)

Text proposed by the Commission

Amendment

(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 ;

Amendment 85

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b d (new)

Text proposed by the Commission

Amendment

(bd) supporting research in the field of cybercrime;

Amendment 86

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point b e (new)

Text proposed by the Commission

Amendment

(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;

Amendment 87

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point c

Text proposed by the Commission

Amendment

(c) support research and innovation for standardisation in cybersecurity technology

(c) support research and innovation for ***formal and non-formal*** standardisation ***and certification*** in cybersecurity technology, ***linking to the existing work and where appropriate in close cooperation with the European Standardisation Organisations, certification bodies and ENISA;***

Amendment 88

Proposal for a regulation

Article 4 – paragraph 1 – point 6 – point c a (new)

Text proposed by the Commission

Amendment

(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;

Amendment 184

Proposal for a regulation

Article 4 – paragraph 1 – point 7 – introductory part

Text proposed by the Commission

Amendment

7. enhance cooperation between the civil and defence spheres with regard to dual use technologies and applications in cybersecurity, by carrying out the

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:

following tasks, *which shall be reactive and defensive cyber defence technology, applications and services*:

Amendment 185

Proposal for a regulation

Article 4 – paragraph 1 – point 8 – introductory part

Text proposed by the Commission

8. enhance synergies between the civil and defence dimensions of cybersecurity in relation to the European Defence Fund by carrying out the following tasks:

Amendment

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*:

Amendment 89

Proposal for a regulation

Article 4 – paragraph 1 – point 8 – point b a (new)

Text proposed by the Commission

Amendment

(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].

Amendment 90

Proposal for a regulation

Article 4 – paragraph 1 – point 8 a (new)

Text proposed by the Commission

Amendment

8a. *contribute to the Union's efforts to enhance international cooperation with regard to cybersecurity by:*

(a) facilitating the participation of the Competence Centre in international conferences and governmental organisations as well as the contribution to international standardisation organisations;

(b) cooperating with third countries and international organisations within relevant international cooperation frameworks.

Amendment 91

Proposal for a regulation Article 5 – title

Text proposed by the Commission

Investment in and use of infrastructures, capabilities, products or ***solutions***

Amendment

Investment in and use of infrastructures, capabilities, products or ***processes***

Amendment 92

Proposal for a regulation Article 5 – paragraph 1 – introductory part

Text proposed by the Commission

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:

Amendment

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:

Amendment 93

Proposal for a regulation

Article 5 – paragraph 1 – point a

Text proposed by the Commission

(a) 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;

Amendment

(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;

Amendment 94

Proposal for a regulation

Article 5 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(ba) specific rules governing different phases of implementation;

Amendment 95

Proposal for a regulation

Article 5 – paragraph 1 – point b b (new)

Text proposed by the Commission

Amendment

(bb) that as a result of Union contribution, access is as open as possible and as closed as necessary, and re-use is possible.

Amendment 96

Proposal for a regulation

Article 5 – paragraph 2

Text proposed by the Commission

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 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.

Amendment

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 Centres, members of the Cybersecurity Competence Community ***or relevant European Digital Innovation Hubs.***

Amendment 97

**Proposal for a regulation
Article 6 – paragraph -1 (new)**

Text proposed by the Commission

Amendment

-1. A single National Coordination Centre shall be set up in each Member State.

Amendment 98

**Proposal for a regulation
Article 6 – paragraph 4**

Text proposed by the Commission

Amendment

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 cybersecurity and be in a position to

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 cybersecurity and be in a position to

effectively engage and coordinate with industry, the public sector *and the* research community.

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.*

Amendment 99

Proposal for a regulation Article 6 – paragraph 5

Text proposed by the Commission

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.

Amendment

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*.

Amendment 100

Proposal for a regulation Article 6 – paragraph 5 a (new)

Text proposed by the Commission

Amendment

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.

Amendment 101

Proposal for a regulation

Article 7 – paragraph 1 – point a

Text proposed by the Commission

(a) supporting the Competence Centre in achieving its objectives and in particular in coordinating the Cybersecurity Competence Community;

Amendment

(a) supporting the Competence Centre in achieving its objectives and in particular in ***establishing and*** coordinating the Cybersecurity Competence Community;

Amendment 102

Proposal for a regulation

Article 7 – paragraph 1 – point b

Text proposed by the Commission

(b) facilitating the participation of industry and other actors at the Member State level in cross-border projects;

Amendment

(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;

Amendment 103

Proposal for a regulation

Article 7 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(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 Programme, in particular for SMEs;

Amendment 104

Proposal for a regulation

Article 7 – paragraph 1 – point c

Text proposed by the Commission

(c) contributing, together with the Competence Centre, to identifying and addressing sector-specific cyber security **industrial** challenges;

Amendment

(c) contributing, together with the Competence Centre, to identifying and addressing sector-specific cyber security challenges;

Amendment 105

Proposal for a regulation

Article 7 – paragraph 1 – point c a (new)

Text proposed by the Commission

Amendment

(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;

Amendment 106

Proposal for a regulation

Article 7 – paragraph 1 – point e

Text proposed by the Commission

(e) seeking to establish synergies with relevant activities at the national **and**

Amendment

(e) seeking to establish synergies with relevant activities at the national, regional

regional level;

and local level;

Amendment 107

Proposal for a regulation

Article 7 – paragraph 1 – point f a (new)

Text proposed by the Commission

Amendment

(fa) promoting and disseminating a common minimal cybersecurity educational curricula in cooperation with the relevant bodies in the Member States;

Amendment 108

Proposal for a regulation

Article 7 – paragraph 1 – point g

Text proposed by the Commission

Amendment

(g) promoting and disseminating the relevant outcomes of the work by the Network, the Cybersecurity Competence Community and the Competence Centre at national *or* regional level;

(g) promoting and disseminating the relevant outcomes of the work by the Network, the Cybersecurity Competence Community and the Competence Centre at national, regional *or local* level;

Amendment 109

Proposal for a regulation

Article 7 – paragraph 1 – point h

Text proposed by the Commission

Amendment

(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.

Amendment 110

Proposal for a regulation Article 7 – paragraph 4

Text proposed by the Commission

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.*

Amendment

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.

Amendment 111

Proposal for a regulation Article 8 – paragraph 1

Text proposed by the Commission

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.

Amendment

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.**

Amendment 112

Proposal for a regulation Article 8 – paragraph 2

Text proposed by the Commission

2. The Cybersecurity Competence Community shall consist of industry, academic and **non-profit** research

Amendment

2. The Cybersecurity Competence Community shall consist of **civil society,** industry **from the demand and supply-**

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.

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**.

Amendment 113

Proposal for a regulation

Article 8 – paragraph 3 – introductory part

Text proposed by the Commission

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:

Amendment

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:

Amendment 114

Proposal for a regulation

Article 8 – paragraph 3 – point a

Text proposed by the Commission

Amendment

(a) research;

(a) ***academia or*** research;

Amendment 115

Proposal for a regulation

Article 8 – paragraph 3 – point c a (new)

Text proposed by the Commission

Amendment

(ca) ***ethics;***

Amendment 116

Proposal for a regulation

Article 8 – paragraph 3 – point c b (new)

Text proposed by the Commission

Amendment

(cb) ***formal and technical
standardisation and specifications.***

Amendment 117

Proposal for a regulation

Article 8 – paragraph 4

Text proposed by the Commission

Amendment

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

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

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 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].

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 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.***

Amendment 118

Proposal for a regulation Article 8 – paragraph 4 a (new)

Text proposed by the Commission

Amendment

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 entities that meet the criteria referred to in paragraph 4 of this Article.

Amendment 119

Proposal for a regulation Article 9 – paragraph 1 – point 5 a (new)

Text proposed by the Commission

Amendment

(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].

Amendment 120

Proposal for a regulation Article 10 – paragraph 1

Text proposed by the Commission

Amendment

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***.

Amendment 121

Proposal for a regulation Article 10 – paragraph 2

Text proposed by 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.

Amendment

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.

Amendment 122

Proposal for a regulation Article 12 – paragraph 1

Text proposed by the Commission

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.

Amendment

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.**

Amendment 123

Proposal for a regulation Article 12 – paragraph 3

Text proposed by the Commission

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

Amendment

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.

Commission and the Member States shall aim to achieve a balanced representation between men and women on the Governing Board.

Amendment 124

Proposal for a regulation Article 12 – paragraph 6

Text proposed by the Commission

6. The **Commission** may invite observers, including representatives of relevant Union bodies, offices and agencies, to take part in the meetings of the Governing Board as appropriate.

Amendment

6. The **Governing Board** may invite observers, including representatives of relevant Union bodies, offices and agencies, **and the members of the Community**, to take part in the meetings of the Governing Board as appropriate.

Amendment 125

Proposal for a regulation Article 12 – paragraph 7

Text proposed by the Commission

7. **The European Agency for Network and Information Security (ENISA)** shall be **a permanent observer** in the Governing Board.

Amendment

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.**

Amendment 126

Proposal for a regulation Article 13 – paragraph 3 – point a

Text proposed by the Commission

(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;

Amendment

(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***;

Amendment 127

Proposal for a regulation

Article 13 – paragraph 3 – point b

Text proposed by the Commission

(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;

Amendment

(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***;

Amendment 128

Proposal for a regulation

Article 13 – paragraph 3 – point e

Text proposed by the Commission

(e) adopt the ***criteria and*** procedures for assessing and accrediting the entities as members of the ***Cybersecurity Competence*** Community;

Amendment

(e) adopt the procedures for assessing and accrediting the entities as members of the Community;

Amendment 129

Proposal for a regulation

Article 13 – paragraph 3 – point e a (new)

Text proposed by the Commission

Amendment

(ea) adopt the working arrangements referred to in Article 10(2);

Amendment 130

Proposal for a regulation

Article 13 – paragraph 3 – point g a (new)

Text proposed by the Commission

Amendment

(ga) adopt transparency rules for the Competence Centre;

Amendment 131

Proposal for a regulation

Article 13 – paragraph 3 – point i

Text proposed by the Commission

Amendment

(i) establish working groups with members of the ***Cybersecurity Competence*** Community;

(i) establish working groups with members of the Community, ***taking into account advice provided by the permanent observers;***

Amendment 132

Proposal for a regulation

Article 13 – paragraph 3 – point l

Text proposed by the Commission

Amendment

(l) promote the Competence Centre ***globally, so as to raise its attractiveness***

(l) promote ***the cooperation of*** the

and make it a world-class body for excellence in cybersecurity;

Competence Centre *with global actors*;

Amendment 133

Proposal for a regulation

Article 13 – paragraph 3 – point r

Text proposed by the Commission

(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;

Amendment

(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 reporting on breaches of Union law in accordance with applicable Union legislation***;

Amendment 134

Proposal for a regulation

Article 13 – paragraph 3 – point s

Text proposed by the Commission

(s) adopt ***the*** methodology to calculate the ***financial contribution from*** Member States;

Amendment

(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***;

Amendment 135

Proposal for a regulation

Article 14 – paragraph 1

Text proposed by the Commission

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 or her duties. The Chairperson shall take part in the voting.

Amendment

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 replace the Chairperson if the latter is unable to attend to his or her duties. The Chairperson shall take part in the voting.

Amendment 136

Proposal for a regulation Article 14 – paragraph 3

Text proposed by the Commission

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.***

Amendment

3. The Executive Director shall take part in the deliberations, unless decided otherwise by the Governing Board, but shall have no voting rights.

Amendment 137

Proposal for a regulation Article 14 – paragraph 4

Text proposed by the Commission

Amendment

- 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.*** ***deleted***

Amendment 138

Proposal for a regulation Article 15

Text proposed by the Commission

Amendment

Article 15 ***deleted***

Voting rules of the Governing Board

- 1. The Union shall hold 50 % of the voting rights. The voting rights of the Union shall be indivisible.***
- 2. Every participating Member State shall hold one vote.***
- 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).***
- 4. Only the representatives of the Commission and the representatives of the participating Member States shall hold voting rights.***
- 5. The Chairperson shall take part in***

the voting.

Amendment 139

Proposal for a regulation Article 15 a (new)

Text proposed by the Commission

Amendment

Article 15a

Voting rules of the Governing Board

- 1. Decisions subject to vote may concern:**
 - (a) governance and organisation of the Competence Centre and the Network;**
 - (b) allocation of budget for the Competence Centre and the Network;**
 - (c) joint actions by several Member States, possibly complemented by Union budget further to decision allocated in accordance with point (b).**
- 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 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.**
- 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.

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 representative of his or her Member State.

Amendment 140

Proposal for a regulation Article 16 – paragraph 3

Text proposed by the Commission

3. The Executive Director shall be appointed by the Governing Board from a list of candidates proposed by the Commission, following an open *and* transparent selection procedure.

Amendment

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 Member States*, following an open, transparent *and non-discriminatory* selection procedure.

Amendment 141

Proposal for a regulation Article 16 – paragraph 5

Text proposed by the Commission

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.

Amendment

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.

Amendment 142

Proposal for a regulation Article 16 – paragraph 6

Text proposed by the Commission

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.

Amendment

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.

Amendment 143

Proposal for a regulation Article 16 – paragraph 8

Text proposed by 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.

Amendment

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.

Amendment 144

Proposal for a regulation Article 17 – paragraph 2 – point c

Text proposed by the Commission

(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

Amendment

(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

implement the work plan and the corresponding expenditure estimates as proposed by the Member States and the Commission;

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 Member States and the Commission;

Amendment 145

Proposal for a regulation

Article 17 – paragraph 2 – point h

Text proposed by 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

Amendment

(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;**

Amendment 146

Proposal for a regulation

Article 17 – paragraph 2 – point l

Text proposed by the Commission

(l) approve the list of actions selected for funding on the basis of the ranking list established by a panel of independent experts;

Amendment

(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;

Amendment 147

Proposal for a regulation

Article 17 – paragraph 2 – point s

Text proposed by the Commission

(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;

Amendment

(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;

Amendment 148

Proposal for a regulation

Article 17 – paragraph 2 – point v

Text proposed by the Commission

(v) ensure effective communication with the Union's institutions;

Amendment

(v) ensure effective communication with the Union's institutions ***and report, upon request, to the European Parliament and to the Council,***

Amendment 149

Proposal for a regulation

Article 18 – paragraph 1

Text proposed by the Commission

1. The Industrial and Scientific Advisory Board shall consist of no more than **16** members. The members shall be appointed by the Governing Board from among the representatives of the entities of the ***Cybersecurity Competence*** Community.

Amendment

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 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.

Amendment 150

Proposal for a regulation Article 18 – paragraph 2

Text proposed by the Commission

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.

Amendment

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.

Amendment 151

Proposal for a regulation Article 18 – paragraph 5

Text proposed by the Commission

5. Representatives of the Commission and of ***the European Network and Information Security Agency may*** participate in and support the works of the Industrial and Scientific Advisory Board.

Amendment

5. Representatives of the Commission and of ***ENISA shall be invited to*** participate in 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.***

Amendment 152

Proposal for a regulation Article 19 – paragraph 1

Text proposed by the Commission

1. The Industrial and Scientific Advisory Board shall meet at least **twice** a year.

Amendment

1. The Industrial and Scientific Advisory Board shall meet at least **three times** a year.

Amendment 153

Proposal for a regulation Article 19 – paragraph 2

Text proposed by the Commission

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.

Amendment

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 or more members of the Industrial and Scientific Advisory Board

Amendment 154

Proposal for a regulation Article 20 – paragraph 1 – introductory part

Text proposed by the Commission

The Industrial and Scientific Advisory Board shall advise the Competence Centre in respect of the performance of its

Amendment

The Industrial and Scientific Advisory Board shall **regularly** advise the Competence Centre in respect of the

activities and shall:

performance of its activities and shall:

Amendment 155

Proposal for a regulation

Article 20 – paragraph 1 – point 1

Text proposed by the Commission

(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;

Amendment

(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;

Amendment 156

Proposal for a regulation

Article 20 – paragraph 1 – point 1 a (new)

Text proposed by the Commission

Amendment

(1a) advise the Governing Board on the establishment of working groups on specific issues relevant to the work of the Competence Centre;

Amendment 157

Proposal for a regulation

Article 20 – paragraph 1 – point 3

Text proposed by the Commission

(3) promote and collect feedback on the work plan and multi-annual strategic plan

Amendment

(3) promote and collect feedback on the work plan and multi-annual strategic plan

of the Competence Centre.

of the Competence Centre *and advise the Governing Board on how to improve the Competence Centre's strategic orientation and operation.*

Amendment 158

Proposal for a regulation

Article 21 – paragraph 1 – point a

Text proposed by the Commission

(a) **EUR 1 981 668 000** from the Digital Europe Programme, including up to EUR 23 746 000 for administrative costs;

Amendment

(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;

Amendment 159

Proposal for a regulation

Article 21 – paragraph 1 – point b a (new)

Text proposed by the Commission

Amendment

(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 Competence Centre may incur when acting as a project manager for actions carried out under the European Defence Fund.

Amendment 160

Proposal for a regulation

Article 21 – paragraph 2

Text proposed by the Commission

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.

Amendment

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.**

Amendment 161

**Proposal for a regulation
Article 21 – paragraph 4**

Text proposed by the Commission

4. The Union financial contribution shall not cover the tasks referred to in Article 4(8)(b)

Amendment

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.**

Amendment 162

**Proposal for a regulation
Article 22 – paragraph 4**

Text proposed by the Commission

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**

Amendment

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

with regard to the contributions referred to in paragraph 1.

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.

Amendment 163

Proposal for a regulation

Article 23 – paragraph 4 – point a

Text proposed by the Commission

(a) participating Member States' financial contributions to the administrative costs;

Amendment

(a) ***the Union's and*** participating Member States' financial contributions to the administrative costs;

Amendment 164

Proposal for a regulation

Article 23 – paragraph 4 – point b

Text proposed by the Commission

(b) participating Member States' financial contributions to the operational costs;

Amendment

(b) ***the Union's and*** participating Member States' financial contributions to the operational costs;

Amendment 165

Proposal for a regulation

Article 23 – paragraph 8 a (new)

Text proposed by the Commission

Amendment

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.

Amendment 166

Proposal for a regulation Article 30 – paragraph 1

Text proposed by the Commission

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.

Amendment

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.

Amendment 167

Proposal for a regulation Article 31 – paragraph 7

Text proposed by the Commission

7. **The staff of** the Competence Centre shall consist of temporary staff and contract staff.

Amendment

7. The Competence Centre **shall aim to achieve gender balance among its staff.** **The staff** shall consist of temporary staff and contract staff.

Amendment 168

Proposal for a regulation

Article 34 – paragraph 2 – point c a (new)

Text proposed by the Commission

Amendment

(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.

Amendment 169

Proposal for a regulation Article 35 – paragraph 1

Text proposed by the Commission

Amendment

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.

Amendment 170

Proposal for a regulation Article 35 – paragraph 2

Text proposed by the Commission

Amendment

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

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**

declarations of interest made in accordance with Article 41.

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.

Amendment 171

Proposal for a regulation Article 38 – paragraph 3

Text proposed by the Commission

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 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.

Amendment

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 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.

Amendment 172

Proposal for a regulation Article 38 a (new)

Text proposed by the Commission

Amendment

Article 38a

Legal Personality of the Competence Centre

- 1. The Competence Centre shall have legal personality.*
- 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 property and may be a party to legal proceedings

Amendment 173

Proposal for a regulation Article 42 – paragraph 1

Text proposed by the Commission

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].**

Amendment

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.**

Amendment 174

Proposal for a regulation Article 42 – paragraph 1 a (new)

Text proposed by the Commission

Member States shall ensure the prevention, identification, and resolution of conflicts of interest in respect of the National Coordination Centres.

Amendment

Amendment 175

Proposal for a regulation Article 42 – paragraph 1 b (new)

Text proposed by the Commission

Amendment

The rules referred to in paragraph 1 shall comply with Regulation (EU, Euratom) 2018/1046.

Amendment 176

Proposal for a regulation Article 44 – title

Text proposed by the Commission

Amendment

Support from the host Member State

Seat and support from the host Member State

Amendment 177

Proposal for a regulation Article 44 – paragraph -1 (new)

Text proposed by the Commission

Amendment

The seat of the Competence Centre shall be determined in a democratically accountable procedure, using transparent criteria and in accordance with Union law.

Amendment 178

Proposal for a regulation Article 44 – paragraph -1 a (new)

Text proposed by the Commission

Amendment

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.

Amendment 179

Proposal for a regulation Article 44 – paragraph 1

Text proposed by the Commission

Amendment

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.

Amendment 180

Proposal for a regulation Article 45 a (new)

Text proposed by the Commission

Amendment

Article 45a

Exercise of the delegation

1. The power to adopt delegated acts is conferred on the Commission subject to

the conditions laid down in this Article.

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].

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 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.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

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 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.