



EU Consultation: Establishment of a European Critical Raw Materials (CRM) Centre

European Association of Chemical Distributors (Fecc)

June 2026

www.fecc.org | info@fecc.org

Contact:

Diana Khrystych, Trade and Sustainability Manager (dkh@fecc.org)

The European Association of Chemical Distributors (Fecc) welcomes the opportunity to provide feedback on the Commission's Call for Evidence regarding the establishment of a **European Critical Raw Materials (CRM) Centre**. Fecc remains a steadfast supporter of the EU's strategic autonomy and recognizes the importance of securing a sustainable supply of CRMs to achieve the goals of the **Clean Industrial Deal and the Green Deal**.

To ensure that this initiative is **practical, proportionate, and supportive of SMEs** within the chemical distribution value chain, we propose the following observations and suggestions:

Strengthening Market Power and Demand Aggregation. European chemical distributors often face negotiations with global players who possess significantly greater market power, frequently backed by foreign governments.

- **Collaborative Purchasing Mechanisms.** We support the assessment of additional EU-level actions to facilitate **demand aggregation and joint purchasing**. This is a vital practical solution to rebalance market power and provide the stable demand signals—through concrete offtake agreements—that many CRM projects currently lack.
- **Inclusion of Secondary CRMs.** To meet the 25% recycling benchmark, Fecc suggests that the Centre specifically facilitate offtake agreements for **secondary critical raw materials** to encourage circular economy practices within the distribution network.

Improving the Risk-Reward Profile for Strategic Projects. The EU currently lacks the instruments to compete effectively with international competitors who can react rapidly to equity investment opportunities or feedstock sourcing.

- **Efficient Mobilisation of Funding.** We urge the Commission to ensure that upcoming funding instruments, such as the **European Competitiveness Fund**, are monitored and mobilised as efficiently as possible.
- **De-risking Opportunities.** The Centre should focus on providing **financial products and de-risking opportunities**, such as CRM equity investments, to help European industry compete on a global scale for strategic production facilities.

Coordinated Stockpiling and Disruption Management. Recent export restrictions have highlighted the vulnerability of EU value chains to geopolitical "blackmail".

- **EU-Level Stockpiling System.** Fecc supports the development of an **EU stockpiling system** to mitigate the risk of supply disruptions and price fluctuations. It is essential that such a system includes mechanisms for the **proper and fair release** of stocks across Member States and industry sectors, particularly for those ill-equipped to face sudden shocks.

- **Market-Responsive Services.** Stockpiling services must be able to **adjust to real-time changes** in market conditions and technology to avoid obsolescence and ensure resources are recovered effectively through strategic releases.

Proportionate Reporting and Strategic Intelligence. While high-quality market intelligence is essential for guiding strategic decisions, it must not inadvertently create an unmanageable bureaucratic hurdle for industry.

- **Minimising Administrative Burden.** We urge the Commission to specifically assess the **administrative burden and cost savings** for SMEs. Reporting requirements for strategic market intelligence should be streamlined to focus on "real-time" information that adds value without duplicating existing national data collection efforts.
- **Protecting Trade Secrets.** Similar to our positions on other regulatory frameworks, we believe that any data sharing within the CRM Centre must respect **commercial confidentiality** and trade secrets to maintain a level playing field for European distributors.

Fecc appreciates the Commission's efforts to move toward the 2030 benchmarks of **40% processing and 25% recycling** for strategic raw materials. As the legislative proposal moves forward in Q2 2026, it is vital that the Centre's tools remain **accessible to SMEs** and support long-term employment and skills development in the European CRM space. We remain committed to a constructive dialogue to ensure the European CRM framework is both environmentally responsible and economically resilient.

To access the Fecc's response on EU Commission's website, please click [here](#).

Contact

[Fecc](#), European Association of Chemical Distributors
EU Transparency Register with ID no. 0346440357-87
Rue du Luxembourg 16b, 1000 Brussels, Belgium
T: +32 2 679 02 60

This document has been designed using the best knowledge currently available and is to be relied upon at the user's own risk. The information is provided in good faith and no representations or warranties are made with regards to the accuracy or completeness, and no liability will be accepted for damages of any nature whatsoever resulting from the use or reliance on this paper. This document does not necessarily represent the views of all member companies of Fecc.