

SEMI Europe Advocacy

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Summer break announcement

With the political summer break and many EU institutions closed, the SEMI Europe Advocacy Newsletter will take a break. We would like to express our thanks for your interest in our re-launched bi-weekly update on relevant policy developments across Europe. We will be back at the end of August. In the meantime, we invite you to explore past [advocacy publications](#) and stay connected via SEMI's social media channels.

We wish you a happy summer!

European Chips Act: European Parliament approves inter-institutional agreement, final vote by Council

In a plenary vote held on July 11, the European Parliament voted in favor of the inter-institutional agreement on the European Chips Act¹. Members of the European Parliament formally adopted the legislation to bolster the European semiconductor ecosystem with 587 votes to 10, with 38 abstentions.

Representatives from the co-legislators of the Parliament and Council - under mediation of the European Commission - reached a provisional agreement on the Chips Act on April 18, which has now been officially endorsed by the European Parliament. As the next and final step, responsible

¹ <https://www.europarl.europa.eu/news/en/press-room/20230707IPR02418/semiconductors-meps-adopt-legislation-to-boost-eu-chips-industry>

Member State Ministers represented in the Council of the EU will vote to confirm the legislation, before it will enter into force.

EU and Japan agree to intensify semiconductor cooperation

The EU will deepen bi-lateral co-operation on semiconductors with Japan, following the EU-Japan Digital Partnership Council held on July 3 and the EU-Japan summit held on July 13.

On occasion of the first EU-Japan Digital Partnership Council on July 3², both sides signed a Memorandum of Cooperation on Semiconductors³, aiming to achieve concrete cooperation outputs in key areas, including a joint early warning mechanism for the semiconductor supply chain, research and development in essential components for the manufacturing of chips – including alternatives to fluorinated chemicals such as PFAS - and the next generation of semiconductor technologies, promoting advanced skills for the semiconductor industry, use case creation of semiconductor applications, as well as transparency mechanisms relating to subsidies for the industry.

Following the EU-Japan summit on July 13, European Commission President Ursula von der Leyen and Japan's Prime Minister Fumio Kishida welcomed the Memorandum of Cooperation and called for acceleration of cooperation on digital transformation⁴. The next EU-Japan Digital Partnership Council between the EU and Japan will be held in the first half of 2024, where progress and further steps in bi-lateral cooperation will be discussed⁵.

Commission presents new initiatives to strengthen European research and innovation system

On July 13, the European Commission presented a range of measures targeted at bolstering the European Research Area (ERA), aiming to make ERA more resilient, appealing and competitive for researchers, thereby strengthening Europe's research and innovation system and fostering the development of cutting-edge technologies⁶. Launched in 2000, the ERA seeks to create a single, borderless market for research, innovation and technology across the EU.

The Commission proposes a new European framework for research careers, aimed at supporting researchers by improving their position on issues such as recognition, working conditions, career development, entrepreneurship and innovation. This will be complemented by an updated and streamlined Charter for Researchers, a set of general principles specifying the roles, responsibilities and entitlements of researchers, research employers and funders in the public and private sectors.

Critically, the Commission proposes ResearchComp as the first EU Competence Framework for researchers, a new tool that helps researchers in evaluating and enhancing their transversal skills,

² <https://www.meti.go.jp/press/2023/07/20230703003/20230703003-4.pdf>

³ <https://www.meti.go.jp/press/2023/07/20230704002/20230704002-1.pdf>

⁴ https://ec.europa.eu/commission/presscorner/detail/en/statement_23_3846

⁵ <https://www.reuters.com/technology/eu-japan-deepen-chip-cooperation-breton-2023-07-03/>

⁶ https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3807

aid education institutions in aligning their offerings with researchers' needs, and enable employers to gain insight into the skills and competences of researchers⁷.

As the next step, Member States will discuss the Commission proposals, with a view to the final adoption by the Council of the EU. The Commission also announced that it is working on further initiatives in support of research careers, including an ERA Talent Platform, a Research and Innovation Careers Observatory and an investment strategy in support of implementing organizational change as a result of the new measures, to be fully revealed in the future.

EU and Belgian region of Flanders to invest in cleanroom as part of technological capacity building and innovation pilot line under EU Chips Act

The European Union and the region of Flanders in Belgium have announced to jointly invest in upgrading imec's cleanroom to facilitate groundbreaking microelectronics research pilot lines established by the European Chips Act. This was announced on July 7, during a visit to the research and development center by European Commission President Ursula von der Leyen, Belgium's Prime Minister Alexander De Croo and Minister-President of Flanders Jan Jambon⁸.

The Flemish government signed a Letter of Intent with imec, committing to support the further expansion and development of the cleanroom with state-of-the-art equipment and processes, worth up to €750 million, to be repaid in rent⁹. The European Union and industry partners are also set to make a significant contribution to the public-private partnership¹⁰.

The investment is linked to pilot lines under the Chips for Europe Initiative – a key pillar of the forthcoming European Chips Act – with the purpose of supporting process development, test and experimentation and small-scale production to enable development and deployment of cutting-edge and next generation semiconductor technologies.

EU-funded national microelectronics program fosters major investment in large-scale back-end semiconductor facility in Spain

Building on last years' launch of Spain's PERTE Chip program, targeted at strengthening national design and production capacities of the microelectronics and semiconductor industry, plans for a major investment by Broadcom Inc. to construct a large-scale back-end semiconductors facility in the country were announced on July 6¹¹. Details regarding the location and amount of public funding from PERTE Chip were not disclosed.

Spanish government officials welcome the investment. Prime Minister Pedro Sánchez lauded the project for accelerating re-industrialization supported by the digital and green transitions¹², and

⁷ https://research-and-innovation.ec.europa.eu/jobs-research/researchcomp-european-competence-framework-researchers_en

⁸ https://ec.europa.eu/commission/presscorner/detail/en/statement_23_3707

⁹ <https://www.ewi-vlaanderen.be/nieuws/vlaamse-overheid-en-imec-ondertekenen-letter-intent-voor-de-uitbouw-van-imecs-cleanroom>

¹⁰ <https://www.tijd.be/politiek-economie/belgie/algemeen/vlaams-europese-miljardenboost-voor-imec/10479306.html>

¹¹ <https://www.reuters.com/technology/broadcom-invest-1-bln-eu-funded-chip-programme-spain-2023-07-07/>

¹² <https://twitter.com/sanchezcastejon/status/1677212173683105794>

First Deputy Prime Minister and Minister of Economic Affairs and Digital Transformation Nadia Calviño said that the investment opens door to other big semiconductor investments in Spain¹³.

The PERTE Chips initiative – worth around €12.25 billion Euros in public funds - is a key pillar of Spain's Recovery, Transformation and Resilience Plan, and is co-funded by the EU's Recovery and Resilience Facility which supports Member States' green and digital transition following the Covid-19 pandemic. The national PERTE Chip program will run until 2027 and allocates around €9.5 billion in total to support the construction of new manufacturing sites across Spain, which is complemented by investments to strengthen scientific and design capacities, and provides capital for startups, scaleups and innovative small-and medium sized enterprises in the semiconductor sector¹⁴.

EU and Chile sign Memorandum of Understanding on sustainable raw material value chains for green and digital transition

On occasion of the summit between the European Union (EU) and the Community of Latin American and Caribbean States (CELAC) on July 17-18, the EU and Chile signed a Memorandum of Understanding establishing a strategic partnership on sustainable raw material value chains for the green and digital transitions¹⁵.

Building on the proposed Critical Raw Materials Act, the partnership centers around five areas along the value chain: the integration of sustainable raw material value chains, research and innovation cooperation, cooperation to leverage environmental, social and governance (ESG) criteria, deployment of hard and soft infrastructure for projects, and strengthening capacities, vocational education and training and skills¹⁶. Following the signing of the Memorandum, the parties will develop an operational roadmap that includes cooperation actions to be carried out by EU and Chilean stakeholders in context of the EU's economic partnership and investment strategy Global Gateway.

Similar partnerships have been concluded between the EU and Canada, Ukraine, Kazakhstan, Namibia and Argentina, while the anticipated Critical Raw Materials Act would further expand on external partnerships to help safeguard industry access to diverse and resilient raw material supplies.

For feedback, get in touch with the SEMI Europe Advocacy Team at euadvocacy@semi.org.



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¹³ <https://cincodias.elpais.com/companias/2023-07-07/calvino-el-proyecto-de-broadcom-abre-la-puerta-a-otras-inversiones-milmillonarias-en-espana.html>

¹⁴ <https://planderecuperacion.gob.es/como-acceder-a-los-fondos/pertes/perte-de-microelectronica-y-semiconductores>

¹⁵ https://single-market-economy.ec.europa.eu/system/files/2023-07/MoU_EU_Chile_signed_20230718.pdf

¹⁶ https://ec.europa.eu/commission/presscorner/detail/en/ip_23_3897