



Position paper of the Confederation of Industry of the Czech Republic on the European Chips Act

We welcome the proposed EU Chips Act. It will spur advanced semiconductor R&D, rebalance manufacturing capacity, help to overcome short term semiconductor supply chain challenges and boost long-term security and resilience. We support the Act's provisions aimed at promoting advanced R&D in sub-2 nanometer nodes, energy-efficient processors, quantum chips, and 3D integration.

We support the Act's focus on manufacturing and packaging of chips below the 10nm level, which will be critical to unlocking next-generation advances in AI, quantum, and high-performance computing. Design infrastructure should also include a focus on prototyping, so that startups can easily port leading-edge innovations from lab to fab and bring new semiconductor products to market quickly.

We would also like broaden the focus on support of existing semiconductor manufacturers, which operate in power technologies. These technologies are key e.g. for solar invertors or power train for electro mobiles. They face different challenges – mainly efficiency increase through transition from Silicon to different materials.

We welcome efforts to increase European semiconductor manufacturing capacity, and R&D aimed at improving the security and resilience of the global supply chain, and believe that targeted incentives have a role to play in securing the necessary investments.

We support investments to build a workforce fluent in semiconductors. To promote advanced R&D capabilities and next-generation semiconductor advances, Europe should partner with universities and vocational colleges to attract new talent and build a pipeline of skilled workers that fuels leading-edge semiconductor breakthroughs.

We very much welcome the establishment of a European expert group made up of representatives of individual Member States to facilitate a rapid and effective exchange of information between the Member States and the European Commission on market developments and potential shortcomings, while gathering information from representatives of individual companies on the situation in the semiconductor market.

As a first measure, we call on the expert group to request information from industry stakeholders, from individual semiconductor and equipment manufacturers in order to increase the ability of the European Semiconductor Expert Group to identify and tailor potential crisis response measures.

As the industry in the Czech Republic is impacted by the shortage, we call on Czech ministry of industry to play an active role in the work of the expert group and to involve relevant business partners (e.g. Confederation of Industry of the Czech Republic).

Semiconductors are the product of diverse and highly complex supply chains that stretch across borders. We encourage the EU to promote transatlantic collaboration and coordination among industry, government, and academia, especially in research. The TTC provides an ideal platform on which to agree suitable topics for research cooperation and coordination, and to build a deep understanding of semiconductor supply chains and how partnerships can facilitate a steady and secure supply of chips.

We strongly agree with the need for international cooperation with like-minded countries that is reflected throughout the proposed Act.