

Public consultation of the review of the Chips Act

Fields marked with * are mandatory.

Introduction

Consolidated public consultation of the review of the Chips Act

This public consultation is part of the evaluation and review of the Chips Act foreseen for September 2026. The overall objective of the public consultation is to firstly identify the adequacy of the current Chips Act and to seek stakeholders' views on potential improvements, shortcomings and new avenues for action. The consultation will aim at collecting the views of industry, SMEs, Research and Technology Organisations (RTOs), academia, Member States, and any other relevant actors. The draft public consultation is structured around four sections.

Section 1: questions concerning the identity of the respondents that will trigger different sets of follow-on questions in Section 4, depending on the type of stakeholder.

Section 2: questions for all respondents that are designed to capture all stakeholders' views on the progress and functioning of the current Chips Act. **Section 3:** questions for all respondents that are designed to capture all stakeholders' views on next steps considering a potential "Chips Act 2.0". **Section 4:** questions very specific to the stakeholder group selected: Research and Technology Organisation, Academia/university, Foundry & Integrated Device Manufacturer (IDMs), Fabless company, Intellectual property & Electronic Design Automation (EDA) vendor, Equipment manufacturer, Material provider, Assembly, Packaging and Test(OSAT), Photonics companies, Quantum companies, and the User industry (Automotive, Defence /aerospace, Health/Medical devices; Telecommunications/digital networks))

Section 5: space for uploading supporting and comprehensive documentation by any participant to the questionnaire.

Other stakeholders such as business associations and user associations are included under the 'Other' category. This layered structure will make it possible to capture the different sets of stakeholders.

Section 1: General information on the organisation

* Language of my contribution

- ☐ Bulgarian
- ☐ Croatian
- ☐ Czech
- ☐ Danish

- ☐ Dutch
- ☒ English
- ☐ Estonian
- ☐ Finnish
- ☐ French
- ☐ German
- ☐ Greek
- ☐ Hungarian
- ☐ Irish
- ☐ Italian
- ☐ Latvian
- ☐ Lithuanian
- ☐ Maltese
- ☐ Polish
- ☐ Portuguese
- ☐ Romanian
- ☐ Slovak
- ☐ Slovenian
- ☐ Spanish
- ☐ Swedish

* Do you represent one or more organisations (e.g. industry organisation or civil society organisation) or are you acting in your own personal capacity (e.g. independent expert)?

- ☒ organisation(s)
- ☐ personal capacity

* First name

* Surname

* Email (this won't be published)

* Please choose the type of stakeholder you represent

- ☐ Research and Technology Organisation
- ☐ Education institutions and training providers
- ☐ Foundry & Integrated Device Manufacturer (IDMs)
- ☐ Fabless company
- ☐ Intellectual property & Electronic Design Automation (EDA) vendor
- ☐ Equipment manufacturer
- ☐ Material provider
- ☐ Assembly, Packaging and Test (OSAT)
- ☐ Photonics company
- ☐ Quantum company
- ☐ User industry - automotive
- ☐ User industry - defence/aerospace
- ☐ User industry - health/Medical devices
- ☐ User industry - telecommunications/digital networks
- ☐ User industry - energy
- ☐ User industry - other
- ☒ Public administration (local, regional and national public administrations as well as EU public bodies involved in semiconductor policy, such as R&D&I and/or industrial policy).
- ☐ Financial institution, investor, fund, etc.
- ☐ Business association
- ☐ Other (e.g. NGOs, customer association, etc.)
- ☐ Individual citizen

* Organisation name

255 character(s) maximum

Government of the Netherlands

* Scope

- ☐ International
- ☐ Local
- ☒ National
- ☐ Regional

* Level of governance

- ☒ Parliament
- ☐ Authority
- ☐ Agency

* Organisation size

- ☐ Micro (1 to 9 employees)
- ☐ Small (10 to 49 employees)
- ☐ Medium (50 to 249 employees)
- ☒ Large (250 or more)

Transparency register number

Check if your organisation is on the transparency register. It's a voluntary database for organisations seeking to influence EU decision-making.

* Is your organisation headquartered in the EU?

- ☒ Yes
- ☐ No
- ☐ Other

* Is your parent company headquartered in the EU?

- ☒ Yes
- ☐ No

* Do you have a research and development department?

- ☐ Yes
- ☒ No

* Country of origin

Please add your country of origin, or that of your organisation.

This list does not represent the official position of the European institutions with regard to the legal status or policy of the entities mentioned. It is a harmonisation of often divergent lists and practices.

- | | | | |
|---|---|--|--|
| ☐ Afghanistan | ☐ Djibouti | ☐ Libya | ☐ Saint Martin |
| ☐ Åland Islands | ☐ Dominica | ☐ Liechtenstein | ☐ Saint Pierre and Miquelon |
| ☐ Albania | ☐ Dominican Republic | ☐ Lithuania | ☐ Saint Vincent and the Grenadines |
| ☐ Algeria | ☐ Ecuador | ☐ Luxembourg | ☐ Samoa |
| ☐ American Samoa | ☐ Egypt | ☐ Macau | ☐ San Marino |
| ☐ Andorra | ☐ El Salvador | ☐ Madagascar | ☐ São Tomé and Príncipe |
| ☐ Angola | ☐ Equatorial Guinea | ☐ Malawi | ☐ Saudi Arabia |
| ☐ Anguilla | ☐ Eritrea | ☐ Malaysia | ☐ Senegal |
| ☐ Antarctica | ☐ Estonia | ☐ Maldives | ☐ Serbia |
| ☐ Antigua and Barbuda | ☐ Eswatini | ☐ Mali | ☐ Seychelles |
| ☐ Argentina | ☐ Ethiopia | ☐ Malta | ☐ Sierra Leone |
| ☐ Armenia | ☐ Falkland Islands | ☐ Marshall Islands | ☐ Singapore |
| ☐ Aruba | ☐ Faroe Islands | ☐ Martinique | ☐ Sint Maarten |
| ☐ Australia | ☐ Fiji | ☐ Mauritania | ☐ Slovakia |
| ☐ Austria | ☐ Finland | ☐ Mauritius | ☐ Slovenia |
| ☐ Azerbaijan | ☐ France | ☐ Mayotte | ☐ Solomon Islands |
| ☐ Bahamas | ☐ French Guiana | ☐ Mexico | ☐ Somalia |
| ☐ Bahrain | ☐ French Polynesia | ☐ Micronesia | ☐ South Africa |
| ☐ Bangladesh | ☐ French Southern and Antarctic Lands | ☐ Moldova | ☐ South Georgia and the South Sandwich Islands |
| ☐ Barbados | ☐ Gabon | ☐ Monaco | ☐ South Korea |
| ☐ Belarus | ☐ Georgia | ☐ Mongolia | ☐ South Sudan |

☐ Belgium	☐ Germany	☐ Montenegro	☐ Spain
☐ Belize	☐ Ghana	☐ Montserrat	☐ Sri Lanka
☐ Benin	☐ Gibraltar	☐ Morocco	☐ Sudan
☐ Bermuda	☐ Greece	☐ Mozambique	☐ Suriname
☐ Bhutan	☐ Greenland	☐ Myanmar/Burma	☐ Svalbard and Jan Mayen
☐ Bolivia	☐ Grenada	☐ Namibia	☐ Sweden
☐ Bonaire Saint Eustatius and Saba	☐ Guadeloupe	☐ Nauru	☐ Switzerland
☐ Bosnia and Herzegovina	☐ Guam	☐ Nepal	☐ Syria
☐ Botswana	☐ Guatemala	☒ Netherlands	☐ Taiwan
☐ Bouvet Island	☐ Guernsey	☐ New Caledonia	☐ Tajikistan
☐ Brazil	☐ Guinea	☐ New Zealand	☐ Tanzania
☐ British Indian Ocean Territory	☐ Guinea-Bissau	☐ Nicaragua	☐ Thailand
☐ British Virgin Islands	☐ Guyana	☐ Niger	☐ The Gambia
☐ Brunei	☐ Haiti	☐ Nigeria	☐ Timor-Leste
☐ Bulgaria	☐ Heard Island and McDonald Islands	☐ Niue	☐ Togo
☐ Burkina Faso	☐ Honduras	☐ Norfolk Island	☐ Tokelau
☐ Burundi	☐ Hong Kong	☐ Northern Mariana Islands	☐ Tonga
☐ Cambodia	☐ Hungary	☐ North Korea	☐ Trinidad and Tobago
☐ Cameroon	☐ Iceland	☐ North Macedonia	☐ Tunisia
☐ Canada	☐ India	☐ Norway	☐ Türkiye
☐ Cape Verde	☐ Indonesia	☐ Oman	☐ Turkmenistan
☐ Cayman Islands	☐ Iran	☐ Pakistan	☐ Turks and Caicos Islands

- | | | | |
|--|-----------------------------------|---|--|
| ☐ Central African Republic | ☐ Iraq | ☐ Palau | ☐ Tuvalu |
| ☐ Chad | ☐ Ireland | ☐ Palestine | ☐ Uganda |
| ☐ Chile | ☐ Isle of Man | ☐ Panama | ☐ Ukraine |
| ☐ China | ☐ Israel | ☐ Papua New Guinea | ☐ United Arab Emirates |
| ☐ Christmas Island | ☐ Italy | ☐ Paraguay | ☐ United Kingdom |
| ☐ Clipperton | ☐ Jamaica | ☐ Peru | ☐ United States |
| ☐ Cocos (Keeling) Islands | ☐ Japan | ☐ Philippines | ☐ United States Minor Outlying Islands |
| ☐ Colombia | ☐ Jersey | ☐ Pitcairn Islands | ☐ Uruguay |
| ☐ Comoros | ☐ Jordan | ☐ Poland | ☐ US Virgin Islands |
| ☐ Congo | ☐ Kazakhstan | ☐ Portugal | ☐ Uzbekistan |
| ☐ Cook Islands | ☐ Kenya | ☐ Puerto Rico | ☐ Vanuatu |
| ☐ Costa Rica | ☐ Kiribati | ☐ Qatar | ☐ Vatican City |
| ☐ Côte d'Ivoire | ☐ Kosovo | ☐ Réunion | ☐ Venezuela |
| ☐ Croatia | ☐ Kuwait | ☐ Romania | ☐ Vietnam |
| ☐ Cuba | ☐ Kyrgyzstan | ☐ Russia | ☐ Wallis and Futuna |
| ☐ Curaçao | ☐ Laos | ☐ Rwanda | ☐ Western Sahara |
| ☐ Cyprus | ☐ Latvia | ☐ Saint Barthélemy | ☐ Yemen |
| ☐ Czechia | ☐ Lebanon | ☐ Saint Helena
Ascension and
Tristan da Cunha | ☐ Zambia |
| ☐ Democratic Republic of the Congo | ☐ Lesotho | ☐ Saint Kitts and Nevis | ☐ Zimbabwe |
| ☐ Denmark | ☐ Liberia | ☐ Saint Lucia | |

* Do you have an office or other kind of representation in the EU?

- ☒ Yes (we have a subsidiary, branch office or similar representation in the EU)

- ☐ Yes (other)
- ☐ No

* We may wish to contact you for clarification or further discussion if your submission prompts additional interest. Do you agree to be contacted by the Commission for clarification or discussion further to your submission?

- ☒ Yes
- ☐ No

The Commission will publish all contributions to this public consultation. You can choose whether you would prefer to have your details published or to remain anonymous when your contribution is published. **For the purpose of transparency, the type of respondent (for example, 'business association', 'consumer association', 'EU citizen') country of origin, organisation name and size, and its transparency register number, are always published. Your e-mail address will never be published.** Opt in to select the privacy option that best suits you. Privacy options default based on the type of respondent selected

* Contribution publication privacy settings

The Commission will publish the responses to this public consultation. You can choose whether you would like your details to be made public or to remain anonymous.

☐ **Anonymous**

Only organisation details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published as received. Your name will not be published. Please do not include any personal data in the contribution itself if you want to remain anonymous.

☒ **Public**

Organisation details and respondent details are published: The type of respondent that you responded to this consultation as, the name of the organisation on whose behalf you reply as well as its transparency number, its size, its country of origin and your contribution will be published. Your name will also be published.

☒ I agree with the [personal data protection provisions](#)

Section 2: Questions on the progress and functioning of the current Chips Act

This consultation will gather insights that will aid evaluating the progress and well-functioning of the current Chips Act.

Section 2.1 Questions on pillar 1 of the Chips Act

To what extent does [pillar 1 'Chips for Europe Initiative'](#) of the Chips Act deliver on its objectives?

Note: The general objective of the Chips for Europe Initiative is to achieve large-scale technological capacity building and support related research and innovation activities throughout the Union's semiconductor value chain to enable development and deployment of cutting-edge semiconductor technologies, next-generation semiconductor technologies and cutting-edge quantum technologies and the innovation of established technologies that will reinforce advanced design, systems integration and chip production capabilities in the Union, thereby increasing the competitiveness of the Union. It shall also contribute to the achievement of the green and digital transitions, in particular by reducing the climate impact of electronic systems, improving the sustainability of next-generation chips and strengthening the circular economy processes, contribute to quality jobs within the semiconductor ecosystem and address security-by-design principles, which provide protection against cybersecurity threats.

To achieve large-scale technological capacity building.

- ☐ Fully meets the objectives
- ☒ Partially meets the objectives
- ☐ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

In general, NL has positive experiences with pillar 1 in achieving technological capacity building, with regard to innovation. The terminology 'capacity building' could also refer to production capacity, and that objective has not been met:

- The 20% goal has by far not been reached
- The EU investments are quite moderate in size compared to other blocks in the world.
- Design capabilities for leading edge chips are still lacking in Europe
- In addition, the focus of pillar 1 is not on capacity building, but on novel technology development. The step towards increasing production capacity or towards the maturity of companies is not a part of this.

To support related research and innovation activities throughout the Union's semiconductor value chain.

- ☒ Fully meets the objectives

- ☐ Partially meets the objectives
- ☐ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

NL acknowledges that pillar 1 has been able to support research and innovation activities throughout the Union's semiconductor value chain. The support for R&D projects in the Chip JU and its predecessors has been quite considerable. Precompetitive R&D cooperation is a European strength which is quite well supported .

To enable development and deployment of cutting-edge semiconductor technologies, next-generation semiconductor technologies and cutting-edge quantum technologies and the innovation of established technologies.

- ☐ Fully meets the objectives
- ☒ Partially meets the objectives
- ☐ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

Pillar 1 manages to fund novel technology development quite well, as long as it fits reasonably well in the technology roadmaps of European companies. However, it does not truly incentivize disruptive innovation that could lead to new positions of global excellence and has not lead to a sustainable position for cutting-edge semiconductors.

To reinforce advanced design, systems integration and chip production capabilities in the Union, thereby increasing the competitiveness of the Union.

- ☐ Fully meets the objectives
- ☐ Partially meets the objectives
- ☒ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

Activities on design such as the design platform have only just started so can not yet be evaluated, however it has not yet lead to reinforcement of advanced design. Furthermore, for advanced chip production capabilities we are still far behind on other players such as the US.

To contribute to the achievement of the green and digital transitions, in particular by reducing the climate impact of electronic systems, improving the sustainability of next-generation chips and strengthening the circular economy processes.

- ☐ Fully meets the objectives
- ☒ Partially meets the objectives
- ☐ Does not meet the objectives
- ☐ Don't know / Not involved

To contribute to quality jobs within the semiconductor ecosystem and address security-by-design principles.

- ☐ Fully meets the objectives
- ☐ Partially meets the objectives
- ☒ Does not meet the objectives
- ☐ Don't know / Not involved

To address security-by-design principles, which provide protection against cybersecurity threats.

- ☐ Fully meets the objectives
- ☐ Partially meets the objectives
- ☒ Does not meet the objectives
- ☐ Don't know / Not involved

To what extent do the five selected pilot lines support the transition from “Lab to fab”?

Note: ‘Pilot line’ means an experimental project or action addressing higher technology readiness levels from levels 3 to 8 to further develop an enabling infrastructure necessary to test, demonstrate, validate and calibrate a product or system with the model assumptions.

“Lab to fab” means turning scientific discoveries made in research labs into technologies that can be produced at scale in factories. It helps ensure that promising innovations become real products we can use in everyday life.]

- ☐ Fully meets the objectives
- ☒

Partially meets the objectives

- ☐ Does not meet the objectives
- ☐ Don't know / Not involved

Please provide suggestions on how these pilot lines could be industrialised

NL is generally supportive of the pilot lines and has positive experience in setting these up. We have to ensure that the R&D-investments result into actual production value within Europe. Otherwise we remain the continent of excellent research, but do not decrease our dependence on foreign production capacity. Especially the areas of the pilot lines could become the new areas in which Europe leads globally. Pilot lines could be improved by involving companies and SMEs already at an early stage in the setting up of pilot lines. With regard to public financing, it is important that the State aid frameworks are fit for purpose. The NL therefore welcomes the revision of the General Block Exemption Regulation (GBER). In our view it is important to consider the latest digitalization and technologies developments, and we call on the European Commission to verify, among others, whether the articles on investment aid for research infrastructures and for testing and experimentation infrastructures need to be revised taking into account the specific characteristics of the [Chips sector, including semiconductors]. The NL would, for example, also welcome certain additions to the GBER for innovation projects involving technologies at higher TRL levels. In doing so, it should take into consideration the fact that semiconductor markets are global, and that competition is too. The NL calls on the Commission to organize expert meetings to review these aid categories.

The Chips Fund is a financial instrument supporting the growth of Europe's semiconductor sector. It aims to make it easier for start-ups, scale-ups, SMEs, and small mid-caps to access debt and equity financing, helping them bring innovations to market and scale up production. The Fund is implemented by the European Innovation Council and InvestEU. Have you applied to be a beneficiary of the Chips Fund?

- ☐ Yes, I successfully applied
- ☐ Yes, I applied but the application was unsuccessful
- ☐ No but will in the future
- ☒ No and I won't

In your view, how did the Competence Centres help to achieve the Chips Act objectives?

Note: Under the Chips for Europe Initiative, a European Network of Competence Centres is being implemented. This network comprises at least one Competence

Centre per Member State, whose objectives are to provide access to technical expertise in the area of semiconductors, helping companies to improve their semiconductor capabilities and developing skills.

Competence centres are still in the early stages, therefore it is too early to provide a sufficient answer. One note is that the recently launched ChipNL Competence Center has announced that it will offer support in obtaining funding through the EU Chip Fund. It is too early to share their experiences. However, other experience suggests that larger scale projects are too big for the Chips Fund. An expanded budget for the Chips Fund seems in order.

Should the scope of the Competence Centres be extended to cover more activities /areas than currently defined, and if yes, what would you suggest adding under their remit?

The Competence Centres should also be active towards like-minded countries outside of Europe. This helps in connecting other global ecosystems to our European system in a coordinated matter, instead of just bilaterally.

What other capacities could the Initiative focus on in addition to the five components of the Initiative (Design Platform, pilot lines, development of Quantum chips, network of competence centres and the Chips Fund)?

400 character(s) maximum

Please see our replies to questions related to chips act 2.0 under section 3. With regards to the present day Chips Fund: it is mainly aimed at scale ups, start ups and smaller SMEs. Its not very suitable for larger SMEs, given the size of the funding needed for larger SMEs . In future, this should be addressed in order to speed up business growth and industrialization in Europe.

In your view, how effective has the [Important Project of Common European Interest \(IPCEI\)](#) instrument been in addressing strategic EU industrial priorities?

The IPCEI instrument in general is vital, as it currently is the only tool we have for supporting First Industrial Deployment. The political momentum it has created for investments cannot be underestimated. It has proven its value for the European position in the global semiconductors value chain, however, there is room for improvement.

In the first place, the instrument fully relies for funding on national budgets. Even when there is coordination between member states and the Commission on priorities and project selection, there is a risk that the IPCEI instrument leads to sub-optimal outcomes when the delineation values for projects are determined by budget source and geography. A possible avenue to remedy this situation could be to explore European co-funding with a larger emphasis on the strategic value for Europe as a whole.

Another element of improvement is timing. Currently, an element of luck is involved with the conception of projects within the timeframe of IPCEI. To address projects with great urgency that could be addressed by IPCEI's, more flexibility or even the possibility of a permanent or 'rolling IPCEI' for semiconductors could be explored.

In your view, how effective has the Important Project of Common European Interest (IPCEI) State aid instrument been in supporting research, development and innovation in the semiconductor value chain?

The IPCEI instrument generates a lot of political momentum for investments in this crucial sector. The IPCEI ME /CT and ME are often seen as just generic roadmap support for European semiconductor companies, without too much focus on truly disruptive innovation that leapfrogs the international competition. This is something that the IPCEI AST intends to tackle by a clearer technological focus aimed at those areas where Europe can excel.

Section 2.2 Questions on pillar 2 of the Chips Act

In your view, is the [pillar 2 'Security of supply and resilience'](#) of the Chips Act successful in delivering on its objectives?

Note: The objective is to improve the functioning of the internal market by laying down a uniform Union legal framework for increasing the Union's long-term resilience and its ability to innovate and provide security of supply in the field of semiconductor technologies with a view to increasing robustness in order to counter disruptions.

- ☐ Fully meets the objectives
- ☐ Partially meets the objectives
- ☒ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

Efforts under Pillar II have not yet resulted in meeting the set targets of 20% production capacity in the EU. This target however should not be the main goal, Pillar II should focus on building prosperity, indispensability and resilience in our Semiconductor supply chains. Pillar II is currently insufficiently focused on the type of fabs and chips the EU needs to provide security of supply. To improve resilience, it is key to focus our capacity building on strategic sectors and end-markets crucial for the Union and know where the EU demand is.

To what extent are “integrated production facilities and open EU foundries” contributing to the security of supply of semiconductors and the resilience of the Union's semiconductor ecosystem?

- ☐ Fully contribute to the security of supply
- ☒ Partially contribute to the security of supply
- ☐ Does not contribute to the security of supply
- ☐ Don't know / Not involved

Additional comments:

The IPF's and Open foundries have helped in locating production facilities in the EU, it is however yet unclear how they will contribute in supplying our critical sectors, also in crisis situations. As we have recently seen, we are still highly vulnerable in terms of supply shortages. We should make sure that production in Europe fits our local demand, and aim for a certain degree of flexibility in European fabs.

Has the Chips Act sped up permits for planning, construction and operation of first-of-a-kind facilities, integrated production facilities and open EU foundries?

Unsure whether this process is sped up under the Chips Act. Permit procedures are still notably long in the EU.

To what extent has the European Chips Act pillar 2 'Security of supply and resilience' made the EU a more attractive location for semiconductor manufacturing?

- ☐ Fully
- ☒ Partially
- ☐ Not at all
- ☐ Don't know

Additional comments:

Chips Act has contributed to Europe's attraction as a location for production, it has been made easier to contribute to a facility by member states. However, we are in a global competition and commercial actors will locate in places where all prerequisites, such as for example energy costs, regulatory processes and talent are in order, the current Chips Act does not sufficiently address these challenges.

In addition, we should work on increasing (desirable) demand for chips within Europe, as this will improve the attractiveness of Europe as a production location. Production facilities to a considerable extent follow the market. The Chips Act 2.0 could therefore focus more on establishing and promoting end markets in Europe, An EU preference principle within public procurement in critical and strategic sectors (such as AI) could also have its effect to more chips being produced in Europe, when sufficiently substantiated and delineated in terms of time, proportionality and suitability. In selected core and critical strategic sectors working towards an EU preference principle should only be done when no less invasive measures are available and when the expected benefits of such a scheme outweigh the associated costs, including the expected increase in price and administrative burden and the trade distorting impact on (likeminded) partners of the EU.

Section 2.3 Questions on pillar 3 "Monitoring and crisis response" of the Chips Act

To what extent does [pillar 3 "Monitoring and crisis response"](#) of the Chips Act deliver on its objectives?

Note: Pillar 3 of the European Chips Act establishes a coordination mechanism between the Member States and the Commission to strengthen collaboration on

monitoring and crisis response. The governance mechanism of the European Chips Act is ensured by the European Semiconductor Board (ESB), which includes representatives of the Member States and is chaired by the Commission.

- ☐ Fully meets the objectives
- ☐ Partially meets the objectives
- ☒ Does not meet the objectives
- ☐ Don't know / Not involved

Additional comments:

Pillar 3 and also the Risk Assessment are the basis of several different requests to member states and semicon companies to compile data, answer questionnaires and provide detailed information on sometimes sensitive topics. It is not always clear why certain information is being gathered and what is being done with the collected info. This often leads to information that is not very usable, but it is being presented as such. Part of the monitoring is being delegated to a market research company, which can certainly be helpful, whereas the methodology and actual contributions to the monitoring task remain unclear for now. When talking about crisis response, it remains to be seen if the advisory role of the ESB has any meaningful weight in dealing with these situations. Furthermore, the instrument of priority-rated orders still requires an act to be implemented and the procedure to decide on a PRO is extensive and might not be quick enough to react to an urgent situation.

Have you developed or implemented a monitoring system for the semiconductor supply chain in your organization?

- ☒ Yes
- ☐ No

How does it work? Does your organisation have a mechanism for reporting or communicating updates and information?

In general, NL is in constant contact with our sector and regularly proactively inquire about any concerns in this regard through national bodies, like our Semiconductor Board.

Which early warning indicators should the EU monitor to define the onset of a semiconductor crisis in a clear and predictable manner (e.g. percentage increase in lead times, specific price thresholds, unavailability of a non-substitutable component)?

Monitoring should move beyond generic indicators in the current Chips Act, to monitor deep-level, measurable, and predictable early warning indicators to define the onset of a crisis. The most critical indicators are those related to Geopolitical and structural concentration indicators. These are vital for anticipating risks stemming from concentrated dependencies, especially at Tier-2 and Tier-3 of the supply chain. The Commission needs to define clear, aggregated thresholds without demanding confidential corporate data. For example, by linking to current initiatives on the EU Critical Raw Materials Centre or establishing a monitor relating to the percentage of EU's total fabrication capacity that depends on a

single non-EU region for non-substitutable, critical input materials, and quantifying the EU's reliance on external, high-risk production sites for specific strategic chips such as advanced nodes and Chips for AI, as well as chips that are vital for our most important industrial sectors.

Have you ever reported or received alerts about potential semiconductor supply chain disruptions?

- ☒ Yes
☐ No

How and to whom? Please elaborate

We remain in constant contact with our sector on this matter.

Have you ever received alerts about potential semiconductors supply chain disruptions?

- ☒ Yes
☐ No

From/to whom? Please elaborate

We remain in constant contact with our sector on this matter.

What are some of the recent threats or obstacles your organisation has faced to secure the supply of chips?

- ☐ Geopolitical risks (e.g., war, conflicts, political instability)
☒ New trade barriers (e.g., tariffs, export controls from third countries)
☐ Natural hazards
☐ Logistic bottlenecks
☒ Other

Please, specify:

Our national sector has mostly been impacted by new trade barriers and relating uncertainty. A new Chips Act should entail a more coordinated European approach to these issues.

In which segments of the semiconductor supply chain have you experienced shortages in the past 12 - 24 months? Please specify the main products and the reason for the shortage.



Raw material (Silicon, gallium, germanium, tungsten, REEs, etc.)

- ☐ Inputs (materials, chemicals, gases)
- ☐ Wafers
- ☐ Equipment
- ☐ Final chips
- ☒ Other
- ☐ None

Specify (products and reason):

Risks in various parts of the supply chain can be distinguished. Companies are best placed to reply to this question from their experience.

Section 2.4 Other evaluation and review questions

What resources have been necessary on your organisation's side to contribute to the implementation of the Chips Act?

There has been financial contribution for co-financing projects, mainly focused on Pillar 1. In addition, we have provided personnel resources, with teams involved in coordination of EU projects, ESB participation and risk assessment analysis.

Are the efforts invested at EU level proportionate to the expected or observed impacts, such as the aim to strengthen the EU semiconductor ecosystem?

The EU has established a strong foundation, but realizing a resilient and leading European semiconductor ecosystem requires acceleration and deepening of commitment on both the financial and regulatory fronts. The current investments mobilized, contrast sharply with the massive subsidy packages in the US (CHIPS Act) and Asia. While it is questionable whether we can and should mirror the subsidy levels of other continents, given the extreme capital intensity of the sector, a consistent, scaled-up, and long-term funding framework at the EU level is essential to close the gap. Besides, efforts at EU level to strengthen the EU semiconductor ecosystem should address necessary preconditions in which companies can innovate, grow and excel, such as access to talent, infrastructure and overcoming regulatory obstacles.

How well has the implementation of the Chips Act been communicated within your relevant Member State(s)?

- ☐ Very well
- ☐ Well
- ☒ Adequately
- ☐ Poorly

☐ Very poorly

Please provide specific examples if relevant.

This is up to our sector to evaluate.

Does your organisation have any sustainable practices/policies in place for the semiconductor sector?

☒ Yes

☐ No

Please, specify:

NL has general sustainability policies in place for all companies and industry players. Specifically for the semiconductor industry supports initiatives to make the semiconductor more sustainable, like in the IPCEI ME /CT that contains a sustainability/ energy-efficiency pillar for example.

To what extent has the Chips Act contributed to increase the governance and coordination between different national and regional authorities and agencies?

☐ Very well

☐ Well

☒ Adequately

☐ Poorly

☐ Very poorly

How would you improve it?

See below

How would you judge the coordination of semiconductor policies across EU Member States through the European Semiconductor Board?

The ESB has not reached its full potential in coordinating semiconductor policies across Member States. While the ESB is a valuable institutional platform for formal dialogue and information exchange between the Commission and the 27 Member States, its current impact feels more administrative than strategic. The ESB has produced few publicly visible, concrete results in harmonizing national strategies or correcting market distortions resulting from varying national subsidies. It primarily serves to discuss plans, to communicate about contributions/development in international fora/programs, and to present national semicon strategies, rather than to actively streamline, integrate, or compel a unified European industrial strategy. It often focusses a disproportionate amount of time and effort on pillar 3 related topics (such as Risk Assessment), which is distracting from discussions on how to further propel the European industry in terms of promote. Furthermore, the ESB still struggles to overcome the inherent fragmentation of national interests preventing the translation of

the EU's ambition into sharp, cohesive strategic choices for the entire bloc.

On top of that the ESB currently lacks formal authority, to enhance coordination and strategic resilience, the ESB lacks the independent analytical capacity and enforcement mandate necessary to effectively police critical issues, such as ensuring "First-of-a-Kind" projects meet a collective European need rather than just a local one.

To what extent do you agree with the following statement: "The current framework of the Chips Act, which includes initiatives such as investment in manufacturing facilities, support for research and development, and enhanced international cooperation, provides a sufficiently robust approach to address Europe's supply-side vulnerabilities, such as shortages of semiconductor products and dependence on non-European suppliers"

- ☐ Strongly agree
- ☐ Agree
- ☒ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please explain your answer.

The current chips act lacks a clear strategic focus. For current investments in capacity, it is unclear how it will contribute to supplying our critical sectors and is mostly focused on building new strengths instead of also reinforcing current strong positions.

The R&D component of the Act, the "Chips for Europe Initiative" (Pillar I), is a strong element focusing on advanced pilot lines and the development of a virtual design platform. However, bridging the full lab-to-fab gap remains difficult and needs additional regulatory (and possibly financial) support as already touched upon. This step is crucial for materializing Europe's efforts in this initiative.

Furthermore, the current framework lacks a coordinated international approach to mitigating vulnerabilities and dependencies on non-EU players. The current risk mitigation for critical parts of the supply chain remains too often fragmented and bilateral among Member States. There is a need for a more concerted European approach regarding international trade and export barriers. The EU must act as a unified bloc to pursue a robust diplomatic and economic strategy that ensures supply chain access. This includes jointly negotiating with like-minded partners to guarantee the flow of essential materials and components, and collectively protecting the European industrial base from unilateral trade barriers imposed by third countries.

This fragmented approach is also reflected in the investments made under Pillar II of the Chips Act. There is no clear, collective analysis and strategy for which production facilities are necessary to reduce the most important vulnerabilities of Europe. Instead, Pillar II is used as a 'bottom-up' instrument that individual Member States can use to fund projects they consider desirable, but coordination and collaboration is missing.

Section 3: Questions on new ideas for a future 'Chips Act 2.0'

Europe's competitiveness is tied to semiconductors. The Chips Act aims to contribute to attracting manufacturing investments and initiate efforts to bridge the gap between research and industrial deployment.

However, the EU still faces strong tech dependencies, particularly in advanced manufacturing and design. Furthermore, European companies face unfair market access conditions in third countries with respect to mature-node chips. These countries often have established infrastructures and government support that enable them to dominate the market. This situation poses a risk to the EU's strategic autonomy and to its ambition of becoming a leader in technology innovation. Addressing these dependencies and developing a more competitive and self-sufficient technology ecosystem is crucial for the EU to reduce its reliance on external sources and strengthen its position in the global market.

“The EU's semiconductor manufacturing ecosystem is lagging, notably in cutting-edge semiconductor manufacturing. It is therefore vital that Europe becomes a more attractive destination for foreign and domestic industrial actors to produce the next generation chips in Europe.”

Do you agree with the above statement and call for further Union actions?

- ☐ Strongly agree
- ☒ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please clarify your answer:

NL agrees that Europe's current cutting-edge semiconductor manufacturing, ecosystem is not sufficiently developed. However, our manufacturing ecosystem is also lagging in terms of legacy chips as we have seen during the pandemic but also now with current supply chain disruptions, which underscores Europe's overall supply chain vulnerability. This reliance on non-EU sources for both advanced and legacy chips (essential for sectors like automotive and healthcare) poses a significant economic and security risk.

Regarding cutting-edge manufacturing, in our view, Europe does not necessarily have to be the new production hub for cutting-edge chips in large volumes but we do need access to a secure supply chain for our critical sectors. Europe should focus on our strengths for R&D, equipment and low-volume high diversity production. In this area of expertise, Europe can truly excel towards a position of global technological leadership.

Europe has a notably thin ecosystem for cutting-edge chip design and a smaller internal demand from large hyperscale end-markets (like high-end cloud, AI, and premium smartphones) compared to the US and Asia. This creates a risk where new, subsidized European fabs could lack a guaranteed stream of local demand, making the push for massive production inefficient and unsustainable. Union actions should focus on the whole value chain, for example with demand side instruments, and not only on attracting production facilities.

“High barriers” to entry discourage fabless companies and new innovative semiconductor firms to emerge. The Union must therefore lower the barriers for innovative companies to grow.”

Do you agree with the above statement and call for further Union actions?

- ☐ Strongly agree

- ☒ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please clarify your answer:

The European Union must address the significant entry barriers that currently stifle the growth of innovative semiconductor companies within Europe. The most pressing obstacles are the capital intensity, the acute challenge of talent acquisition, permitting and infrastructural issues. Any new, innovative chip firm faces high costs for Electronic Design Automation (EDA) tools and securing IP licenses, which can also lead to incredibly long waiting times and high upfront fees. Furthermore, the search for a highly specialized workforce is complicated by a global industry-wide talent scarcity. Finally, the process of establishing new facilities is hampered by the need to streamline long permitting processes and bureaucratic procedures, alongside local infrastructural issues like grid congestion.

“The European semiconductor industry faces serious talent shortages, posing a major bottleneck for growth and innovation. This requires investment in attraction, skilling, reskilling, and training policies.”

Do you agree with the above statement?

- ☐ Strongly agree
- ☒ Agree
- ☐ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please clarify your answer:

The semiconductor industry is facing a global talent shortage because demand for skilled workers is increasing, while the pipeline of qualified graduates is shrinking, and the existing workforce is aging and retiring. Solutions can be found in partnerships between educational institutions and companies (such as bringing industry into the classroom or the classroom to company facilities), recruiting from adjacent industries with transferable skills, recruiting students from other countries, and implementing training and upskilling programs for current employees.

“Dispersed national strategies require EU-level coordination strategies to ensure that Member States contribute efficiently to the strengthening of the EU’s semiconductor value chain in a coherent and complementary fashion.”

Do you agree with the above statement and call for further Union actions?



Strongly agree

- ☐ Agree
- ☒ Neutral
- ☐ Disagree
- ☐ Strongly disagree

Please clarify your answer:

EU-level coordination could be valuable to prevent duplication of efforts across Member States. However, such coordination should not lead to over-centralisation or undermine existing national strengths. Rather, it should recognise and build on the strengths of each member state, ensuring that coordination leads to complementary value chains. More than currently is the case, member states should closely align their strategies to increase their collective impact. The ESB could be a suitable format for this, with the Commission taking up a coordinating role rather than a decision making role.

Section 3.1 Questions on new ideas for pillar 1 of the Chips Act

What gaps in capacities and infrastructures remain unaddressed by the Chips Act, and which would require additional support?

The present day Chips Fund is mainly aimed at scale ups, start ups and smaller SMEs. It is not very suitable for larger SMEs, given the size of the funding needed for their projects. Besides we observe a gap in the access for companies and SMEs in the setting up of pilot lines (see question below). We support establishing new pilot lines in the future for new emerging technologies, to maintain the pipeline of innovation and creating the strengths of tomorrow. Also, the definition of an undertaking in difficulty is hampering investment and involvement of key companies as Semiconductor companies are faced with high start-up costs and often fall under this definition. This point is further addressed elsewhere in the consultation.

To address the gaps in the landscape of and access to pilot lines and testing facilities the Netherlands support the actions as presented in the recent EU Strategy on Research and Technology Infrastructures and ERA Action 16 (Developing a European Approach to Technology Infrastructures). For impact and success, a link should be made in the Chips Act to foster these important new actions. Aspects that should be taken into account are integrating the digital infrastructure of the design platforms and competence centers, possibly nurturing technological cross-overs.

Another important point is to ensure a more sustainable and structural framework, including finance for investments in new or scaling facilities to ensure pilotline capabilities can be scaled and industrialized.

How could pilot lines under the Chips for Europe Initiative ensure a timely technology transfer to industry and deliver on the 'lab-to-fab' approach?

Pilot lines could be improved by involving companies and SMEs already at an early stage in the setting up of pilot lines. Securing industry involvement and buy-in from the initiation phase of pilot lines should be envisaged in order to establish a close collaboration with the research institutes. Do not envisage a pilot line as a research infrastructure, but design it with full commercial operation from the onset. Allow industry players to do full commercial wafer runs during the development phase of the line, In this context, we also call on the European

Commission to verify whether the current State aid frameworks are fit for purpose to facilitate commercialization. Furthermore, encourage (parts of) pilot lines to be spun out to industrial players after the pilot phase is completed and adapt the rules accordingly.

Which broader technological trends or gaps should be prioritized in the review of the Chips Act?

Semiconductor technology continues to evolve at a highly rapid pace. The industry is gradually moving from 2D to 3D solutions, meaning that new technologies in heterogeneous integration and in chip architectures, but also in metrology will increase in importance. We need to anticipate these trends and focus on building upon existing strengths, for instance in equipment manufacturing or systems engineering, to establish new strongholds in these novel fields.

In particular, the AI revolution will be key for our technological sovereignty. It will provide the key (high)-endmarkets for the semiconductor industry. The deployment of advanced semiconductor technologies could be a key enabler of smarter, more automated and energy-efficient industrial processes. Bridging the gap between chip development and industrial adoption will therefore be important. Therefore, the Chips Act should also be linked to other European initiatives such as the Cloud and AI Development Act, the CRMA and the Quantum act and the proposals for a new governance for Technology Infrastructures which include a prioritization of new and important technologies.

Additionally, the relatively small end market for (certain types of) semiconductors also decreases the attractiveness of Europe as a place for investments. The revision should explore ways to stimulate the creation of stronger European end markets and in this way focus more on demand driven support than production driven support also taking into account our demand for legacy Chips andnot merely focussing on cutting edge production.

Next to or building upon the Design Platform set up through the Chips Act, what additional measures or actions could strengthen the semiconductor design ecosystem in the EU?

Note: The design platform proposed in the Chips Act is a cloud-based virtual environment to be made available across the Union, integrating a wide range of design facilities, from IP libraries to Electronic Design Automation (EDA) tools, as well as support services.

The design platform took a long time to launch, given the fact that also (as layer 2) commercial design software should be made available, which complicated procedures. It is too early to comment on the design platform and its possible additions. As mentioned earlier, a link could be made to the European Strategy Forum on Research Infrastructures (ESFRI).

Additionally, it is crucial that chip designers retain access to low-volume manufacturing processes within Europe. Proximity to production facilities can contribute to faster learning cycles. Furthermore, especially for start- and scale-ups, new chip designs are usually only produced in relatively small batches. It is not economically attractive for large fabs to produce these chips, which hampers the learning and innovation processes of these smaller chip designers.

What next steps should be taken to ensure effective collaboration and knowledge exchange across the European network of Chips Competence Centres?

This is the main responsibility of the dedicated CSA for the Chips Competence Centres. It is essential that this becomes a truly European network and the CSA acts as a central access point, also addressing matchmaking and cross border use of competence center expertise throughout Europe.
Besides, the competence centers could be extended to relevant countries outside the EU.

How can the Chips Competence Centres best support SMEs and start-ups in the future?

It is essential that the Chips Competence Centres provide to SME's and start ups an easy access to the Centres' areas of expertise either for free or at affordable rates while keeping the administrative burden at a minimal level. For example, through voucher systems for access to its services.

The Chips Act is setting up 6 pilots in quantum chip technologies. What next steps should be taken with respect to these pilots?

Secure funding for the next scale-up phase and ensure close industry involvement in adopting the pilot lines, and even a full take over in order to embark on full commercial operation. Furthermore, encourage cooperation between pilot lines.
Additionally, to maintain the pipeline of innovation and creating the strengths of tomorrow, pilot lines should in the future also be established for new emerging technologies.

Section 3.2 Questions on new ideas for pillar 2 of the Chips Act

What are, within 5 to 10 years, the most important barriers to the development of an AI chip value chain in the EU?

- ☒ Lack of manufacturing capability for AI chips
- ☒ Lack of design capability
- ☒ Lack of skilled workforce
- ☒ Low demand from domestic hyperscale's or AI companies in the EU
- ☒ Lack of public/private investment instruments

Other (please specify):

The vulnerability across the full value chain is best defined by the synergistic impact of three key barriers: Low Domestic Demand, Lack of Specialized Design Capability, and the Skilled Workforce shortage. Low Demand from Domestic Hyperscalers or AI Companies in the EU (The Demand Pull Barrier) is arguably the single most constraining factor. The AI chip ecosystems in the US and Asia are fundamentally driven by massive "anchor demand" from local tech giants (Google, Meta, Amazon, Tencent). These companies co-design chips with fabricators, guaranteeing the necessary volume and providing the immediate feedback loop required for rapid innovation. Regarding Design capabilities, Europe has strong research in next-generation AI architectures

(neuromorphic, in-memory computing), the pipeline for commercializing this into effective silicon products is weak and we completely lack GPU capabilities. The talent shortage acts as a ceiling on the growth of the entire value chain, hindering both design and manufacturing ambitions simultaneously. The lack of manufacturing capability for AI Chips is a significant barrier, especially for leading-edge mass-volume chips (sub-3nm), the gap is enormous. However, for more specialized areas (e.g., chips leveraging European strengths like photonics, Quantum, inference and edge, AI, and specialized packaging), the manufacturing challenge is less about having the technology and more about making it easily accessible and scalable for new AI startups.

In which segments of the value chain do you think the EU has the potential to gain or to further reinforce its leadership in the coming years?

- ☐ Software for chip design
- ☒ Basic IP Inputs (materials, chemicals, gases)
- ☒ Semiconductor manufacturing equipment
- ☐ Manufacturing of Mainstream chips (> 28 nanometres)
- ☒ Packaging, testing and Assembly of chips
- ☐ Manufacturing of Advanced chips (<10 nanometres)

How can the EU establish an effective framework to stimulate greater demand for advanced semiconductors? (<10 nanometres)

EU should actively stimulate demand for advanced semiconductors. Governments can make use of smart public procurement policies. An EU preference in procurement could stimulate the use of EU-designed or EU-manufactured chips in strategic applications when they are essential for our European resilience and other less intrusive policies are insufficient to stimulate European demand..

Also Europe should leverage our current strengths and stimulate downstream industries, for example by supporting the transition to autonomous driving and Industrial Internet of Things (IIoT) / Industry 4.0, which rely heavily on Edge AI and high-performance, energy-efficient chips, the EU creates organic demand for advanced nodes. Furthermore, integrating advanced semiconductor requirements into EU regulatory frameworks (cybersecurity, energy efficiency) can accelerate industrial uptake by making high performance chips the default option.

In which segments of the value chain do you think the EU has the potential to gain or to further reinforce its leadership in the coming years?

- ☐ Software for chip design
- ☒ Basic IP Inputs (materials, chemicals, gases)
- ☒ Semiconductor manufacturing equipment
- ☐ Manufacturing of Advanced chips (<10 nanometres)
- ☐ Manufacturing of Mainstream chips (> 28 nanometres)
- ☒

Packaging, testing and Assembly of chips

Should the status of Integrated Production Facility and/or OpenEU foundry be modified to better meet the production needs of the market?

The status of IPF's and Open EU foundries should be fit for purpose to ensure production capacity building within the EU to ensure our resilience for critical sectors and end-markets. So far, also in light of the current crisis this goal has not been reached. To do so we need:

- Stronger alignment with industrial demand and offtake commitment could help end-market creation. For example by requiring or encouraging binding offtake or purchase commitments from downstream users (e.g. chip designers, OEMs) to ensure that capacity will be used, reducing risk of overcapacity or stranded assets.
- Use demand-side signals (e.g. public procurement, defense, critical infrastructure) to guide which facilities get priority.
- Investigate whether relaxing the “first-of-a-kind” constraint will allow incremental expansions under strict conditions, while introducing limits to prevent over production and ensure necessity and proportionality of potential state support in light of the objective of strategic autonomy and resilience.
- enable established fabs and for example pilot lines, to upgrade or expand and still reap the benefits of the IPF/Open EU status (when justified by supply-demand tightness or strategic importance.) for example by introducing a “next-of-a-kind” or “scale-up” status,

What are your expectations from the future [European Competitiveness Fund](#) to support semi-conductors?

The objective of the ECF should be to strengthen the Union's competitiveness. The Netherlands pleads for a stronger focus in the ECF on the most strategic technologies and sectors. This includes the whole semiconductor valuechain, in particular under its Digital Leadership window.

Should certain projects receive the status of ‘strategic project’ in the sense of the draft European Competitiveness Fund and receive a Competitiveness Seal?

Note: See draft regulation for a European Competitiveness Fund, article 8: a Competitiveness Seal may be awarded to high-quality actions which shall comply at least with the following conditions: (a) they have been assessed in an award procedure under the ECF; (b) they comply with the minimum quality requirements of that award procedure. Strategic projects identified in Union legislation that fulfil these conditions will be directly granted the Competitiveness Seal.

Granting certain projects a strategic project status or a Competitiveness Seal could be useful, if the awarding of a Seal is selective enough. This means that clear and well-defined criteria should be established to determine whether a project is truly strategic. It could potentially provide an important signal to the market on the quality of a project. However, a Seal on its own has limited value if it does not lead to prioritized approvals or fast-track financing, without prejudice to the applicable State aid rules and selection of the best project under open and

competitive procedures as much as possible. The EU should therefore ensure that the designation is not merely symbolic but tied to tangible benefits and clarity on selection process. For each such strategic project, a broader approach on how to strengthen the business climate is needed, considering not only subsidies but also for example access to talent, (energy) infrastructure and grid capacity.

Should the EU support certain projects for production capacity and in which sectors?

The Netherlands recognizes that the EU is facing competitive challenges. It is clear the Europe needs production capacity in the semiconductor value chain in Europe in the light of open strategic autonomy. This is mainly driven by intense global competition. Major economies, notably the United States and China, are aggressively deploying massive subsidy programs to secure their own supply chains and technological leadership. If the EU fails to act decisively, its industrial base will continue to rely heavily on external suppliers, risking future economic disruption and the loss of its technological sovereignty. To safeguard its economy and deliver on the green and digital transitions, the EU must regain a significant, resilient share of high-tech production for which there is sufficient demand. In response to these competitive challenges, the EU should focus on strategic sectors and technologies.

We need to create the right policy mix to ensure a resilient and competitive Union. With regard to financing projects for production capacity, it is crucial to encourage private investment. With regard to public support, The NL is reluctant in allowing for EU or national subsidies for building production capacity, since this support can be highly distortive.

For public support for projects for production capacity, It is important to set clear conditions to ensure that public support is necessary in the context of open strategic autonomy and no-less distortive instruments are available. Positive effects of the aid should outweigh the negative effects on trade and competition, based on market analysis and competition assessments. Should new possibilities for public support be introduced, projects must operate under a principle of broad-based European benefit, and clear spillovers. Funding decisions should not only consider the economic viability of the project but also its significant contribution to the entire European ecosystem and its strategic autonomy, for instance, by ensuring that new production facilities grant fair access to companies and researchers from all Member States.

It is crucial that potential centralized EU programs must provide support for the most promising projects, based on a selection of excellence and impact. Caution is needed with regard to State aid. We need an evidence-based approach and a long-term EU strategy for strategic sectors. As part of the policy mix, the State aid rules should be targeted and proportionate in order to strike the right balance between allowing necessary State aid and preserving a level playing field in the EU. The State aid rules should be fit for purpose. In that context we welcome the revision of the General Block Exemption Regulation, to take into account the latest technological developments, and the revision of the Rescue and Restructuring Guidelines with its definition of Undertaking in Difficulty. We urge the Commission to speed up the revision of this definition. Please also refer to our comments on the IPCEI framework.

Should the selection and set-up of such strategic projects be coordinated at EU level?

- ☐ Yes
- ☐ No
- ☒ Don't know

How should such projects be financed?

- ☐ From EU funds
- ☐ From national funds
- ☐ From private funds
- ☒ A combination of funds

Please clarify your response.

For strategic projects in the semicon sector, a unified, combination-of-funds approach is most suitable. Strategic projects should still entail a viable businesscase also taking into account geopolitical tensions, public funding should be used to close the gaps o and clear market failure.

- Private Funds: Incentives should be designed to reduce risk for investors in "first-of-a-kind" facilities, ensuring that public resources leverage the maximum possible industrial commitment.
- EU Funds: Centralized EU programs must provide support for the most promising projects, based on a selection of excellence and impact. This ensures that projects of highest European importance are prioritized and guarantees a basic level of support regardless of the host country's fiscal capacity. After all, if Europe truly wants to compete at the global stage, it should make sure that the developments that are most promising from a technological and market perspective can be adequately supported.
- Member State Funds: National support (including from the NRPPs) should be permitted and encouraged, within a clearly defined fit-for purpose State aid framework, as also discussed above.
- Additionally, Europe could seek to encourage customers of chips to invest in European production capacity as a means of supply chain resilience, as we can for instance see happening in Japan with the Rapidus initiative.

Regarding coordination; EU level coordination can offer added value if it ensures better alignment between industrial, research, and innovation policy approaches and contributes to strengthening European strategic ecosystems and a level playing field in the European market. The coordination should align national and EU policy priorities and serve as a facilitator rather than an additional administrative burden. Overlaps with existing bodies (JEF-IPCEI) and instruments should be avoided. The set-up of such coordination should be in close cooperation between the Commission and Member States.

Which obligations related to obtaining the status of integrated production facility and /or Open EU foundry would you add or remove?

See earlier questions. While the benefits (State aid, fast permits) are powerful incentives, they are still bleak compared to other regions. Additionally, the obligation to accept "priority-rated orders" is widely viewed as a commercial risk and a potential hindrance because of it. These obligations should be revised for example by adding cost compensations, capping production volumes for priority rated orders and pre-negotiate framework contracts for crisis obligations to provide companies with more predictability, rather than starting complex negotiations during crisis.

Section 3.3 Questions on new ideas for pillar 3 of the Chips Act

Do you anticipate any disruptions in the semiconductor supply chain over the next 2 or 3 years?

- ☒ Yes
- ☐ No

If yes, please specify the types of disruptions you anticipate:

It is clear that in the current geopolitical context further disruptions of any kind in the semiconductor supply chain cannot be ruled out and should be anticipated.

Which risk mitigation measures should be considered to prevent product shortages?

- ☒ Increase stocks and inventories
- ☒ Diversify trade partners
- ☒ Investing in innovation for recycling, advanced materials, or substitutes
- ☐ Reporting to national authorities on potential shortages
- ☐ Reporting to national authorities on ongoing shortages
- ☐ Reporting to EU authorities on potential shortages
- ☐ Reporting to EU authorities on ongoing shortages
- ☐ Other:

Specify:

Diversifying trade partners is paramount because it insulates supply chains from geopolitical friction and single-source failure, a resilience that is institutionalized through effective trade agreements. Additionally, the short-term measures of increasing safety stock and managing inventories is in the first place the responsibility of commercial actors in the market, while the long-term goal must be to also boost innovation for recycling and advanced material substitutes

Given the high differentiation of semiconductors, for which specific product categories (e.g., memory, power semiconductors) could a joint purchasing mechanism be useful?

A joint purchasing mechanism could be most useful when it is used as a demand pull for EU manufacturing capacity rather than from a supply perspective. A Joint Purchasing Agreement, executed by the EU and its Member States, offers a guaranteed demand floor. If a consortium of EU public buyers (governments, defense, healthcare, public institutions) commits to purchasing a significant percentage of a new European fab's output for, say, five years, that guaranteed volume drastically reduces the financial uncertainty for the private company.

In the event of a semiconductor crisis and in case of a market situation which corresponds to a significant shortage of an essential product pursuant to Regulation

(EU) 2015/479, would you consider it useful to impose protective measures on the Union's semiconductor sector?

- ☐ Yes
- ☒ No

Please specify:

This is very dependant on the crisis and what kind of protective measures, in case of shortage more promotional measures should be taken. Furthermore these measures might need to be taken before a crisis instead of during.

To prevent future disruptions (e.g. shortages) in the supply chain, should the European Commission/National Competent Authorities be given the mandate to request information from undertakings along the semiconductor supply chain?

- ☐ Yes, for information from all companies along the semiconductor supply chain
- ☐ Yes, for information from semiconductor producing companies only
- ☐ Yes, for information from end user industry companies only
- ☒ No
- ☐ Don't know

If not, please specify what other measures should be put in place to identify potential upcoming disruptions?

Authorities should be able to request this information, however this should remain on a voluntary basis and with respect to confidentiality/company secrecy. Imposing mandatory obligations should remain linked to the crisis stage, expanding these to non-crisis scenario's is inappropriate because of the sensitivity of business information and could have negative effects on private investments in EU manufacturing capacity.

To prevent future supply chain vulnerabilities (e.g. overcapacities, dependencies on other parts of the world), should the European Commission/ National Competent Authorities be given the mandate to request information from undertakings along the semiconductor supply chain?

- ☐ Yes, for information from all companies along the semiconductor supply chain
- ☐ Yes, for information from semiconductor producing companies only
- ☐ Yes, for information from end user industry companies only
- ☒ No
- ☐ Don't know

If not, please specify what other measures should be put in place to identify potential supply chain vulnerabilities?

Authorities should be able to request this information, however this should remain on a voluntary basis and with respect to confidentiality/company secrecy. Imposing mandatory obligations should remain linked to the crisis stage, expanding these to non-crisis scenario's is inappropriate because of the sensitivity of business information and could have negative effects on private investments in EU manufacturing capacity.

Do you have any suggestions for additions or changes to the pillar 3?

Pillar 3 needs to evolve from being just a shortage management tool and focus more on geopolitical disruptions such as trade barriers and export controls.

Pillar 3 currently focuses on supply shortage indicators. It must expand its monitoring to formally track foreign subsidies, export controls, and non-market-based trade barriers imposed by third countries. Additionally, and perhaps most importantly, it should investigate overdependencies on single-source suppliers. This early intelligence is necessary to anticipate economic coercion, rather than just reacting to shortages.

When it comes to addressing shortages/disruptions, the crisis mechanism as a tool is likely not efficient enough to make a timely difference. Without sacrificing current safeguards and lessening the focus on proportionality, the governance structure of this mechanism should be simplified and a direct role for the industry could be considered to better align any measures with actual needs within the affected sectors.

The intelligence gathered by the European Semiconductor Board (ESB) should mandate a timely, unified EU diplomatic response to external trade threats. This ensures that the Commission and Member States push back against foreign coercion with a single, coordinated, and consistent voice, maximizing the EU's leverage in global trade disputes.

Section 3.4 Other questions on new Ideas for a future Chips Act '2.0'

To what extent would you put emphasis in the Chips Act on demand considerations from the following semiconductor end-user industries?

	1 (not very important)	2	3	4	5 (very important)
Automotive	☐	☐	☒	☐	☐
Defence/aerospace	☐	☐	☐	☐	☒
Health/Medical devices	☐	☐	☐	☐	☐
Telecommunications	☐	☐	☐	☒	☐
Industrial automation	☐	☐	☒	☐	☐
Data centre infrastructure	☐	☐	☐	☒	☐
Energy	☐	☐	☐	☐	☒
Others	☐	☐	☐	☐	☐

Please explain your answer:

Demand focus is essential in the new Chips Act, recognizing that different end-user sectors fulfill distinct strategic goals for the EU. The overall emphasis should be strong and coordinated across all seven sectors, but the type of support should be differentiated:

National Security and Resilience: A foundational emphasis is required on sectors vital for state function and public safety: Defence/Aerospace, Health/Medical devices, and Energy. These are critical sectors where supply security is non-negotiable, justifying measures like the Act's provisions for priority-rated orders during a supply crisis (Pillar 3).

Innovation Drivers (Highest Requirements): High emphasis must be placed on Data Centre Infrastructure and advanced Telecommunications. These sectors drive demand for the most cutting-edge chips. Supporting their requirements directly fuels R&D and ensures Europe remains technologically competitive, meeting the goal of boosting innovation (Pillar 1).

European Industrial Capacity: In the context of the digitalisation transition, significant emphasis should be placed on Automotive and Industrial Automation. These sectors are where Europe holds global manufacturing leadership. Focusing on their chip supply, particularly for mature and specialty nodes, secures large existing industrial value chains, anchors manufacturing capacity in Europe, supports local job growth, boost productivity and provides a solid foundation for digital transformation.

Through international cooperation, what types of actions could be taken to strengthen the EU's ecosystem, and in which specific areas?

- ☒ Collaborative R&D and innovation
- ☒ Cooperation on supply chain diversification and security of supply
- ☒ Workforce development and talent exchange
- ☒ Cooperation on standardisation
- ☐ Cooperation on energy-efficient manufacturing techniques and recycling programs for semiconductor materials.
- ☒ Other actions

How could the overall governance between different organisations be strengthened to ensure better alignment and cohesion among Commission, Member States (national, regional, local authorities) and industry representatives?

The governance must be strengthened by establishing formal, permanent mechanisms for industry input directly within the European Semiconductor Board (ESB). Industry representatives (across the entire value chain, including end-users like automotive and data centers) must be mandated to co-develop strategies and technical standards. This structural, continuous involvement ensures that policies and public investments remain market-relevant, aligning the Commission and Member States toward commercially viable, industrial goals.

What policy approaches could drive sustainability in chip design, fabrication, materials, equipment, and packaging? What steps could policymakers take to promote sustainability throughout the semiconductor industry?

Europe should support the development of semiconductors and electronic components and systems that contribute to the green transition, including energy-efficient chips, chips designed for green energy applications and circularity, integrated photonics, heterogeneous integration, and the use of advanced sustainable materials. Promote cleaner semiconductor manufacturing by encouraging the substitution of hazardous substances, the use of renewable energy, improved water efficiency, and the circular use of residual materials in production processes and throughout the whole value chain.

Section 4: Questions only for specific stakeholder groups

Please specify

Section 4.12 Public administration (local, regional, and national public administrations as well as EU public bodies involved in semiconductor policy, such as R&D&I and/or industrial policy)

Does your authority provide specific incentives to the semiconductor value chain, such as dedicated aid schemes, tax incentives, regulatory facilitations, or other support measures?

- ☒ Yes
- ☐ No

If yes, please describe the instruments used and (briefly) the conditions under which they are granted. (Open-ended)

The Netherlands has specific policies for the semiconductor industry as described in our letter to parliament of May this year and is currently developing a new sector agenda together with its industry presenting an analysis and outlook towards 2035.

From your perspective, what are the key challenges to attracting large-scale semiconductor production projects to your region/country?

- ☒ Site availability and permitting
- ☒ Skilled labour availability
- ☒ Infrastructure (Energy, Water, Connectivity, Other)
- ☒ Access to financing or aid
- ☒

Other

Please specify which ones

Investment decisions in the semiconductor industry are not solely determined by technological or market-related factors, but are strongly influenced by the overall climate in which companies operate. This includes fiscal regulations, energy costs, rapid access to necessary infrastructure, and a predictable and stable policy framework. Given the enormous capital investments, long payback periods, and the unequal global playing field, creating optimal preconditions for Europe is not a luxury, but a strategic necessity. The sector is currently hampered by multiple, long-term resource scarcities, including labor shortages, limited electricity grid capacity, restrictions on nitrogen/environmental space, housing shortages, and strained infrastructure. These bottlenecks severely delay or outright prevent the realization of corporate investments.

Has your authority supported or been involved in the identification, attraction, facilitation, or authorisation of first-of-a-kind facility investments?

☐ Yes

☒ No

Has your authority been involved in a state aid notification process relating to semiconductor manufacturing investments (under Pillar II of the Chips Act)?

☐ Yes

☒ No

If no, please specify areas of improvement:

See below

What other suggestions would you have for future semiconductor-related State aid procedures?

In our view, caution is needed with regard to the State aid instrument due to the level playing field on the EU internal market. At the same time, however, the NL recognizes the importance of revising the State aid rules to support the digital and green transitions, among other things. In this regard the NL welcomes the revision of the GBER to take account of the latest developments of digitalization and new technologies. In our view it is important to verify whether the section on aid to support research, development and innovation activities is fit for purpose. The NL would, for example, welcome certain additions in the GBER for innovation projects of technologies in higher TRL levels. A fit for purpose GBER would consider the specific characteristics of these sectors, including semiconductors.

Furthermore, the Netherlands is particularly concerned about the definition of UiD as it does not adequately consider the business model of startups and scale-ups, especially those operating in strategic (deep) technologies. Technological startups may require many years of investment in advanced innovations and may therefore be loss-making for a considerable period of time, until a commercial product is developed. However, this does not mean that these companies are not economically viable. In fact, they have disproportionately high

potential, which is why professional investors fund the R&D losses. The NL, therefore, welcomes the public consultation for the revision of the R&R Guidelines with its definition of UiD and calls on the Commission . The NL calls on the Commission to address this issue as a matter of priority, working together with the Member States and financial experts to redefine the UiD definition.

Has your authority developed a national, regional or local semiconductor strategy?

- ☒ Yes, my own authority has developed a semiconductor strategy
- ☐ No, but another national, regional and/or local authority/authorities in my Member State has or have developed a semiconductor strategy
- ☐ No, to my knowledge there is no semiconductor strategy developed in my Member State

Is your authority interested in supporting strategic projects in the area of semiconductors in the sense of the Commission proposal for a European Competitiveness Fund?

- ☒ Yes
- ☐ No

If yes, please specify what should be the criteria for such projects and how they should be financed and coordinated at EU level

The Netherlands pleads for a stronger focus in the ECF on the most strategic technologies and sectors. This includes the semiconductor sector, in particular under its Digital Leadership window. We welcome the strategic projects in the area of semiconductors but much remains unclear how strategic projects will be defined and what benefits it will entail to be a strategic project.

Disclaimer as this question implies additional national support for strategic projects, the Netherlands cannot anticipate any future funding decisions at this moment.

Has your authority implemented measures that fall outside of the Chips Act semiconductor crisis response framework?

- ☒ Yes
- ☐ No

If yes, please specify which measures your authority has implemented.

Yes, in recent events the Netherlands has taken measures outside of the Chips Act, this has further been discussed within the ESB

Does your authority engage in bilateral or multilateral cooperation with third countries in the field of semiconductors (e.g. in R&D&I, industrial development, or investment)?

☒ Yes

☐ No

If yes, please indicate the countries and provide a brief description of the nature and objectives of the cooperation.

The Netherlands has extensive multi and bilateral collaboration with third countries such as R&D collaborations, talent exchange and strategic dialogues. As mentioned before, the semiconductor supply chains are inherently global. International partnerships with like-minded countries are crucial to ensure an open, connected and secure semiconductor supply chain and strengthening the innovation ecosystem.

Europe could take a role in these collaborations. Europe should: 1) Foster global collaboration with like-minded international partners (from governments to industry) to create mutually beneficial dependencies, thereby building a resilient global supply chain. 2) Enable companies from like-minded partners from outside the EU to form joint ventures with EU firms and access EU-funded R&D infrastructures in line with open strategic autonomy. 3) Attract strategic capabilities from outside the EU to complement and reinforce the European ecosystem.

What role do you see for your national competence centre(s) in enabling participation in an expanded European design ecosystem? Please specify.

The Competence Centres' mission includes facilitating access to the EU Design platform acting as a bridge between entrepreneurs and the EDP; they play a vital role in this process.

Through which mechanism(s) could first-of-a-kind investments be coordinated among Member States?

The ESB should be the main platform under which more directed projects can be coordinated by the Member States. With increased coordination a subsidy race between Member States should be prevented. Most importantly projects and investments should be coordinated based on European local demand to ensure secure supply chains for our most critical sectors.

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What specific policies by public authorities on regional, national and/or EU level could promote the uptake of European semiconductor products?

Governments can make use of smart public procurement policies and act as launching customers. , An EU preference principle within public procurement in critical and strategic sectors (such as AI) could also have its effect to more chips being produced in Europe, when sufficiently substantiated and delineated in terms of time, proportionality and suitability. In selected core and critical strategic sectors working towards an EU preference principle should only be done when no less invasive measures are available and when the expected benefits of such a scheme outweigh the associated costs, including the expected increase in price and administrative burden and the trade distorting impact on (likeminded) partners of the EU.

In your view, which targets, or Key Performance Indicators (KPIs) should be established to effectively monitor and evaluate the progress and resilience of the European semiconductor ecosystem?

The primary KPIs for the EU semiconductor strategy should focus on the Semicon Coalition's three core goals:

Prosperity: Measuring economic growth and value creation within the European ecosystem (e.g., increase in market share and R&D investment).

Indispensability: Measuring technological leadership and strategic autonomy in critical value chain control points (e.g., market share in essential production equipment or advanced design).

Resilience: Measuring supply security and the ability to absorb disruptions in critical sectors (e.g., increase in local production capacity and supply chain diversification).

What mechanisms and/or platforms can be considered to integrate regional semiconductor clusters and ecosystems more systematically into implementation of EU semiconductor policy?

Regional semiconductor clusters and ecosystems are a prime driver of the European semiconductor ecosystem development in general. There is already a structural discussion platform between the European semiconductor regions. It would be good to stay in close contact with regards to implementation and execution of EU semiconductor policies.

How should the measures on priority rated orders be adjusted in order to increase their effectiveness?

Priority rated orders are now seen as a barrier for commercial actors. These obligations should be revised for example by adding cost compensations, capping production volumes for priority rated orders and pre-negotiate framework contracts for crisis obligations to provide companies with more predictability, rather than starting complex negotiations during crisis.

Please add any additional information

This consultation shows a clear focus on leading-edge and AI developments reflecting the ambition for future technological sovereignty. However, a singular focus on cutting edge overlooks the need to address immediate vulnerabilities and to build on existing strengths.

While focussing on advanced nodes is important, the recent supply chain crises have painfully demonstrated

that Europe's industry is very dependent on legacy chips , which form the backbone of many sectors, including, automotive, industrial, and healthcare. The dependency is especially large when it comes to the back-end segment of the chip production. Neglecting this existing legacy capacity fails to address our current resilience gap.

Therefore, the EU's strategy must be two-pronged: attract investment in advanced fabs and/or design capacity on advanced nodes, and simultaneously incentivize the expansion and modernization of existing legacy production within Europe to secure immediate supply and to lessen our dependencies.

Furthermore, we must actively build upon Europe's world-class strengths in the semiconductor equipment and materials sector (e.g., lithography and metrology). Leveraging these established capabilities is crucial for building a robust, balanced, and strategically autonomous European ecosystem across the entire value chain.

Europe should focus on segments for High-Variety, Low Volume production which align with Europe's industrial base (e.g., automotive, industrial IoT). By focusing on specialized niches, Europe can benefit significantly from technological crossovers, using advancements in one area to build ecosystems and gain a competitive edge in related domains (e.g., specialized chips for quantum or photonics). Given the fierce international competition, it is not feasible to build up areas of global technological leadership without building on preexisting capabilities.

Section 5: Supporting documentation

In this last session you may upload any separate document such as position papers, background documents that accompany or support your responses (up to four documents, as per the number of sections). You may specify the sections addressed by each document.

Please upload your file(s)

Contact

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