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DIGITAL SOLUTIONS TO EUROPEAN CHALLENGES

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CHIPS JU IMPLEMENTS THE EUROPEAN CHIPS ACT PILLAR 1

CHIPS ACT

European Semiconductor Board (Governance)

Pillar 1

Chips for Europe Initiative

- Initiative on infrastructure building in synergy with the EU's research programmes
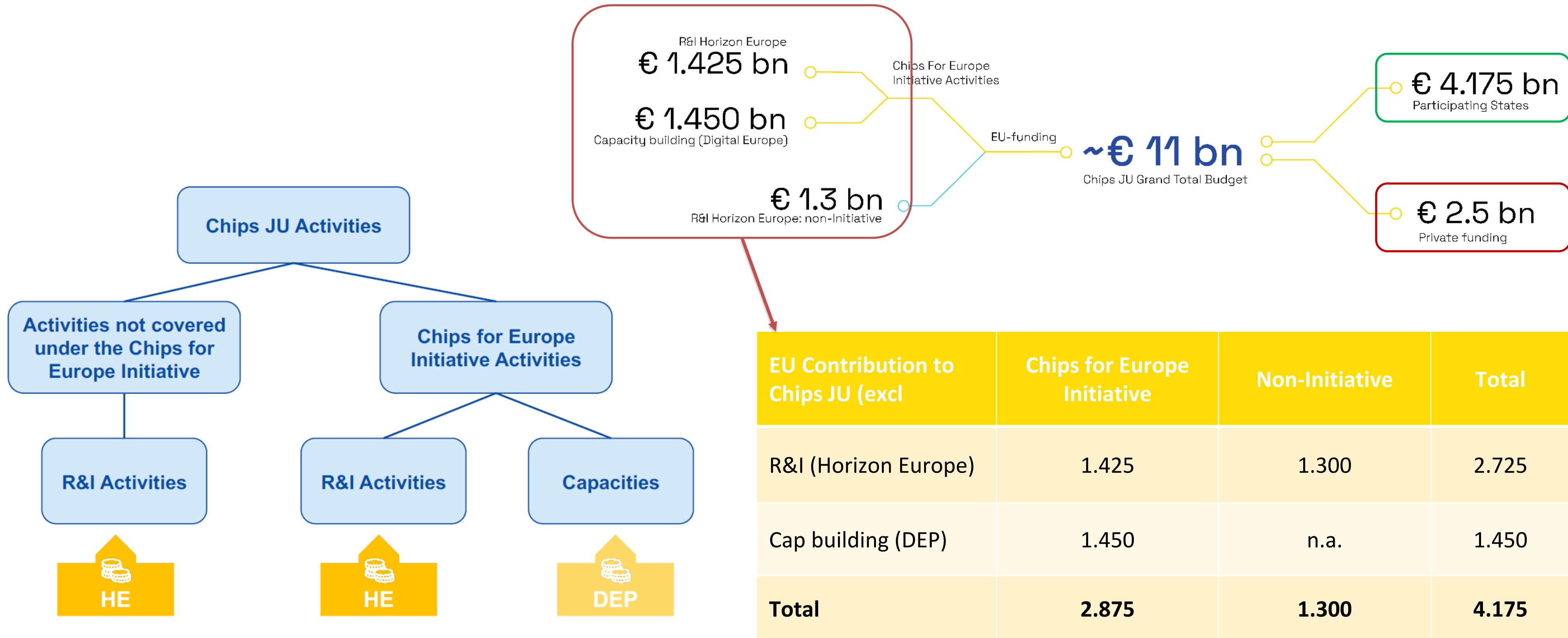- Support to start-ups and SMEs

Pillar 2

Security of Supply

- First-of-a-kind semiconductor production facilities

Pillar 3

Monitoring and Crisis Response

- Monitoring and alerting
- Crisis coordination mechanism with MS
- Strong Commission powers in times of crisis

Chips JOINT UNDERTAKING

Chips JU Activities

- **Activities not covered under the Chips for Europe Initiative**
  - **R&I Activities**
    - HE
- **Chips for Europe Initiative Activities**
  - **R&I Activities**
    - HE
  - **Capacities**
    - DEP

R&I Horizon Europe
€ 1.425 bn

€ 1.450 bn
Capacity building (Digital Europe)

€ 1.3 bn
R&I Horizon Europe: non-Initiative

Chips For Europe Initiative Activities

EU-funding

~€ 11 bn
Chips JU Grand Total Budget

€ 4.175 bn
Participating States

€ 2.5 bn
Private funding

EU Contribution to Chips JU (excl	Chips for Europe Initiative	Non-Initiative	Total
R&I (Horizon Europe)	1.425	1.300	2.725
Cap building (DEP)	1.450	n.a.	1.450
Total	**2.875**	**1.300**	**4.175**

KEY ISSUES

1) **Content of the initiative:** 31 Participating States (incl. all EU member states), 3 industry associations and the European Commission

2) **Reasons for intervening:**

- Strategic importance of semiconductors to EU, vulnerable supply chains, and global geopolitics (cf. below)

- The implementation mechanism was fixed in the Chips Act, probably based on the success of our predecessors like ECSEL and KDT JU

3) **Objective and state of play:**

- Reinforce the semiconductor ecosystem in the EU, ensure the resilience of supply chains and reduce external dependencies.

- Strengthen EU's technological sovereignty and help Europe meet its digital decade target of doubling its global market share in semiconductors

- Address semiconductor shortages and strengthen Europe's technological leadership

- Support large-scale technological capacity building and innovation (pilot lines, design platform, competence centres)

- Progress: First Chips JU calls launched on Dec 1, 2023, next ones later this spring. Calls by KDT JU, and our other predecessors, have resulted in overt 400 patents, supported ca. 400 SMEs, and resulted in over 1,000 companies introducing new products to the market.

LDT CitiVERSE EDIC – Mission

- Long-term sustainability mechanism for the EU SCC including all EU joint infrastructures, building blocks and models, hosting new digital services and applications.
- EU LDT toolbox and other digital infrastructure from EDIC Members.
- Members:
  - Founding Members: Spain (seat), Estonia, Slovenia, France, Latvia, Portugal, Croatia, Czechia and Luxembourg.
  - Requested their Membership: Slovakia and Belgium.
  - Expectations

LDT CitiVERSE EDIC – Main implementation features

- The governance is flat with an Assembly supported by 2 WGs (Infrastructure and Projects) and the Director with the corresponding staff.
- The voting rights : 51% for MSs, and 49% for cities and other public institutions. 1 or 2 votes depending on their contribution.
- Private entities can become Observers, and economic activities are foreseen in order to guarantee the financial sustainability of the EDIC.
- Initial budget will be 250.000,-€ per year.

LDT CitiVERSE EDIC – Lessons learnt

✓ Elements that could be useful for future EDICs:
- What went well, a shared understanding on the relevance of EU cities for the LDT-CitiVERSE-EDIC.
- Ensuring an adequate blend of fees and activity-based funding for the budget in order to ensure a wide participation and acceptance.
- Identifying well the different types of stakeholders
- Fairness and inclusion in voting rights.
- A clear and inclusive roadmap reaching out to excellent available digital resources and infrastructure already developed by EU Member states.
- To create a good atmosphere of collaboration