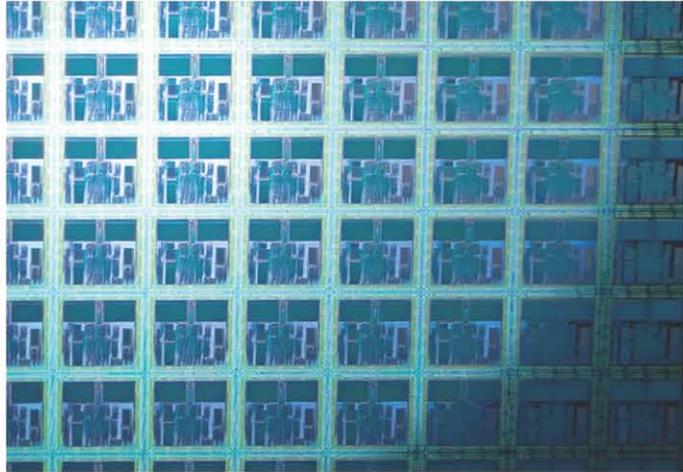


EU 10 | 100 | 20 Factsheet



New European industrial strategy
for micro- and nanoelectronics

June 2013

EU 10|100|20

€ 10 Billion to reinforce European chip manufacturing – new European industrial strategy launched

European Commission Vice-President Neelie Kroes has launched an ambitious strategy to get at least 20% of semiconductor manufacturing back to Europe by 2020. This will be achieved by an unprecedented public/private investment partnership. Please find below an overview of the strategy set forward by Neelie Kroes and the Micro-/Nanoelectronics Industry.

What is Europe's objective: 10/100/20

- € 10 Billion public/private funding for research and innovation
- € 100 Billion from the industry for manufacturing
- 20% of the global chip production market by 2020

What will this strategy do?

- Reverse Europe's declining trend in micro-/nanoelectronics manufacturing
- Focus on Europe's strengths and support cross-border cooperation to create critical mass in knowledge and financing
- Target public-private investment in:
 - » 'More than Moore' on 200mm and 300mm
 - » 'More Moore' on 300mm
 - » 450mm transition
- Facilitate access to financing CAPEX through loans and equities (EU memorandum with European Investment Bank to prioritize key sectors including micro-/nanoelectronics)
- Simplify European state aid rules and allow for large-scale investment in manufacturing
- Create a level global playing field (eliminate market/trade distortions)
- Align EU, national and regional/local financial resources to achieve large-scale investments on agreed common strategic priorities, rather than continue with fragmented low-scale investments across a wide range of activities
- Create and maintain a highly skilled workforce

Who is this strategy targeting?

- Leading manufacturers and research centers
- SMEs (small and medium-sized enterprises): integrate SMEs into value chains and offer them access to the latest technology and state-of-the-art research facilities
- The entire supply and innovation chain: research, design, materials, equipment, manufacturing processes, device makers
- Focus on European clusters of excellence (Dresden, Grenoble, Eindhoven/Leuven) but cooperate with specialized clusters elsewhere

Why is this strategy important?

This is the first clear statement by public authorities in Europe that they are committed to reinforcing semiconductor manufacturing–related investment in Europe.



"I want to double our chip production to around 20% of global production. ... It's a realistic goal if we channel our investments properly... A rapid and strong coordination of public investment at EU, Member State and regional level is needed to ensure that transformation..."

Neelie Kroes, European Commission Vice-President, 23 May 2013

This strategy is more than just a vision -it's a major opportunity for equipment and material suppliers to participate to large-scale investment projects, increase their holding in key technologies and reach out to new customers and markets.

And implementation has already started!

5 new pilot lines were launched in May 2013 under the ENIAC Joint Undertaking (EU public-private funding program), worth over €700 Million and bringing together over 120 partners. These 'pilot lines' allow research centers and companies to cooperate across borders to test and perfect new technologies and tools, such as: technologies and equipment for GaN-based substrates; 450mm equipment and materials; 300 mm power semiconductors; new MEMS materials and packaging; 28/20nm FD SOI.

What public funding is available and where?

Public funding will be available from the EU, national and regional/local budgets. Amounts of funding and investment priorities will be finalized and published by end 2013. The first funding calls are expected in early 2014 at the latest.

Horizon 2020:

EU funding program for Research & Development & Innovation covering a number of sectors, including applications (health, automotive, energy efficiency)

Open to companies, research institutes, universities and public authorities

Overall budget: € 70,2 Billion for period 2014-2017

20% overall Horizon 2020 budget pledged for SMEs

New tri-partite Joint Technology Initiative

(replacing current ENIAC & ARTEMIS programs):

Combines EU and national/regional funds with industry funds

Will mainly fund pilot lines or large-scale demonstrators

Open to design, research, equipment, materials, fabs, device makers

European Regional Funds:

To support clusters and SMEs entrepreneurship; also facilitate access to finance

Accessible to companies and clusters through programs launched by their national/regional authorities.

National/regional contact points available [here](#) or visit:

www.semiconeuropa.org/EU10-100-20

European Social Fund:

To support training and education for staff.

Is my company eligible for EU funding?

Eligibility criteria for the various European funding programs vary in their details.

Some general principles:

- EU funding is available for all companies, both large and small from across the manufacturing supply chain
- Foreign companies are eligible: the EU has international cooperation agreements that allow companies/research centers located abroad to participate to EU funding programs. Foreign companies established within the EU are also eligible. The details for the participation of non-EU companies are specified in each funding program and in the calls for project proposals
- EU funding is also available for research institutes, universities and clusters

How do EU funding programs work?

Each funding program has its own rules and procedures.

Some general principles about EU projects:

- Projects are normally 'co-financed', meaning that the cost of the project is shared by the partner companies and public authorities. So your company must be prepared to cover some of your own costs.
- Novelty is an important selection criterion for EU co-financed projects: you have to be proposing leading-edge R&D and technology.
- EU added-value is another important selection criterion: Proposing a project that will only benefit your company or your region/country will not work. You have to keep in mind the overall European investment priorities and demonstrate that your idea can help achieve these.

An EU funding cycle consists of the following steps:

- The EU sets out a 7 year funding program, outlining the key priorities the program will address, the operating rules and an overall budget
- At least once a year, a call for proposals is published under each funding program. This call outlines the criteria that projects seeking EU co-financing need to satisfy:
 - » what thematic priorities need to be addressed;
 - » minimum number of partners and geographical coverage (how many countries should the partners represent);
 - » overall estimated budget of the project;
 - » criteria that will be applied to select successful projects;
 - » application form and how it should be filled out;
 - » deadline for submitting applications.
- Successful projects are selected and negotiate a project agreement with the managing authority of the funding program (European Commission, national or regional authority, EU agency etc., depending on the program). The agreement lists the objectives of the project, the actions that the project partners commit to, the budget and financial obligations of the partners, the reporting and reimbursement procedures.
- The project launches its activities and regularly reports its progress to the program managing authority. Reimbursement of expenses is subject to successfully implementing the actions that are listed in the project agreement.

Why should I join an EU project?

Many companies, in particular smaller and medium-sized companies (SMEs), perceive EU funding programs as too complex and difficult to access, that place too big an administrative burden for little financial gain.

But the true benefit of EU-funded projects is not in the money you will receive, but in the partnership as such.

When you join an EU-funded project, your company joins a new network, cooperates with companies across the supply chain, some of which will become your new customers, has access to state-of-the-art research facilities and technologies. This is particularly important for small and medium enterprises, that on their own do not have easy access to such facilities and can share the knowledge and financial burden of testing and validating their products.

Is this strategy linked to the Key Enabling Technologies Initiative (KETs)?

The Key Enabling Technologies initiative was launched in 2008 to raise the profile of certain sectors within European policy and funding programs. These sectors are deemed to form the basis for Europe's industrial value chains; by reinforcing KETs, Europe is reinforcing its overall global industrial competitiveness.

The 6 EU Key Enabling Technologies are:

- Micro-/nanoelectronics (including printed electronics)
- Nanotechnology
- Photonics
- Advanced materials
- Industrial biotechnology
- Advanced manufacturing technologies

The EU 10/100/20 strategy addresses this first KET only, i.e. micro-/nanoelectronics, and implements the KETs proposals in this specific sector.

KETs and EU 10/100/20 are aligned: the latter is a more detailed action plan for one of the KETs, micro-/nanoelectronics.

Timeline and Related Links are available online

Please visit our EU10|100|20 website for more details:

www.semiconeuropa.org/EU10-100-20

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