

## **ESIA statement on EU funding for competitiveness: A new approach is needed**

---

The European Semiconductor Industry Association (ESIA), representing the European leadership in semiconductor research, design, and manufacturing, would like to underscore the need for targeted and sustained investment to strengthen Europe's strategic sectors.

Semiconductors are the core of Europe's clean and digital transitions. From automotive and industrial automation to telecommunications, aerospace, defence and healthcare, Europe's future hinges on a robust and innovative semiconductor ecosystem.

The next Multiannual Financial Framework is essential to deliver long-term impact. A potential competitiveness fund should be a tool fit for purpose to invest in key industrial priorities, in which Europe has or can develop a competitive edge. It should reflect the priorities of Europe's semiconductor ecosystem to strengthen its globally leading position. ESIA recommends a new and focused approach to funding with a dedicated budget to pursue the strategic priorities of the semiconductor industry for research, development and manufacturing.

The competitiveness fund must:

1. Focus on the strategic domains of European leadership which includes semiconductors powering AI, secure IoT devices, and advanced materials for electromobility and advanced sensors for autonomous driving, among others.
2. Target industrialization and scaling research rapidly also in nascent areas such as Edge AI and quantum technologies.
3. Strengthen vertical collaboration in Europe in particular, mobility, digital infrastructure, energy grid, industrial automation.
4. Provide an ambitious budget in line with the proposal by Mario Draghi's report "The future of European Competitiveness" for the next R&D framework programme which has to play an important role.
5. Shorten the time-to-grant and provide flexibility as well as agility in projects.

Furthermore, the competitiveness fund should also co-finance IPCEI and other highly strategic projects. It will be equally important that the new financing tool fills the gap between research funding and state aid to bolster Europe's unique innovation capacity.

**For further information:**

[Philipp Saueracker](#)

EU Public Policy Officer

European Semiconductor Industry Association (ESIA)

Tel: + 32 2 290 36 60 • Web: <https://www.eusemiconductors.eu/>

**ABOUT ESIA**

*The European Semiconductor Industry Association (ESIA) is the voice of the semiconductor industry in Europe. Its mission is to represent and promote the common interests of the Europe-based semiconductor industry towards the European institutions and stakeholders in order to ensure a sustainable business environment and foster its global competitiveness. As a provider of key enabling technologies, the industry creates innovative solutions for industrial development, contributing to economic growth and responding to major societal challenges. Being ranked as one of the most R&D-intensive sectors by the European Commission, the European semiconductor ecosystem supports approx. 200.000 jobs directly and up to 1.000.000 jobs indirectly in systems, applications and services in Europe. Overall, micro- and nano-electronics enable the generation of at least 10% of GDP in Europe and the world.*